

Florida

Department of Highway Safety and Motor Vehicles

Division of Motorist Services

PROCEDURE	SUBJECT:		
VSTL-24	APPLICATION FOR CERTIFICATE OF TITLE FOR A VESSEL PURCHASED IN A UNITED STATES GOVERNMENT SALE		
DESCRIPTION AND USE:			
THIS PROCEDURE PROVIDES INFORMATION AND INSTRUCTIONS TO ASSIST TAX COLLECTOR EMPLOYEES, LICENSE PLATE AGENCY EMPLOYEES, AND THE DEPARTMENT OF HIGHWAY SAFETY AND MOTOR VEHICLES IN OBTAINING PROPER DOCUMENTATION TO ISSUE A CERTIFICATE OF TITLE FOR VESSELS PURCHASED AT UNITED STATES GOVERNMENT SALES.			
<p>I. PROVISIONS OF LAW:</p> <p>Section 328.01, Florida Statutes, provides for the titling of vessels previously titled in Florida or in a foreign state. Vessels previously owned by the federal government will be titled to the purchaser under the provisions of this section.</p> <p>II. DOCUMENTATION REQUIRED AND SPECIAL INSTRUCTIONS:</p> <p>A. If the vessel was purchased at a U.S. Government sale, the following documents must be submitted to the tax collector's office to be screened for completeness and accuracy:</p> <ol style="list-style-type: none"> 1. A bill of sale properly executed from the U.S. Government to a Government Liquidation Company showing a complete description of the vessel including the date of sale (See Exhibit C). 2. The Government Liquidation Company must provide a completed form "Certification of Build and Quasi title to Vessel" and a bill of sale to the new purchaser (See Exhibits D and E). <p>NOTE: A lien satisfaction(s) is NOT required.</p> <ol style="list-style-type: none"> 3. A form HSMV 82040, Application for Certificate of Title with/without Registration, or HSMV 82041, Application for Vehicle/Vessel Certificate of Title and/or Registration, accurately completed by the purchaser(s). 4. Florida sales tax or specify the sales tax information on an accurately completed form HSMV 82040, Application for Certificate of Title with/without Registration, or form HSMV 82041, Application for Vehicle/Vessel Certificate of Title and/or Registration. 5. The Florida registration number transferred to or issued for the vessel or a non-use affidavit. 6. Title fees. 			
<i>Revision(s) to this procedure: Revised requirements on page 2 when a vessel has been seized by law enforcement and ultimately resold.</i>			
	EFFECTIVE DATE	REVISION DATE	PAGE #
	01/01/97	11/16/04	VSTL-24-01

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<p>B. If the vessel has been seized by an agent as a result of a law enforcement operation, the following documents must be submitted:</p> <ol style="list-style-type: none">1. A copy of the Federal Court Order of Forfeiture or a Declaration of Forfeiture.2. <u>A bill of sale properly executed from the U.S. Government showing a complete description of the vessel including the date of sale and a selling price.</u> <p>NOTE: A lien satisfaction(s) is NOT required.</p> <ol style="list-style-type: none">3. A form HSMV 82040, Application for Certificate of Title with/without Registration, or HSMV 82041, Application for Vehicle/Vessel Certificate of Title and/or Registration, accurately completed by the purchaser(s).4. Florida sales tax or specify the sales tax information on an accurately completed form HSMV 82040, Application for Certificate of Title with/without Registration, or form HSMV 82041, Application for Vehicle/Vessel Certificate of Title and/or Registration.5. The Florida registration number transferred to or issued for the vessel or a non-use affidavit.6. Title fees. <p>NOTE: When an individual purchases a vessel at a government sale, they must have a certificate of title issued in their name prior to reselling the vessel.</p> <p>C. When a vessel has been seized by the Internal Revenue Service due to non-payment of taxes, the following documents must be submitted:</p> <ol style="list-style-type: none">1. A form 2435, Certificate of Sale of Seized Property, issued from the Internal Revenue Service, accurately completed by an authorized agent for the Internal Revenue Service to the purchaser (See Exhibit E).2. A form HSMV 82040, Application for Certificate of Title with/without Registration, or HSMV 82041, Application for Vehicle/Vessel Certificate of Title and/or Registration, accurately completed by the applicant(s).3. Florida sales tax or specify the sales tax information on an accurately completed form HSMV 82040, Application for Certificate of Title with/without Registration, or form HSMV 82041, Application for Vehicle/Vessel Certificate of Title and/or Registration.	
PAGE # VSTL-24-02	REVISION DATE 11/16/04

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<p>4. Lien satisfaction(s) for any lien(s), as shown on the vessel records of this or any other state, and for any lien(s) listed on the reverse side of the form 2435, Certificate of Sale of Seized Property, if applicable.</p> <p>5. The Florida registration number transferred to or issued for the vessel or a non-use affidavit.</p> <p>6. Title fees.</p> <p>III. MISCELLANEOUS INFORMATION:</p> <p>A. When a vessel is purchased from a U.S. Government sale by an individual, they must establish title in their name before reselling the vessel. However, a dealer may resell the vessel without establishing a title in the name of the dealership.</p> <p>B. A purchase money lien (money used to buy the vessel) <u>is not released</u> by a Certificate of Sale of Seized Property. Seizure of a vessel by the IRS does not relinquish the owner's responsibility of paying off the lien.</p> <p>C. A documentation check list is attached to this procedure as Exhibit A.</p> <p>D. Definitions are attached as Exhibit B.</p> <p>E. A sample of a bill of sale from the U.S. Government is attached to this procedure as Exhibit C.</p> <p>F. A sample of a Certification of Build and Quasi Title to Vessel is attached to this Procedure as Exhibit D.</p> <p>G. A sample of a bill of sale from the Government Liquidation is attached to this procedure as Exhibit E.</p> <p>H. A sample of a form 2435, Certificate of Sale of Seized Property is attached to this Procedure as Exhibit F.</p> <p>I. See Forms Appendix for a sample of the HSMV forms referred to in this procedure.</p>	
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EXHIBIT A

US GOVERNMENT SALE CHECK LIST

(VESSELS SOLD BY THE U.S. GOVERNMENT)

FLORIDA RECORD

OUT-OF-STATE RECORD

_____ HSMV 82040 or HSMV 82041

_____ HSMV 82040 or 82041

_____ A bill of sale properly executed from the U.S. Government to a Government Liquidation Company showing a complete description of the vessel including date of sale (See Exhibit C).

_____ The Government Liquidation Company must provide a completed form "Certification of Build and Quasi Title to Vessel" and a bill of sale to the new purchaser (See Exhibits D and E).

NOTE: A lien satisfaction(s) is NOT required.

_____ Florida sales tax or specify sales tax information on forms HSMV 82040 or HSMV 82041.

_____ Florida registration number or non-use affidavit.

_____ Title fees.

(VESSELS SEIZED BY THE U.S. GOVERNMENT)

When a vessel is seized by law enforcement, the following documents must be submitted:

FLORIDA RECORD

OUT-OF-STATE RECORD

_____ HSMV 82040 or HSMV 82041

_____ HSMV 82040 or 82041

_____ **A bill of sale properly executed from the U.S. Government showing a complete description of the vessel including the date of sale and a selling price.**

_____ One of the following forfeiture documents:

_____ A copy of the Federal Court Order of Forfeiture.

or,

_____ A copy of the Declaration of Forfeiture.

NOTE: Lien satisfactions are not required on forfeitures.

_____ Florida sales tax or specify sales tax information on forms HSMV 82040 or HSMV 82041.

_____ Florida registration number or non-use affidavit.

_____ Title fees.

EXHIBIT A (page 2, cont.)

(SEIZED BY THE INTERNAL REVENUE SERVICE)

When a vessel is seized by the Internal Revenue Service, the following documents must be submitted:

FLORIDA RECORD

OUT-OF-STATE RECORD

- | | | | |
|-------|---|-------|---------------------|
| _____ | HSMV 82040 or HSMV 82041 | _____ | HSMV 82040 or 82041 |
| _____ | Form 2435, Certificate of Sale of Seized Property. | | |
| _____ | Lien satisfaction(s), if applicable. | | |
| _____ | Florida sales tax or specify sales tax information on forms HSMV 82040 or HSMV 82041. | | |
| _____ | Florida registration number or non-use affidavit. | | |
| _____ | Title fees. | | |

EXHIBIT B

DEFINITIONS

CONFISCATE

To seize by authority for the public treasury, usually as a penalty.

SEIZURE

The act of taking by warrant.

DECLARATION OF FORFEITURE

A statement completed by a Federal law enforcement agency, declaring that a vessel has been seized under a specific Federal Statute. This statement must cite the applicable Federal Statute and state that a Federal Court Order of Forfeiture is not required.

FEDERAL COURT ORDER OF FORFEITURE

An order issued in a Federal Court, directing that a confiscated vessel be forfeited for the use and benefit of, or to be sold by a Federal law enforcement agency.

EXHIBIT C

BILL OF SALE

SMALL CRAFT

THE UNITED STATES OF AMERICA (hereinafter referred to as "Seller"), Represented by the Sales Contracting Officer, Defense Reutilization and Marketing Service (DRMS), acting on behalf of the United States, sole owner of the small craft sold as it Number 10, Sale Number DO 139, under DRMS Sales Contract 990001, for consideration of \$ 2,755.74 paid by _____ (hereinafter referred to as the "Buyer"), receipt of which is hereby acknowledged, has sold said small craft and does hereby transfer all right, title and interest to said Buyer, _____ year 1967, hull # TRB5. DTID 11N0017A3301A001

IN TESTIMONY WHEREOF, the seller has executed this instrument at Battle Creek, MI this 22 day of April, 2004.

**UNITED STATE OF AMERICA
BY:**

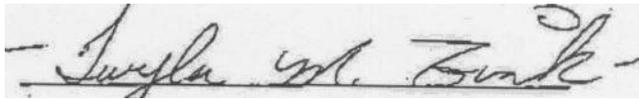
SALES CONTRACTING OFFICER

STATE OF MICHIGAN

COUNTY OF CALHOUN

BE IT KNOWN, that on this 22 day of April, 2004, _____ Sales Contracting Officer, Defense Reutilization and Marketing Service, personally appeared before me, and acknowledged the within instrument to be (his/her) free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my h and seal this 22nd Day of April, 2004,



TWYLA M. ZINK
NOTARY PUBLIC CALHOUN COUNTY MI

EXHIBIT D

Naval Surface Warfare Center
Carderock Division, Norfolk Detachment
Combatant Craft Department

Serial No. 23BIM/Q2639



CERTIFICATION OF BUILD AND
QUASI TITLE TO VESSEL



This is to certify that the records of this Command disclose:

That _____

was built in _____, United States of America

by _____

in the year _____ for the account of the United States Navy

and was disposed of by _____ on _____

to _____

and resold to _____

that from the date of the Department of the Navy acquisition to the date of disposal by the Department of the Navy, the boat had not been under foreign registry, nor had any interest in the boat been foreign; that title was then vested in the United States Navy and that is now impracticable to furnish a builder's certificate and/or bill of sale showing the title to be vested in accordance with the above record.

John M. Mathias
By Direction



EXHIBIT E

GOVERNMENT LIQUIDATION, LLC
Your Direct Source for U.S. Government Surplus
15051 N. Kierland Blvd., Third Floor
Scottsdale, AZ 85254
Telephone Customer Service: (480) 367-1300 Fax: (480) 367-1450
www.govliquidation.com

Sold To: Invoice #: 142209 R1
Invoice Date: 4/8/2004
Phone: Sale #: 1037
Fax: Payment Type:
E-mail:

This Invoice has been Paid In Full

Lot Number: Qty: Description: Price: Price Extended:

Order Number / Type 549697 53

LOT 2218 1 HOOD ENTERPRISES 26FT MK12 MOTOR WHALEBOAT 8FT \$4,050.00 \$4,050.00
BEAM GLASS RE
Located At: VA, Portsmouth, Portsmouth
Buyer's Premium 1 Buyer's Premium \$405.00 \$405.00

Tax Group Summary
Tax Code Tax Rate Amount Taxed Amount
VA2B 0.000 % \$4,455.00 \$0.00

Payment Method: Cashier's Check, Certified Check, Wire Transfer, 0.00 % Sales/Excise Tax:
Credit Card (VISA, Mastercard or American Express)

Payment is due 72 hours after invoice date. Balance Due: \$4,455.00

Please make checks payable to: Government Liquidation, LLC
Send All Checks to: Government Liquidation, LLC Attn: Customer Service
15051 N. Kierland Blvd., Third Floor Voice: (480) 367-1300
Scottsdale, AZ 85254

Remember to include the order number on the check.
NOTICE TO FREIGHT COMPANY: All freight must be billed to consignee. Government Liquidation, LLC will not be held responsible for any freight charges.

Conditions of Sale: Each described article is sold "AS IS", "WHERE IS", and "IN PLACE", without recourse. The purchaser acknowledges that each article purchased was examined and inspected prior to purchase or that the buyer has waived their opportunity to inspect the property, that there has been no covenant of warranty, expressed or implied, arising by law or otherwise with regard to liability, merchantability or operational condition of any article purchased. Safety devices: Articles purchased may not incorporate approved activating mechanisms or operation safety devices.

It is Buyer's responsibility that articles purchased be so equipped and safeguarded to meet OSHA and any other requirements before placing such articles into operation. Indemnification: Buyer agrees to indemnify and hold Government Liquidation, LLC harmless from and against all claims and liabilities relating to the condition or use of the articles purchased or failure of user to follow instructions, warnings or recommendations of the manufacturer, or to comply with federal, state and local laws applicable to such articles, including OSHA requirements, or for proximate or consequential damages, costs or legal expenses arising therefrom, from and after date of sale. Removal thereof shall be made only after both payment in full of the total purchase price and thereafter solely at the Buyer's expense. When necessary for removal as determined by Government Liquidation, LLC, the Buyer shall deliver certificates of insurance occasioned by removal of the subject equipment by the Buyer or Buyer's agents. Property that is not removed within the specified removal period for the sale will be considered abandoned and will be re-lotted into a subsequent sale.

Customers paying by Cashier's Check, Certified Check, Money Order, or Business Check with a Bank Letter of Guarantee are reminded that payment is due in Scottsdale, Arizona at the above address within the stated pay in full dates, and may not be left at the site without prior approval. Merchandise will not be released at the site without an invoice marked "paid in full" and signed by a representative of Government Liquidation, LLC.

Received By (Customer) Date:

EXHIBIT F

"Revised"

Form **2435**
(Rev. January 1998)

Department of the Treasury—Internal Revenue Service
Certificate of Sale of Seized Property

I certify that I sold at public sale the property described below, seized for nonpayment of delinquent internal revenue taxes due from:

Taxpayer's name: _____

Date of sale: _____ Sale held at: _____

_____ in the county of _____

Description of property sold:
(If you need more space, please attach a separate sheet.)

NOTE: If property listed above includes motor vehicles, airplanes, and/or boats, see information on reverse.

The above property was sold at the highest bid received, and receipt of the bid amount is acknowledged. The sale was conducted as provided by Subchapter D, Chapter 64, of the Internal Revenue Code and related regulations.

Sale amount: \$ _____ Purchaser's name _____

Purchaser's address: _____

Revenue Officer's Signature

District

Revenue Officer's Address

Date

Part 1—To Purchaser

Catalog No. 18493Z (over)

Form **2435** (Rev. 1-98)

NOTICE OF ENCUMBRANCES

As of the date of seizure, the following were the senior encumbrances known to us in the property that was seized and sold for nonpayment of Internal Revenue taxes.

Type of Encumbrance or Interest	Amount of Encumbrance or Interest	Date of Instrument Creating Encumbrance or Interest	Date and Place Recorded	Name and Address of Party Holding Encumbrance or Interest	Date of Information

NOTE: The Internal Revenue Service does not warrant the correctness or completeness of the above information, and provides the information solely to help the successful bidder determine possible encumbrances against the property purchased. Bidders should therefore, verify for themselves, the validity, priority, and amount of encumbrances against the property sold.

Notice to Purchaser or Purchaser's Assignee

Personal Property

This certificate transfers to the purchaser all right, title, and interest of the taxpayer in and to the personal property described.

Real Property

If the real property is not redeemed within the time prescribed in section 6337 of the Internal Revenue Code, a deed will be issued as soon as possible after the surrender of this certificate. The deed will convey the right, title, and interest of the taxpayer in and to the real property. Instructions for obtaining a deed are given below.

Redemption Rights

The rights of redemption of real estate after sale, as specified in Code Section 6337(b), are quoted below:

(b) Redemption of Real Estate After Sale.

(1) **Period.**—The owners of any real property sold as provided in section 6335, their heirs, executors, or administrators, or any person having any interest therein, or a lien thereon, or any person in their behalf, shall be permitted to redeem the property sold, or any particular tract of such property, at any time within 180 days after the sale thereof.

(2) **Price.**—Such property or tract shall be permitted to be redeemed upon payment to the purchaser, or in case he cannot be found in the county in which the property to be redeemed is situated, then to the Secretary, for the use of the purchaser, his heirs, or assigns, the amount paid by such purchaser and interest thereon at the rate of 20 percent per annum.

How to Obtain a Deed

If the real estate is not redeemed within the 180-day period, the purchaser or assignee may obtain a deed by surrendering this certificate of sale, either by personal delivery or mail, to:

- (1) The District Director of Internal Revenue for the district in which the property is located, marked for the Attention, Chief, Special Procedures; or
- (2) The address of the Internal Revenue Service office shown on the front of this certificate.

Applicable Sections Under The Internal Revenue Code

SEC. 6338. CERTIFICATE OF SALE: DEED OF REAL PROPERTY

(a) **Certificate of Sale.**—In the case of property sold as provided in section 6335, the Secretary shall give to the purchaser a certificate of sale upon payment in full of the purchase price. In the case of real property, such certificate shall set forth the real property purchased, for whose taxes the same was sold, the name of the purchaser, and the price paid therefor.

(b) **Deed to Real Property.**—In the case of any real property sold as provided in section 6335 and not redeemed in the manner and within the time provided in section 6337, the Secretary shall execute (in accordance with the laws of the State in which such real property is situated pertaining to sales of real property under execution) to the purchaser of such real property at such sale, upon his surrender of the certificate of sale, a deed of the real property by him, reciting the facts set forth in the certificate.

(c) **Real Property Purchased by United States.**—If real property is declared purchased by the United States at a sale pursuant to section 635, the Secretary shall at the proper time execute a deed therefor, and without delay cause such deed to be duly recorded in the proper registry of deeds.

SEC. 6339. LEGAL EFFECT OF CERTIFICATE FOR SALE OF PERSONAL PROPERTY AND DEED OF REAL PROPERTY.

(a) **Certificate of Sale Property Other Than Real Property.**—In all cases of sale pursuant to section 6335 of property (other than real property), the certificate of sale—

(1) As evidence.—Shall be prima facie evidence of the right of the officer to make such sale, and conclusive evidence of the regularity of his proceedings in making the sale; and

(2) As conveyances.—Shall transfer to the purchaser all right, title, and interest of the party delinquent in and to the property sold; and

(3) As a authority for transfer of corporate stock.—If such property consists of stocks, shall be notice, when received, to any corporation, company, or association of such transfer, and shall be authority to such corporation, company, or association to record the transfer on its books and records in the same manner as if the stocks were transferred or assigned by the party holding the same, in lieu of any original or prior certificate, which shall be void, whether canceled or not; and

(4) As receipts.—If the subject of sale is securities or other evidences of debt, shall be a good and valid receipt to the person holding the same, as against any person holding or claiming to hold possession of such securities or other evidences of debt; and

(5) As authority for transfer of title to motor vehicle.—If such property consists of a motor vehicle, shall be notice, when received, to any public official charged with the registration of title to motor vehicles, of such transfer and shall be authority to such official to record the transfer on his books and records in the same manner as if the certificate of title to such motor vehicle were transferred or assigned by the party holding the same in lieu of any original or prior certificate, which shall be void, whether canceled or not.

(b) **Deed of Real Property.**—In the case of the sale of real property pursuant to section 6335—

(1) **Deed as evidence.**—The deed of sale given pursuant to section 6338 shall be prima facie evidence of the facts therein stated; and

(2) **Deed as conveyance of title.**—If the proceedings of the Secretary as set forth have been substantially in accordance with the provisions of law, such deed shall be considered and operate as a conveyance of all the right, title, and interest the party delinquent had in and to the real property thus sold at the time the lien of the United States attached thereto.

(c) **Effect of Junior Encumbrances.**—A certificate of sale of personal property given or a deed to real property executed pursuant to section 6338 shall discharge such property from all liens, encumbrances, and titles over which the lien of the United States with respect to which the levy was made had priority.

(d) **Cross References.**—

(1) For distribution of surplus proceeds, see section 6342(b).

(2) For judicial procedure with respect to surplus proceeds, see section 7425(a)(2).

Part 2—To Purchaser

Form 2435 (Rev. 1-98)