PROCEDURE

TL-70

SUBJECT:

BONDED TITLES

DESCRIPTION:

This procedure provides information and instructions to guide employees and agents of the department in the issuance of a bonded title.

PROVISIONS OF LAW:

Section 319.23(7), Florida Statutes, provides that if a customer for a certificate of title is unable to provide the department a title certificate that assigns the prior owner’s interest in the motor vehicle, the department may accept a bond as prescribed on form HSMV 82033, along with an affidavit prescribed on form HSMV 82026, including a completed VIN verification (HSMV 82042) and application for certificate of title (HSMV 82040).

DOCUMENTATION AND SPECIAL INSTRUCTIONS:

Information from the below procedures may be used when processing a bonded title.

TL-01 Signature Requirements and Identity Affidavits
TL-10 Original Certificate of Title Applications
TL-11 Transfer of Florida Certificates of Title
RS-01 Overview of Motor Vehicle Registration Requirements and Documents
RS-36 Insurance Verification

FORMS:

The forms listed below are used in the transactions described in this procedure:

HSMV 82026, Declaration of facts to Accompany Application for Bonded Title
HSMV 82033, Title Surety Bond for a Motor Vehicle
HSMV 82040, Application for Certificate of Title With/Without Registration
HSMV 82042, Vehicle Identification Number and Odometer Verification Declaration of facts
HSMV 84490, Statement of Builder

Revision(s) to this procedure:  Added links to forms, procedures and statutes. Added Historical Revisions section and included language for acceptance of electronic or embossed seals.

Effective Date:  
Immediately

Revision Date:  
08/29/18
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A. HSMV 82033 – Title Surety Bond for a Motor Vehicle

B. HSMV 82026 – Affidavit to Accompany Application for Bonded Title
GENERAL INFORMATION:

A. A Florida resident or a Florida based business which has exhausted the normal procedures to obtain a valid certificate of title completed for transfer to them from the prior owner may apply for a bonded title.

B. A bonded title cannot be issued if the purchaser has an unpaid balance on their bill of sale or is securing financing for a lien. This applies to a dealer or casual sale.

C. A motor vehicle dealer, recreational vehicle dealer, trailer dealer, auto auction, or lienholder cannot apply for a bonded title.

D. The bond, which shall be equal to two times the retail value of the motor vehicle as established by a current national appraisal guide, such as Kelly Blue Book or NADA, must be issued by a person authorized to conduct a surety business in Florida.

E. The surety company will specify the retail value and the penal sum on HSMV 82033. The title clerk shall verify the penal sum to be twice the amount of the retail value prior to processing the bonded title. If the amount of the penal sum is not twice the amount of the retail value, HSMV 82033 must be rejected.

F. All parts of HSMV 82033 must be completed. If HSMV 82033 contains errors, omissions, or strikeovers, or if information contained on it does not match the information contained on HSMV 82026, HSMV 82033 must be rejected.

G. All parts of HSMV 82026 must be completed however, the Florida title number may be omitted, if this is not known to the purchaser. If the information contained in HSMV 82026 does not match the information contained in HSMV 82033, HSMV 82026 must be rejected. If the purchase price on HSMV 82026 is different from the current retail value shown on HSMV 82033, and the customer does not have a bill of sale, sales tax must be collected on the current retail value.

H. A title shall not be bonded that has a known lien, security interest, or encumbrance against the motor vehicle.

I. When a title carries the brand “Bonded Title” a lien cannot be added to the title.

J. FRVIS will capture the “issue date” of the bond as the effective date and systematically remove the bonded title brand from the title three years from that date. When the brand is removed, the information is still available in FRVIS history.

K. Once the brand has been systematically removed in FRVIS, the customer may request a title without the brand. The title will be issued as a “title modify” and title fees will apply.

L. Surety companies and their agents may use electronic or embossed seals and signatures. Both seals are accepted at the tax collector and license plate agent’s office. Refer to Exhibit A for seal assignment.
MOTOR VEHICLE CURRENTLY TITLED IN FLORIDA

If the motor vehicle has an electronic title, the title cannot be bonded. The customer must comply with the instructions shown in TL-07, Application for Title with Alternate Proof of Ownership and Procedure for Securing a Court Order Awarding Ownership.

If FRVIS shows the motor vehicle has a current Florida title (paper), the transaction will be processed as a transfer. The title will be branded “Bonded Title.” Prior to processing the transaction, the clerk should review the requirements as stated under “General Information.” The following is required:

1. The customer must present proof of identification noted in TL-01-04.
2. HSMV 82040, accurately completed by the purchaser.
3. HSMV 82026, accurately completed by the purchaser.
4. HSMV 82033, accurately completed by the surety company representative and the purchaser.
5. A copy of the computer screen, or page from a current national appraisal guide such as Kelly Blue Book or NADA, reflecting the current retail value of the motor vehicle as shown on HSMV 82033. The copy must be submitted for imaging.
6. Florida sales tax paid or Sales Tax Exemption Certification accurately completed in Section 9 on HSMV 82040. If the motor vehicle was obtained as an even trade or trade down, you must state the facts of the trade including the vehicle identification number and description of the vehicle traded along with the name and address of the owner.
7. Florida license plate number to transfer, or the purchase of a new license plate, or a non-use affidavit.
8. Proof of Florida-based insurance coverage.
9. Title and registration fees.
10. If 30 days or more have passed since the title was signed over to the purchaser and delivery of the motor vehicle was made, the penalty fee must be collected. If the penalty fee is not collected, a comment must be made in FRVIS to explain why it was not required.
STATE OF FLORIDA  
Division of Motorist Services  

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**MOTOR VEHICLE NOT PREVIOUSLY TITLED IN FLORIDA:**

If the motor vehicle was not previously titled in Florida, prior to processing the transaction the clerk should review the requirements as stated under “General Information.” The following is required:

1. HSMV 82042 accurately completed by the applicant(s) with the vehicle identification number verified by one of the four officials specified on the lower portion of the form.  
   Section 8 of HSMV 82040 or HSMV 84490 may be used in lieu of HSMV 82042.

2. The customer must present proof of identification as noted in TL-01-04.

3. HSMV 82040, accurately completed by the purchaser.

4. HSMV 82026, accurately completed by the purchaser.

5. HSMV 82033, accurately completed by the surety company representative and the purchaser.

6. A copy of the computer screen, or page from a current national appraisal guide such as Kelly Blue Book or NADA, reflecting the current retail value of the motor vehicle as shown on HSMV 82033. Copy must be submitted for imaging.

7. Florida sales tax paid or Sales Tax Exemption Certification accurately completed in Section 9 on the HSMV 82040. If the motor vehicle was obtained as an even trade or trade down, you must state the facts of the trade including the vehicle identification number and description of the vehicle traded along with the name and address of the owner.

8. Florida license plate number to transfer, or purchase of a new license plate, or a non-use affidavit.


10. Title and registration fees.

11. If 30 days or more have passed since the title was signed over to the purchaser and delivery of the motor vehicle was made, the penalty fee must be collected. If the penalty fee is not collected, a comment must be made in FRVIS to explain why it was not required.

**Historical Revisions:**

2/1/2017 - Added a Table of Contents, revised wording, and clarified information.

5/1/2013 - Added miscellaneous information on page 3 (A, B, & F), information to Exhibit A and added an Exhibit B.

1/1/2013 – Created a new procedure for Bonded Titles.

PAGE #  
TL-70-05
STATE OF FLORIDA
DEPARTMENT OF HIGHWAY SAFETY and MOTOR VEHICLES
DIVISION OF MOTORIST SERVICES

FLORIDA
A SAFER
HIGHWAY SAFETY AND MOTOR VEHICLES

TITLE SURETY BOND
FOR A MOTOR VEHICLE

KNOW ALL PERSONS BY THESE PRESENTS:

That we, John and Jane Doe

ABC Insurance

That we, John and Jane Doe, as Principal and

a Surety Company,

qualified to do business in the State of Florida, as surety are held and firmly bound unto the duly appointed and qualified Director of the Division of Motorist Services of the State of Florida, and the successors in office of said Director, in the penal sum of $3,000.00, which is twice the value of the vehicle established by a current national appraisal guide (Kelly Blue Book or NADA) for the payment which, well and truly to be made, we do hereby jointly and severally bind ourselves, our heirs, legal representatives, successors and assigns, firmly by these presents:

WHEREAS, the Principal has been unable to provide a certificate of title that assigned the prior owner's interest in the vehicle and has submitted an application and affidavit to the Department of Highway Safety and Motor Vehicles of the State of Florida for a Certificate of Title on this certain vehicle described to wit:

YEAR 1992 MAKE Chevrolet BODY TYPE 4D RETAIL VALUE: $1,500.00

AND WHEREAS, the Principal and Surety herein desire to comply with the provisions of Florida Statute 319.23(7) to submit a properly executed surety bond conditioned as set forth below.

THE CONDITIONS OF THIS OBLIGATION ARE SUCH THAT:

If the aforesaid Principal shall indemnify all prior owners and lienholders and all subsequent purchasers of the vehicle or persons who acquire a security interest in the vehicle, and their successors in interest, against any expense, loss, or damage, including reasonable attorney fees, occurring because of the issuance of the certificate of title for the vehicle or for a defect in or undisclosed security interest on the right, title, or interest of the applicant to the vehicle, this obligation shall be void; otherwise, it shall remain in full force and effect. This bond to be effective on the 14 day of December, 2012, and to expire three (3) years from the effective date of said bond.

PROVIDED, HOWEVER, that an interested person has a right to recover on the bond for a breach of the bond's condition. The aggregate liability of the surety to all persons may not exceed the amount of the bond.

IN WITNESS WHEREOF, the above bounden parties have executed this bond under their several seals this 14 day of December, 2012, the name and corporate seal of each corporate party being affixed hereto and these presents duly signed by its undersigned representatives, pursuant to authority of its governing body. This bond is null and void unless signed by the Principal and Surety. When executed by an attorney-in-fact, the power of attorney (original copy) must be attached. Any alteration of this document necessitates the issuance of a new bond or an attached amendment from the Surety Company.

John & Jane Doe

SIGNATURE OF PRINCIPAL (OWNER)

ABC Insurance

SIGNATURE OF PRINCIPAL (CO-OWNER, if applicable)

123 Main Street

ADDRESS OF SURETY BOND COMPANY

Anytown, FL 31111

CITY/STATE/ZIP CODE

(850) 000-0000

TELEPHONE NUMBER

Larry Brown

SIGNATURE OF SURETY AGENT (SEAL)

ABC Insurance

SIGNATURE OF SURETY AGENT

123 Main Street

ADDRESS OF SURETY BOND COMPANY

Anytown, FL 31111

CITY/STATE/ZIP CODE

(850) 000-0000

TELEPHONE NUMBER
EXHIBIT B
(Example)

AFFIDAVIT TO ACCOMPANY APPLICATION FOR BONDED TITLE

1. MOTOR VEHICLE DESCRIPTION

<table>
<thead>
<tr>
<th>Year</th>
<th>Make/Manufacturer</th>
<th>Type of Vehicle (i.e., car, truck, trailer)</th>
<th>Body Type (4D, SW, etc.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992</td>
<td>Chevrolet</td>
<td>Car</td>
<td>4D</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Florida Title Number</th>
<th>Vehicle Identification Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>12345678</td>
<td>1G1WL23E8NL141307</td>
</tr>
</tbody>
</table>

2. AFFIDAVIT OF VEHICLE OWNERSHIP

<table>
<thead>
<tr>
<th>Printed/Typed Name of the Applicant/Owner</th>
<th>Printed/Typed Name of the Co-Applicant/Owner, if applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Doe</td>
<td>Jane Doe</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date the Vehicle was Acquired (approximate date if actual date is not known)</th>
<th>Current Retail Value of the Motor Vehicle</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/02/2012</td>
<td>1,500.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Printed/Typed Name of Prior Owner/Seller</th>
<th>Address of Prior Owner/Seller, if known</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jack Brown</td>
<td>3 Canary Dr., Anytown, FL 32222</td>
</tr>
</tbody>
</table>

Explain in detail why you do not have the title to the motor vehicle and what attempts you have made to contact the previous owner to obtain a duplicate title for transfer. If motor vehicle was obtained as an even trade or trade down, you must state the facts of the trade including the vehicle identification number and description of the vehicle traded along with the name and address of the owner. Section 9 of HSMV 82040 must be completed.

Example: We purchased the above described vehicle from Jack Brown on 11/02/2012 for $1200. Mr. Brown gave us the title at the time we bought the car. When we got to the tax collector’s office to get a title and tag, we were unable to locate the title. We have attempted to contact Mr. Brown by phone to help us obtain a duplicate and he has not responded. When we returned to Mr. Brown’s home he no longer lived at that address.

1. This is to certify that I/We are the owner(s) of the above described vehicle.
2. I/We obtained ownership and possession of the vehicle from the above named prior owner/seller.
3. I/We certify that to my/our knowledge there are no known liens, security interests, or encumbrances against the motor vehicle.
4. The facts as stated above entitle me/us to possession and ownership of the motor vehicle.

UNDER PENALTY OF PERJURY, I DECLARE THAT I HAVE READ THE FOREGOING DOCUMENT AND THAT THE FACTS STATED IN IT ARE TRUE.

John Doe 12/14/2012

Jane Doe 12/14/2012