

There are generally a couple of ways for you to wind up with a salvaged vehicle.

The first is to buy one. If this is the case the vehicle in question will (hopefully) already have a salvage title issued for it and the document will simply need to be transferred into your name. If you are buying heaps of totalled vehicles at an insurance auction or the like, you may need to apply for the salvage certificate on your own.

The second is to already own the vehicle and end up doing damage to it that is so significant that to repair the vehicle would be more than what it is worth on the market. Usually these vehicles become the domain of insurance companies that settle with clients involved in accidents and the like and take possession of the vehicle. Then the companies sell them off to those that buy salvage vehicles and auction them off or fix them up and resale them.

The latter is when things can get a bit murky or even shady. Thus it is important for any buyer of a used car to be completely aware and do a thorough check on the vehicle's history before agreeing to buy it.

You may also total your vehicle and still end up keeping it. This is rare, but it does happen. Essentially, the insurance company will still take the title (if the vehicle is less than seven years old) and send it to the Motor Vehicle Administration (MVA) along with a completed application stating "owner retention." The MVA will in turn issue you a list of options you will need to take.

But in the end, no matter how you end up with a salvaged vehicle there are just so many things you can do with it legally.

Defining Salvage

Salvage can mean a few things, but the one common denominator between them all is that the vehicle in question is damaged beyond its fair market value. This means that it would cost more to repair the car than the amount you could get for it if you sold it (undamaged).

The causes of this damage can run the gamut from fire or flood to accident or vandalism. The end result of this damage can also fall under the definition of salvage, especially if the vehicle ends up in the hands of the insurance company or at a scrap yard to be used as parts.

The Salvage Title

When you have a vehicle that meets the above definition, you need to apply for a salvage certificate. The certificate allows you to do a number of things with the vehicle, ranging from scrapping it for parts to rebuilding it for resale.

On the application you will provide the reason for the vehicle being salvaged, which will ultimately state what you intend to do with it. Plus, you will need to fill in the purchase price you paid, take an odometer reading, and write in the vehicle identification number (VIN). Your old title will need to be turned in with the application.

The fee for a salvage certificate is \$20.

Salvage Title to Regular Title

You cannot operate a vehicle on the roads and highways of Maryland if it has a salvage certificate. This is the reason an insurance company is required to so quickly send in an application and the title to the MVA if you retain the vehicle. The MVA seeks to ensure the vehicle is accounted for as salvage. This measure is to prevent the vehicle from being repaired and sold with the existing title, without a record of the salvage state.

But it is possible for you to rebuild or repair the vehicle and apply for a regular used vehicle title. However, you will have to go through a few steps to get everything in order for the return to the road.

Salvage Inspection

The initial step once the vehicle is repaired and ready to debut is to undergo a salvage inspection. The Maryland State Police (MSP) handle this task and you can make an appointment at just about any field station throughout the state. You'll be charged a \$25 inspection fee when making the appointment.

The main MSP safety division, which happens to be next to the MVA hub, can also take care of the inspection.

To have the inspection you will need:

Salvage certificate

Salvage vehicle

Driver license

If the vehicle is deemed road-competent, the salvage certificate will get a passing stamp and you can move to the next phase, which entails going through the regular titling and registration process. The one difference is that the new title issued will note the vehicle history with a "rebuilt from salvage" imprint.

Vehicle Safety Inspection

Go to an MVA office and request a temporary registration permit, which is \$20. This will give you 30 days to take care of the main registration hurdle?the vehicle safety inspection.

Upon a successful inspection you will be issued an inspection certificate. Of course, if something hinders the passing you will need to repair it and go through the inspection again.

Final Steps

You are now ready to go to a full-service MVA office and apply for the title and registration. Make sure to bring:

Salvage certificate with inspection stamp

Completed Application for Title with evidence the vehicle is properly insured

Safety inspection certificate

Bill of sale with the purchase price on it

Odometer reading if not on the bill of sale or the salvage certificate

The title fee is \$100.