

Many of us associate "salvage" vehicles with repair yards full of abandoned cars culled for parts before being crushed into metal cubes and shipped off for recycling. You certainly wouldn't want to buy one of those for your daily commute. In fact, New York's laws ensure that you won't by requiring the titles of cars designated as salvage to clearly say so on the certificate. This is called a "branded title."

What does it take for a vehicle to be declared salvage? A more familiar term might be "totaled"—a vehicle whose damage would cost more to repair than the car is worth. New York's Department of Motor Vehicles must brand the title of a vehicle eight years old or newer that the owner certifies was either destroyed or received damage worth 75% of its retail value such as a car that was mangled in a crash.

The purpose of the branded title is to alert any subsequent buyer that the vehicle, which may have had body repairs and a new paint job to mask the trauma, in fact has a checkered past.

But if a seller fixes up a salvage vehicle to look nice again, and it runs OK, so what if you bought it without knowing its history? Well, it's very difficult to return to alignment a car that has been twisted. Not only may the seals and joints never line up again, but some salvage vehicles sustain such serious damage to their frames and are so badly repaired that they have been known to break in half in the event of a minor collision or even a deep pothole (this can happen when the front of one car is welded to the rear of another).

Therefore, the New York DMV protects consumers by issuing a salvage title and requiring sellers to disclose vehicle damage, even if the damage was repaired. If the title or damage disclosure indicates the vehicle was destroyed or damaged, the DMV will not issue a new title to the new owner until its investigators have inspected the vehicle to make sure neither the car nor its parts were stolen. Repaired vehicles that pass such an examination may then be issued a "rebuilt salvage" title.

This leads us to the other side of the salvage issue: Not all vehicles that have been declared salvage are worthless, and in many cases they may be repaired and put back on the road with no ill consequences. There are cases where damage that was too expensive for the insurance company was relatively minor or even cosmetic such as a car caught in an epic hailstorm. This is where a rebuilt salvage title comes in. As long as it passes New York's normal safety and emissions inspections, you're good to go.

How to Salvage a Vehicle

You might be the one deciding to salvage the vehicle, but in many cases your insurance company will make that decision for you and take possession of the car. If you dispose of the vehicle yourself by selling it or otherwise transferring the title, you should fill out the damage disclosure statement on the back of your title indicating that the vehicle has been wrecked, damaged, or destroyed to where repairs would cost at least 75% of its retail value.

If the reverse of your title doesn't contain the odometer and damage disclosure statement, use Form MV-103. Failure to disclose the damage to a buyer can result in a \$2,000 fine plus additional penalties.

How to Recommission a Salvage Vehicle

When the title certificate or Form MV-103 indicates the vehicle has been destroyed or damaged, you will need to take either of those documents to a local DMV office along with proof of sales tax paid or purchase price in order to title and register the vehicle.

If necessary, you'll pay the sales tax and the DMV will issue you a Form FS-6T stating that you have paid. The DMV will then need to inspect the vehicle for stolen parts before issuing you a new title. To apply for the inspection, title, and registration, compile the following paperwork (Form MV-899 has more detailed instructions about the paperwork and fees):

Title certificate, or Form MV-103 if the title does not include the disclosure statement

Sales tax receipt (Form FS-6T)

Form MV-82 (Vehicle Registration/Title Application)

Form MV-899 (Application for Salvage Vehicle Examination)

Personal check to "Commissioner of Motor Vehicles" for \$200 (or \$205 if you submit anything other than an MV-907A as proof of ownership, as explained on salvage application)

Send the above to:

Auto Theft & Salvage, DFI

P.O. Box 2105

Empire State Plaza

Albany, NY 12220-0105

The DMV's Division of Investigators Auto Theft Unit will make an appointment to examine the vehicle for stolen parts. If it passes the inspection and the DMV issues a title, it will be branded as rebuilt salvage. This branding will appear on every title for the rest of the vehicle's life; New York will never issue a "clear" title for a vehicle that has been salvaged.

The DMV website has contact information for the various state examination facilities. It also offers details on transporting your vehicle to the test location and how to prepare for the test.

If the vehicle also passes the safety and emissions inspections, the DMV will issue a registration. A vehicle that was titled as rebuilt salvage in another state will still need a DMV inspection to be titled and registered in New York.