

**MICHIGAN VEHICLE CODE (EXCERPT)**  
**Act 300 of 1949**

**257.233a Transfer of title or interest in vehicle; disclosure of odometer mileage; electronically signed odometer disclosure statement; electronic system; transfer of ownership; "private parties" defined.**

Sec. 233a.

(1) Except as otherwise provided in subsection (17), if the owner of a registered motor vehicle transfers the owner's title or interest in that vehicle, the transferor shall present to the transferee before delivery of the vehicle, written disclosure of odometer mileage by means of the certificate of title or a written statement signed by the transferor including the transferor's printed name, containing all of the following:

- (a) The odometer reading at the time of transfer, not including the tenths of a mile or kilometer.
  - (b) The date of transfer.
  - (c) The transferor's name and current address.
  - (d) The transferee's name and current address.
  - (e) The identity of the vehicle, including its make, model, body type, year, and vehicle identification number.
  - (f) A reference to this section and comparable federal law, and a statement that failing to complete the title or form or providing false information may result in civil liability and civil or criminal penalties being imposed on the transferor.
  - (g) One of the following:
    - (i) A statement by the transferor certifying that to the best of the transferor's knowledge the odometer reading reflects the actual mileage of the vehicle.
    - (ii) If the transferor knows that the odometer reading reflects the amount of mileage in excess of the designed mechanical odometer limit, a statement to that effect.
    - (iii) If the transfer knows that the odometer reading differs from the mileage and the difference is greater than that caused by odometer calibration error, a statement that the odometer reading does not reflect the actual mileage and should not be relied on. This notice must include a warning notice to alert the transferee that a discrepancy exists between the odometer and the actual mileage.
  - (h) Space for the signature and printed name of the transferee, and the date of presentation to the transferee.
- (2) A certificate of title and a dealer reassignment form must contain a place for the information required by subsection (1)(a) to (h). If the vehicle is not titled or the title does not contain a space for the required information, a written statement must be provided as a separate document.
- (3) A dealer selling or exchanging vehicles required to be titled under this act shall present the certificate of title or written statement and any reassigned titles in the dealer's possession to the transferee. The transferee or the transferee's agent shall inspect, print the transferee's or transferee's agent's name on, sign, and date the certificate or statement and return it to the transferor for submission to the secretary of state. If neither the transferee nor transferor is a dealer licensed under this act, completing the odometer information on the certificate of title must be considered to comply with subsection (1). A person shall not sign an odometer disclosure statement as both the transferor and transferee in the same transaction.
- (4) A new or used vehicle dealer shall obtain from the transferor a completed odometer mileage statement that meets the requirements of subsection (1) with each motor vehicle acquired by the dealer. Except as provided in subsection (16), the dealer shall not accept or provide an odometer mileage statement or a title that contains a place for odometer information that has not been completely filled in by the transferor.
- (5) The odometer information described in subsection (1) must not be required for any of the following:
- (a) Vehicles having a gross vehicle weight rating of more than 16,000 pounds.
  - (b) A vehicle that is not self-propelled.
  - (c) A vehicle manufactured in or before the 2010 model year that is transferred at least 10 years after January 1 of the calendar year that is included in the model year in which the vehicle is manufactured.
  - (d) A vehicle manufactured in or after the 2011 model year that is transferred at least 20 years after January 1 of the calendar year that is included in the model year in which the vehicle was manufactured.
  - (e) A new vehicle transferred from a manufacturer to a dealer.
  - (f) A vehicle sold directly by the manufacturer to an agency of the United States in conformity with contractual specifications.
  - (g) A low-speed vehicle.
  - (h) A scrap vehicle.
- (6) A person shall not alter, set back, or disconnect an odometer; cause or allow an odometer to be altered, set back, or disconnected; or advertise for sale, sell, use, install, or cause or allow to be installed a device which causes an odometer to register other than the actual mileage driven. This subsection does not prohibit the service, repair, or replacement of an odometer if the mileage indicated on the odometer remains the same as before the service,

repair, or replacement. If the odometer is incapable of registering the same mileage as before the service, repair, or replacement, the odometer must be adjusted to read zero and a notice in writing must be attached to the left door frame of the vehicle by the owner or the owner's agent specifying the mileage prior to service, repair, or replacement of the odometer and the date on which it was serviced, repaired, or replaced. A person shall not remove, deface, or alter any notice affixed to a motor vehicle under this subsection.

(7) A person who violates subsection (6) is guilty of a felony.

(8) Before executing a transfer of ownership document, a lessor of a leased vehicle shall notify the lessee in writing that ownership of the vehicle is being transferred and that the lessee is required to provide a written statement to the lessor regarding the mileage of the vehicle. This notice must inform the lessee of the penalties for failure to comply with the requirement.

(9) Upon receiving notification from the lessor of a leased vehicle that ownership of the vehicle is to be transferred, the lessee shall furnish to the lessor a written statement regarding the mileage of the vehicle. This statement must be signed by the lessee and must contain all of the following:

- (a) The printed name of the person making the statement.
- (b) The current odometer reading, not including tenths of miles.
- (c) The date of the statement.
- (d) The lessee's name and current address.
- (e) The lessor's name and current address.
- (f) The identity of the vehicle, including its make, model, year, body type, and vehicle identification number.
- (g) The date that the lessor notified the lessee of the requirements of this subsection.
- (h) The date that the completed disclosure statement was received by the lessor.
- (i) The signature of the lessor.
- (j) One of the following:

(i) A statement by the lessee certifying that to the best of the lessee's knowledge the odometer reading reflects the actual mileage of the vehicle.

(ii) If the lessee knows that the odometer reading reflects the amount of mileage in excess of the designed mechanical odometer limit, a statement to that effect.

(iii) If the lessee knows that the odometer reading differs from the mileage and that the difference is greater than that caused by odometer calibration error, a statement that the odometer reading is not the actual mileage and should not be relied on.

(10) If the lessor transfers a leased vehicle without obtaining possession of the vehicle, the lessor may indicate on the certificate of title the mileage disclosed by the lessee under subsection (9), unless the lessor has reason to believe that the mileage disclosed by the lessee does not reflect the actual mileage of the vehicle.

(11) A dealer that is required by this section to execute an odometer mileage statement shall retain for 5 years a photostatic, carbon, or other facsimile copy of each odometer mileage statement the dealer issues or receives. The dealer shall retain the odometer mileage statements at the dealer's primary place of business in an order that is appropriate to business requirements and that permits systematic retrieval.

(12) A lessor shall retain, for 5 years following the date of transfer of ownership of each leased vehicle, the odometer mileage statement received from the lessee. The lessor shall retain the odometer mileage statements at the lessor's primary place of business in an order that is appropriate to business requirements and that permits systematic retrieval.

(13) An auction dealer or vehicle salvage pool operator shall establish and retain at the auction dealer's or vehicle salvage pool operator's primary place of business in an order that is appropriate to business requirements and that permits systematic retrieval, for 5 years following the date of sale of each motor vehicle, the following records:

- (a) The name and the most recent owner, other than the auction dealer or salvage pool operator.
- (b) The name of the buyer.
- (c) The vehicle identification number.

(d) The odometer reading, not including the tenths of a mile, on the date the auction dealer or salvage pool operator took possession of the motor vehicle.

(14) A violation of subsection (1) or (6) by any dealer licensed under this act is prima facie evidence of a fraudulent act as provided in section 249.

(15) A person who, with intent to defraud, violates any requirement under subsection (1) or (6), or a dealer that fails to retain for 5 years each odometer mileage statement the dealer receives and each odometer mileage statement furnished by the dealer upon the sale of a vehicle, is liable in an amount equal to 3 times the amount of actual damages sustained or \$1,500.00 whichever is greater, and in the case of a successful recovery of damages, the costs of the action together with reasonable attorney fees.

(16) For the purposes of this section, the department may accept an electronically signed odometer disclosure document that complies with all of the following:

(a) Is submitted on a form that is approved by the department.

(b) Is electronically signed using software that provides antitamper and identification verification technology and is approved for this use by the department.

(c) Is otherwise fully compliant with 49 CFR part 580.

(17) The department may establish, implement, and operate an electronic system to process the notification and transfer of a vehicle ownership interest between private parties through an electronic transfer instead of the collection of paper documents otherwise required under this act. If the electronic system is established, a private party that uses the electronic system shall comply with any requirement of this section that the department determines is necessary and provide any information that is required by the department. The department may enter into 1 or more contracts to establish, implement, and operate the electronic system under this subsection. The contract must require the protection of proprietary information contained in the electronic system and other information as protected under this act.

(18) As used in this section, "private parties" means that both a vehicle's buyer and seller are not a dealer.

**History:** Add. 1974, Act 367, Eff. Apr. 1, 1975 ;-- Am. 1988, Act 470, Eff. Apr. 1, 1989 ;-- Am. 2000, Act 82, Eff. July 1, 2000 ;-- Am. 2020, Act 304, Imd. Eff. Dec. 29, 2020 ;-- Am. 2022, Act 224, Eff. Jan. 23, 2023 ;-- Am. 2023, Act 240, Eff. Feb. 13, 2024

**Compiler's Notes:** In subsection (1)(g)(iii), the term "transfer" evidently should read "transferor."