ALABAMA DEPARTMENT OF REVENUE
ADMINISTRATIVE CODE

CHAPTER 810-5-1
VEHICLE REGISTRATION

810-5-1-.211 Motor Vehicle Registration Periods, Delinquency, Penalty And Interest Charges.

(1) Registration During Designated Renewal Period.

(a) All motor vehicles, other than those registered pursuant to the International Registration Plan provided in §32-6-56, Code of Ala. 1975, shall be renewed in the designated renewal month as provided in §32-6-61, Code of Ala. 1975.

(b) If the last day of the designated renewal month falls on a Saturday, Sunday, holiday, or any other day that the licensing office is closed, the motor vehicle registrant may register his or her vehicle the next business day without penalty and interest charges.

(c) Alabama license issuing officials may send renewal notices to persons previously registering their motor vehicles in that county. The failure of the license issuing official to offer this service, or the failure of the renewal notice to be received by the motor vehicle owner does not negate the penalty or interest charges levied under Alabama law for a delinquent registration.

(2) Twenty-day (20-day) Registration Grace Period from Date of Acquisition or Purchase.

(a) Registrants have 20 days from date of purchase or acquisition to register a newly acquired motor vehicle without penalty or interest. In determining the 20-day penalty or interest free grace period, the day the vehicle was actually acquired is not included in the calculations. Thus, license issuing officials, in calculating the 20-day grace period must begin counting using the day following the purchase or acquisition date.

(b) Determining the Acquisition Date of a Motor Vehicle.

1. It is the responsibility of the person acquiring a motor vehicle to prove to the satisfaction of the license issuing official the date the motor vehicle was acquired.

2. When the date of acquisition is different from the date of purchase, and the registrant can provide documentation to the license issuing official that the

newly acquired motor vehicle was not received by the owner until a date subsequent to the purchase date, penalty and interest will not be charged if the motor vehicle is registered within the 20-day grace period of the acquisition date. (Example: Someone acquiring a new truck from a dealership, as part of the purchase contract, requires the dealer to paint the truck and add special equipment, and such changes result in the new owner not taking possession of the truck until several days after the date shown on the title application as the purchase date.)

3. When the registrant can provide documents to the license issuing official that prove the motor vehicle was delivered by the seller and not subsequently operated on the public highways prior to the motor vehicle being registered, then no late registration penalty or interest will be charged. (Example: a purchaser acquires a motor vehicle, and has it delivered by the selling dealership to their location, and it is stored until the purchaser needs to place the motor vehicle into service.)

4. If a person leases a motor vehicle or leases a motor vehicle with the option to purchase, the lease date is the date of acquisition, and the registration fee liability attaches on the lease date, unless the lessor or lessee can provide evidence that the lessee did not receive control and possession of the motor vehicle on the lease date.

5. In calculating the 20-day grace period, if the 20th day falls on a Saturday, Sunday, holiday, or any day that the licensing office is closed, the motor vehicle owner may register his or her vehicle the next business day without penalty and interest charges.

6. Registrants issued a current and valid Alabama temporary license plate before the 20-day grace period expires, are not to be charged penalty and interest if the motor vehicle is registered while the temporary plate remains valid as long as the temporary plate was acquired prior to the delinquent period.

7. Registrants issued a current and valid temporary license plate in another jurisdiction are not charged penalty and interest while the temporary plate is valid, even if the 20th day occurs before the temporary plate expires.

8. If an Alabama resident acquires a motor vehicle in another state, and operates the motor vehicle in that jurisdiction, or outside the State of Alabama, for days, weeks, or months, perhaps using temporary plates from the

jurisdiction where motor vehicle was purchased, the 20-day grace period begins on the day following the date the motor vehicle enters the State of Alabama, as the registration fee liability attaches upon motor vehicle operation upon Alabama public highways.

9. Under provisions of the Alabama Certificate of Title and Antitheft Act, a salvage motor vehicle may be rebuilt and operated on the public highways after it has been inspected by the department and a rebuilt title has been issued. The registrant has a 20-day grace period from the date shown on the subsequent application for certificate of title to register the rebuilt motor vehicle and not incur penalty or interest charges unless the registration fee liability does not attach. (Example: The rebuilt motor vehicle is acquired by and immediately placed into dealer inventory.)

10. Motor Vehicles used exclusively on private property and not on the "public highway" as that term is defined in §40-12-240, Code of Ala. 1975, are not required to be registered. However, in the event the owner needs to operate the motor vehicle on the public highways, the owner must first register the motor vehicle. There is no 20-day grace period in such cases. Penalty and interest are due at registration when the motor vehicle is operated on the public highways without the registration first having been obtained. The penalty and interest would be calculated from the date the motor vehicle was purchased or date of acquisition. Motor vehicle operation on the public highways does not include movement directly from one side of a public highway to the opposite side of the highway (for example, to move the motor vehicle from plant sites directly across the highway from each other).

11. Motor Vehicles where the manufacture elects to sell or lease with the option to purchase a motor vehicle to the employee of the manufacturer or direct to a retail customer, the liability for registration fees would begin at the date of purchase or acquisition, with the purchaser having the 20-day grace period to acquire registration.

(3) Transfer of a License Plate to Newly Acquired Vehicle within Twenty-day (20-day) Registration Grace Period. An owner of a newly acquired motor vehicle may register the motor vehicle within the 20-day grace period by transferring the current and valid registration from a motor vehicle if the owner can document to the satisfaction of the license issuing official that the previously owned motor vehicle was sold or otherwise disposed of prior to the acquisition of the new motor vehicle or if the owner can document to the satisfaction of the license issuing official that the previously registered motor vehicle was junked or destroyed

thereby rendering it inoperable, even if he or she continues to own the vehicle. Otherwise, pursuant to the provisions of §40-12-260, Code of Ala. 1975, the registration cannot be transferred to the newly acquired motor vehicle. Instead, the owner of the newly acquired motor vehicle must obtain a new registration within the 20-day grace period registration.

(4) Ownership Documentation During Twenty-day (20-day) Registration Grace Period.

(a) During the 20-day grace period, a newly acquired motor vehicle may be operated without a current and valid Alabama license plate being displayed on the vehicle, provided that the owner has not secured a new registration for the vehicle. However, in accordance with the provisions of §40-12-260, Code of Ala. 1975, during the 20-day grace period from purchase date or acquisition date, the operator of the newly acquired motor vehicle must retain with the vehicle the ownership document(s) (i.e., temporary tag, Alabama application for certificate of title, or bill of sale) authorized in these law subsections for possible presentation to law enforcement.

(b) If the newly acquired motor vehicle is a truck or truck tractor with a gross weight exceeding 12,000 pounds, or is a commercial bus, while the registration may be secured without penalty during the 20-day grace period following the date of purchase or acquisition, operation of the truck, truck tractor or commercial bus on the public highways, without a current and valid license plate may subject the operator to law enforcement sanctions; particularly, if the motor vehicle is operated outside the State of Alabama.

(5) Registration of a Motor Vehicle Removed from Inventory and Used as a Rental. If a licensed motor vehicle dealer removes a motor vehicle from their motor vehicle sales inventory to be used as a daily rental motor vehicle, the motor vehicle dealer must certify to the license issuing official the date that the vehicle was placed into the rental inventory, or the date that the motor vehicle was first used as a rental motor vehicle, whichever date is first, in order for the issuing official to determine if delinquency penalty and interest charges accrue. This same requirement is applicable if the vehicle is removed from dealer inventory for use as a service vehicle, etc.

(6) Penalty and Interest for Delinquent Registration.

(a) The penalties associated with the late registration of a motor vehicle, other than a trailer, are codified in §§32-6-65 and 40-12-260, Code of Ala. 1975.

(b) Penalty for Failure to Timely Register or Renew a Motor Vehicle.

1. §32-6-65, Code of Ala. 1975, provides for a $15 penalty for anyone failing to renew his or her motor vehicle

2. §32-6-65, Code of Ala. 1975, provides for a $15 penalty for "the failure to register the motor vehicle within 20 calendar days of the date of purchase or acquisition" applies when the motor vehicle owner has no current and valid Alabama license plate that can be transferred to the newly acquired vehicle. A motor vehicle owner that has a current and valid Alabama license plate which was removed from a motor vehicle that was sold, junked or destroyed, and fails to transfer said license plate to the newly acquired motor vehicle within the 20-day grace period of the purchase or acquisition, will be subject to only the transfer penalty imposed under §40-12-260, Code of Ala. 1975.

(c) Penalty for Late Registration of Trailers. The penalty provisions for trailers are codified in §40-12-10, Code of Ala. 1975. The penalty section provides for a late registration penalty of 15% of the amount of the license but not less than $1.50.

(d) Pursuant to §40-12-10, Code of Ala. 1975, a license issuing official is required to collect accrued interest when issuing a delinquent motor vehicle registration. Interest due for the late registration of a motor vehicle is codified in §40-1-44, Code of Ala. 1975. The interest is computed based on the underpayment rate established by the Secretary of the Treasury under the authority of 26 U.S.C. §6621 and is published quarterly by the department.

(7) Penalty for Incorrect or Improper License Plate Class Citations.

(a) §40-12-249, Code of Ala. 1975, provides for a 25% penalty on the difference between fees paid and fees due when someone is cited with operating a motor vehicle with the incorrect class of license plate. This penalty refers to situations where the registrant's motor vehicle is improperly registered with a lower weight license plate category than required, or when the registrant is operating a motor vehicle with one class license plate when another class license plate is required.

(b) The operator of a motor vehicle being operated during the renewal month(s), after the previous registration expires with an improper class license plate, can be cited for improper license plate for the full previous registration year with credit for the license previously obtained, with the 25% penalty applicable to the net amount due. Additionally, the registrant of the motor vehicle would owe registration fees

for the proper classification of license plate for the current registration period.

(c) A person that acquires a motor vehicle in a month other than their designated renewal month and registers it with an improper classification license plate will be subject to the 25% penalty. The 25% penalty will be based on the difference between the prorated fees for the license plate classification that should have been obtained beginning for the month the motor vehicle was acquired, and the prorated fees for the license plate classification that was obtained.

(d) §40-12-10, Code of Ala. 1975, authorizes the collection of a citation fee when a "Notice to Obtain License Plate" is issued, and requires that the issuing official collect the citation fee "before issuing any license."

(e) The term "citation" as used in §40-12-249, Code of Ala. 1975, refers to the "Notice to Obtain License Plate" as authorized in §40-12-10, Code of Ala. 1975, and does not refer to Uniform Traffic Tickets.

(8) Exemptions from Penalty and Interest.

(a) Generally, a motor vehicle that is exempt from registration fees or ad valorem taxes is not automatically exempt from penalty and interest charges. However, penalty provisions found in §§32-6-65 and 40-12-260, Code of Ala. 1975, and the accrued interest are not applicable when the following registrations are issued:

1. A motor vehicle is owned by persons exempt from "charges of any nature whatsoever", such as those entities exempt under §40-9-12, Code of Ala. 1975.

2. State, county, municipal government, Public Utility Department vehicles. Vehicles owned by volunteer fire department license plates as authorized under §40-12-250, Code of Ala. 1975.

3. U.S. Government Loaned Vehicles.

4. Dealer, motorcycle dealer, manufacturer and dealer transit license plates (see §40-12-264, Code of Ala. 1975).

5. Temporary license plates.

(b) If the last day of the registrant's renewal month(s) falls on a Saturday, Sunday, holiday, or other day that the issuing office is closed, the registrant may renew his or her motor vehicle registration without penalty or interest charges the next business day.

(9) Appeal of Penalty. §40-12-10, Code of Ala. 1975, provides that a license issuing official cannot "fail to collect such penalties when issuing such license." However, anyone determined to be subject to a registration law penalty may, after paying the penalty, seek a review by a court of competent jurisdiction to seek a refund of the penalty or interest charges. Registration penalties assessed on vehicles subject to registration under §32-6-56, Code of Ala. 1975, may be appealed by filing a notice of appeal in accordance with §40-2A-7, Code of Ala. 1975.

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