

Colorado Auto Total Loss Threshold by Law

TITLE 42. VEHICLES AND TRAFFIC

ARTICLE 6. CERTIFICATES OF TITLE - USED MOTOR VEHICLE SALES

PART 1. CERTIFICATES OF TITLE

C.R.S. 42-6-102 (2015)

42-6-102. Definitions

(1) "All-terrain vehicle" means a three- or four-wheeled vehicle that travels on low-pressure tires with a seat that is straddled by the rider and with handlebars for steering control.

(1.5) "Authorized agent" means the county clerk and recorder in each of the counties of the state or such other official of a city and county appointed to perform the function of titling of or recording liens on motor vehicles.

(1.7) "Brand" means a permanent designation or marking on a motor vehicle's title, associated with the vehicle identification number, that conveys information about the value of the vehicle or indicates that the vehicle:

- (a) Is a salvage vehicle;
- (b) Is rebuilt from salvage;
- (c) Is nonrepairable;
- (d) Is flood damaged;
- (e) Has had its odometer tampered with; or
- (f) Has a designation placed on the title by another jurisdiction.

(2) "Dealer" means any person, firm, partnership, corporation, or association licensed under the laws of this state to engage in the business of buying, selling, exchanging, or otherwise trading in motor vehicles.

(3) "Department" means the department of revenue.

(4) "Director" means the executive director of the department of revenue.

(5) (a) "Electronic record" means a record generated, created, communicated, received, sent, or stored by electronic means.

(b) A record covered by this article may not be denied legal effect, validity, or enforceability solely because it is in the form of an electronic record. Except as otherwise provided in this article, if a rule of law requires a record to be in writing or provides consequences if it is not, an electronic record satisfies that rule of law.

(6) "File" means the creation of or addition to an electronic record maintained for a certificate of title by the director or an authorized agent of the director, as defined in section 42-6-105.

(6.1) "Flood damaged" means a motor vehicle was submerged in water to the point that rising water has reached over the doorsill and entered the passenger compartment and damaged electrical, computer, or mechanical components.

(6.4) "Junk" means a vehicle that is incapable of operating on roads and is no longer a vehicle because it has been destroyed, dismantled, or changed. These vehicles may not be issued a certificate of title, and any title secured in the purchase of such a vehicle is to be surrendered to the department, which shall cancel the vehicle identification number and remove the vehicle from the motor vehicle system.

(6.5) "Kit vehicle" means a passenger-type motor vehicle assembled, by other than a licensed manufacturer, from a manufactured kit that includes a prefabricated body and chassis and is accompanied by a manufacturer's statement of origin.

(7) "Lien" means a security interest in a motor vehicle under article 9 of title 4, C.R.S., and this article.

(8) "Manufacturer" means a person, firm, partnership, corporation, or association engaged in the manufacture of new motor vehicles, trailers, or semitrailers.

(9) "Mortgage" or "chattel mortgage" means a security agreement as defined in section 4-9-102 (76), C.R.S.

(10) "Motor vehicle" means any self-propelled vehicle that is designed primarily for travel on the public highways and is generally and commonly used to transport persons and property over the public highways, including trailers, semitrailers, and trailer coaches, without motive power. "Motor vehicle" does not include the following:(a) A low-power scooter, as defined in section 42-1-102;

(b) A vehicle that operates only upon rails or tracks laid in place on the ground or that travels through the air or that derives its motive power from overhead electric lines;

(c) A farm tractor, farm trailer, and any other machines and tools used in the production, harvesting, and care of farm products; or

(d) Special mobile machinery or industrial machinery not designed primarily for highway transportation.

(11) "New vehicle" means a motor vehicle being transferred for the first time from a manufacturer or importer, or dealer or agent of a manufacturer or importer, to the end user or customer. A motor vehicle that has been used by a dealer for the purpose of demonstration to prospective customers shall be considered a "new vehicle" unless such demonstration use has been for more than one thousand five hundred miles. Motor vehicles having a gross vehicle weight rating of sixteen thousand pounds or more shall be exempt from this definition.

(11.2) "Nonrepairable" means a motor vehicle that:

(a) Is incapable of safe operation on the road and that has no resale value except as scrap or as a source of parts; or

(b) The owner has designated as scrap or as a source of parts.

(11.3) "Nonrepairable title" means a title document issued by the director or authorized agent to indicate ownership of a nonrepairable vehicle.

(11.5) (a) "Off-highway vehicle" means a self-propelled vehicle that is:

(I) Designed to travel on wheels or tracks in contact with the ground;

(II) Designed primarily for use off of the public highways; and

(III) Generally and commonly used to transport persons for recreational purposes.

(b) "Off-highway vehicle" includes vehicles commonly known as all-terrain vehicles and snowmobiles but does not include:

(I) Toy vehicles;

(II) Vehicles designed and used primarily for travel on, over, or in the water;

(III) Military vehicles;

(IV) Golf carts or golf cars;

(V) Vehicles designed and used to carry persons with disabilities;

(VI) Vehicles designed and used specifically for agricultural, logging, or mining purposes; or

(VII) Motor vehicles.

(12) "Owner" means a person or firm in whose name the title to a motor vehicle is registered.

(13) "Person" means natural persons, associations of persons, firms, limited liability companies, partnerships, or corporations.

(14) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in a perceivable form.

(15) "Roadworthy" means a condition in which a motor vehicle has sufficient power and is fit to operate on the roads and highways of this state after visual inspection by appropriate law enforcement authorities. In order to be roadworthy, such vehicle, in accord with its design and use, shall have all major parts and systems permanently attached and functioning and shall not be repaired in such a manner as to make the vehicle unsafe. For purposes of this subsection (15), "major parts and systems" shall include, but not be limited to, the body of a motor vehicle with related component parts, engine, transmission, tires, wheels, seats, exhaust, brakes, and all other equipment required by Colorado law for the particular vehicle.

(15.5) (a) "Rolling chassis" means that:

- (I) For a motorcycle, the motorcycle has a frame, a motor, front forks, a transmission, and wheels;
 - (II) For a motor vehicle that is not a motorcycle, the motor vehicle has a frame, a body, a suspension, an axle, a steering mechanism, and wheels.
- (b) Nothing in this subsection (15.5) shall be construed to require any listed parts to be operable, in working order, or roadworthy.
- (16)** "Salvage certificate of title" means a document issued under the authority of the director to indicate ownership of a salvage vehicle.
- (17)** (a) (I) "Salvage vehicle" means:
- (A) A flood-damaged vehicle;
 - (B) A vehicle branded as a salvage vehicle by another state; or
 - (C) A vehicle that is damaged by collision, fire, flood, accident, trespass, or other occurrence, excluding hail damage, to the extent that the cost of repairing the vehicle to a roadworthy condition and for legal operation on the highways exceeds the vehicle's retail fair market value immediately prior to the damage, as determined by the person who owns the vehicle at the time of the occurrence or by the insurer or other person acting on behalf of the owner.
- (II) "Salvage vehicle" does not include an off-highway vehicle.
- (b) In assessing whether a vehicle is a "salvage vehicle" under this section, the retail fair market value shall be determined by reference to sources generally accepted within the insurance industry including price guide books, dealer quotations, computerized valuation services, newspaper advertisements, and certified appraisals, taking into account the condition of the vehicle prior to the damage. When assessing the repairs, the assessor shall consider the actual retail cost of the needed parts and the reasonable and customary labor rates for needed labor.
- (c) "Salvage vehicle" does not include a vehicle that qualifies as a collector's item, horseless carriage, or street rod vehicle under article 12 of this title at the time of damage.
- (18)** "Signature" means either a written signature or an electronic signature.
- (18.5)** "Snowmobile" means a self-propelled vehicle primarily designed or altered for travel on snow or ice off of the public highways and supported by skis, belts, or cleats. "Snowmobile" does not include machinery used for the grooming of snowmobile trails or ski slopes.
- (19)** "State" includes the territories and the federal districts of the United States.
- (20)** "Street rod vehicle" means a vehicle manufactured in 1948 or earlier with a body design that has been modified for safe road use, including, but not limited to, modifications of the drive train, suspension, and brake systems, modifications to the body through the use of materials such as steel or fiberglass, and modifications to any other safety or comfort features.

(21) "Transfer by inheritance" means the transfer of ownership after the death of an owner by means of a will, a written statement, a list as described in section 15-11-513, C.R.S., or upon lawful descent and distribution upon the death intestate of the owner of the vehicle.

(22) "Used vehicle" means a motor vehicle that has been sold, bargained, exchanged, or given away, or has had the title transferred from the person who first took title from the manufacturer or importer, dealer, or agent of the manufacturer or importer, or has been so used as to have become what is commonly known as a secondhand motor vehicle. A motor vehicle that has been used by a dealer for the purpose of demonstration to prospective customers shall be considered a "used vehicle" if such demonstration use has been for more than one thousand five hundred miles.

(23) "Vehicle" means any motor vehicle as defined in subsection (10) of this section.