

North Carolina Auto Total Loss Threshold by Law

**§ 20-71.3. Salvage and other vehicles - titles and registration cards to be branded.**

**(a)** Motor vehicle certificates of title and registration cards issued pursuant to G.S. 20-57 shall be branded in accordance with this section.

As used in this section, "branded" means that the title and registration card shall contain a designation that discloses if the vehicle is classified as any of the following:

- (1)** Salvage Motor Vehicle.
- (2)** Salvage Rebuilt Vehicle.
- (3)** Reconstructed Vehicle.
- (4)** Flood Vehicle.
- (5)** Non-U.S.A. Vehicle.
- (6)** Any other classification authorized by law.

**(a1)** Any motor vehicle that is declared a total loss by an insurance company licensed and approved to conduct business in North Carolina, in addition to the designations noted in subsection (a) of this section, shall:

- (1)** Have the title and registration card marked "TOTAL LOSS CLAIM".
- (2)** Have a tamperproof permanent marker inserted into the doorjamb of that vehicle by the Division, at the time of the final inspection of the reconstructed vehicle, that states "TOTAL LOSS CLAIM VEHICLE". Should that vehicle be later reconstructed, repaired, or rebuilt, a permanent tamperproof marker shall be inserted in the doorjamb of the reconstructed, repaired, or rebuilt vehicle.

**(b)** Any motor vehicle up to and including six model years old damaged by collision or other occurrence, that is to be retitled in this State, shall be subject to preliminary and final inspections by the Enforcement Section of the Division. For purposes of this section, the term "six model years" shall be calculated by counting the model year of the vehicle's manufacture as the first model year and the current calendar year as the final model year.

These inspections serve as antitheft measures and do not certify the safety or road-worthiness of a vehicle.

**(c)** The Division shall not retitle a vehicle described in subsection (b) of this section that has not undergone the preliminary and final inspections required by that subsection.

**(d)** Any motor vehicle up to and including six model years old that has been inspected pursuant to subsection (b) of this section may be retitled with an unbranded title based upon a title application by the rebuilder with a supporting affidavit disclosing all of the following:

- (1)** The parts used or replaced.

- (2) The major components replaced.
- (3) The hours of labor and the hourly labor rate.
- (4) The total cost of repair.
- (5) The existence, if applicable, of the doorjamb "TOTAL LOSS CLAIM VEHICLE" marker.

The unbranded title shall be issued only if the cost of repairs, including parts and labor, does not exceed seventy-five percent (75%) of its fair market retail value.

(e) Any motor vehicle more than six model years old damaged by collision or other occurrence that is to be retitled by the State may be retitled, without inspection, with an unbranded title based upon a title application by the rebuilder with a supporting affidavit disclosing all of the following:

- (1) The parts used or replaced.
- (2) The major components replaced.
- (3) The hours of labor and the hourly labor rate.
- (4) The total cost of repair.
- (5) The existence, if applicable, of the doorjamb "TOTAL LOSS CLAIM VEHICLE" marker.
- (6) The cost to replace the air bag restraint system.

The unbranded title shall be issued only if the cost of repairs, including parts and labor and excluding the cost to replace the air bag restraint system, does not exceed seventy-five percent (75%) of its fair market retail value.

(f) The Division shall maintain the affidavits required by this section and make them available for review and copying by persons researching the salvage and repair history of the vehicle.

(g) Any motor vehicle that has been branded in another state shall be branded with the nearest applicable brand specified in this section, except that no junk vehicle or vehicle that has been branded junk in another state shall be titled or registered.

(h) A branded title for a salvage motor vehicle damaged by collision or other occurrence shall be issued as follows:

- (1) For motor vehicles up to and including six model years old, a branded title shall be issued if the cost of repairs, including parts and labor, exceeds seventy-five percent (75%) of its fair market value at the time of the collision or other occurrence.
- (2) For motor vehicles more than six model years old, a branded title shall be issued if the cost of repairs, including parts and labor and excluding the cost to replace the air bag restraint system, exceeds seventy-five percent (75%) of its fair market value at the time of the collision or other occurrence.
- (i) Once the Division has issued a branded title for a motor vehicle all subsequent titles for that motor vehicle shall continue to reflect the branding.

**(j)** The Division shall prepare necessary forms and doorjamb marker specifications and may adopt rules required to carry out the provisions of this Part. (1987, c. 607, s. 1; 1987 (Reg. Sess., 1988), c. 1105, s. 2; 1989, c. 455, ss. 2, 3; 1989 (Reg. Sess., 1990), c. 916, s. 1; 1997-443, s. 32.26; 1998-212, s. 27.8(a); 2003-258, s. 1.)