

Ohio Auto Total Loss Threshold by Law

**4505.11 Surrender and cancellation of certificate of title - issuance of salvage or rebuilt salvage certificate of title.**

This section shall also apply to all-purpose vehicles and off-highway motorcycles as defined in section 4519.01 of the Revised Code.

**(A)** Each owner of a motor vehicle and each person mentioned as owner in the last certificate of title, when the motor vehicle is dismantled, destroyed, or changed in such manner that it loses its character as a motor vehicle, or changed in such manner that it is not the motor vehicle described in the certificate of title, shall surrender the certificate of title to that motor vehicle to a clerk of a court of common pleas, and the clerk, with the consent of any holders of any liens noted on the certificate of title, then shall enter a cancellation upon the clerk's records and shall notify the registrar of motor vehicles of the cancellation.

Upon the cancellation of a certificate of title in the manner prescribed by this section, any clerk and the registrar of motor vehicles may cancel and destroy all certificates and all memorandum certificates in that chain of title.

**(B) (1)** If an Ohio certificate of title or salvage certificate of title to a motor vehicle is assigned to a salvage dealer, the dealer is not required to obtain an Ohio certificate of title or a salvage certificate of title to the motor vehicle in the dealer's own name if the dealer dismantles or destroys the motor vehicle, indicates the number of the dealer's motor vehicle salvage dealer's license on it, marks "FOR DESTRUCTION" across the face of the certificate of title or salvage certificate of title, and surrenders the certificate of title or salvage certificate of title to a clerk of a court of common pleas as provided in division (A) of this section. If the salvage dealer retains the motor vehicle for resale, the dealer shall make application for a salvage certificate of title to the motor vehicle in the dealer's own name as provided in division (C)(1) of this section.

**(2)** At the time any salvage motor vehicle is sold at auction or through a pool, the salvage motor vehicle auction or salvage motor vehicle pool shall give a copy of the salvage certificate of title or a copy of the certificate of title marked "FOR DESTRUCTION" to the purchaser.

**(C) (1)** When an insurance company declares it economically impractical to repair such a motor vehicle and has paid an agreed price for the purchase of the motor vehicle to any insured or claimant owner, the insurance company shall proceed as follows:

**(a)** If an insurance company receives the certificate of title and the motor vehicle, within thirty business days, the insurance company shall deliver the certificate of title to a clerk of a court of common pleas and shall make application for a salvage certificate of title.

**(b)** If an insurance company obtains possession of the motor vehicle but is unable to obtain the properly endorsed certificate of title for the motor vehicle within thirty business days following the vehicle's owner or lienholder's acceptance of the insurance company's payment for the vehicle, the insurance company may apply to the clerk of a court of common pleas for a salvage certificate of title without

delivering the certificate of title for the motor vehicle. The application shall be accompanied by evidence that the insurance company has paid a total loss claim on the vehicle, a copy of the written request for the certificate of title from the insurance company or its designee, and proof that the request was delivered by a nationally recognized courier service to the last known address of the owner of the vehicle and any known lienholder, to obtain the certificate of title.

(c) Upon receipt of a properly completed application for a salvage certificate of title as described in division (C)(1)(a) or (b) or (C)(2) of this section, the clerk shall issue the salvage certificate of title on a form, prescribed by the registrar, that shall be easily distinguishable from the original certificate of title and shall bear the same information as the original certificate of title except that it may bear a different number than that of the original certificate of title. The salvage certificate of title shall include the following notice in bold lettering:

**"SALVAGE MOTOR VEHICLE - PURSUANT TO R.C. 4738.01."**

Except as provided in division (C)(3) of this section, the salvage certificate of title shall be assigned by the insurance company to a salvage dealer or any other person for use as evidence of ownership upon the sale or other disposition of the motor vehicle, and the salvage certificate of title shall be transferrable to any other person. The clerk shall charge a fee of four dollars for the cost of processing each salvage certificate of title.

(2) If an insurance company requests that a salvage motor vehicle auction take possession of a motor vehicle that is the subject of an insurance claim, and subsequently the insurance company denies coverage with respect to the motor vehicle or does not otherwise take ownership of the motor vehicle, the salvage motor vehicle auction may proceed as follows. After the salvage motor vehicle auction has possession of the motor vehicle for forty-five days, it may apply to the clerk of a court of common pleas for a salvage certificate of title without delivering the certificate of title for the motor vehicle. The application shall be accompanied by a copy of the written request that the vehicle be removed from the facility on the salvage motor vehicle auction's letterhead, and the original certified mail, return receipt notice, addressed to the last known owner of the vehicle and any known lienholder, requesting that the vehicle be removed from the facility of the salvage motor vehicle auction. Upon receipt of a properly completed application, the clerk shall follow the process as described in division (C)(1)(c) of this section. The salvage certificate of title so issued shall be free and clear of all liens.

(3) If an insurance company considers a motor vehicle as described in division (C)(1)(a) or (b) of this section to be impossible to restore for highway operation, the insurance company may assign the certificate of title to the motor vehicle to a salvage dealer or scrap metal processing facility and send the assigned certificate of title to the clerk of the court of common pleas of any county. The insurance company shall mark the face of the certificate of title "FOR DESTRUCTION" and shall deliver a photocopy of the certificate of title to the salvage dealer or scrap metal processing facility for its records.

(4) If an insurance company declares it economically impractical to repair a motor vehicle, agrees to pay to the insured or claimant owner an amount in settlement of a claim against a policy of motor vehicle insurance covering the motor vehicle, and agrees to permit the insured or claimant owner to retain possession of the motor vehicle, the insurance company shall not pay the insured or claimant owner

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any amount in settlement of the insurance claim until the owner obtains a salvage certificate of title to the vehicle and furnishes a copy of the salvage certificate of title to the insurance company.