



Louisiana Department of Public Safety  
Office of Motor Vehicles  
**Policy 21.00 Sales By Trustee in Bankruptcy**

**Section:** 4. Motor Vehicle Registration Requirements

**Effective Date:** 03/01/1992

**Revised Date:** 07/01/2013

**Authority:**

U.S. Code Title 11 Chapter 3 Subchapter IV Sec. 363

**General:** When bankruptcy occurs the courts appoint the trustee to sell the assets of the bankrupt.

**Requirements:**

- A vehicle which is acquired at Trustee's sale may be transferred with the following documents:
  - A completed vehicle application form (DPSMV 1799) executed by the party who acquired the vehicle at trustee's sale, unless that party is a currently licensed dealer.
  - A copy of the Notice of Commencement of Case Under Chapter 7 listing the Trustee for the Bankrupt.
  - A notarized bill of sale issued by the Trustee to the applicant (or to the dealer and one from the licensed dealer to applicant, showing the odometer reading).
  - The certificate of title issued in the name of the Bankrupt.
    - If the title is not available, then it must be determined whether that title was a Louisiana title or one issued by another state.
    - If the Louisiana title is not available, then the Trustee must furnish a letter as to its unavailability and the file must be mailed to the central office in Baton Rouge unless the title record in the name of the Bankrupt can be confirmed by a branch office on the scope.
    - If an out-of-state title was issued in the Bankrupt's name and is not available, then a duplicate, negotiable title must be obtained either in the name of the Bankrupt or the Trustee; the file cannot be accepted without an out-of-state title.
  - If a conforming title is submitted, the first assignment on the title must be completed by the Trustee or the Bankrupt.
  - Sales tax is due based on price shown on Trustee's bill of sale plus title and license fees.

**Related Policies:**

Section 4, Policy 2.03 [Completion Of Vehicle Application](#)

Section 4, Policy 7.00 [Open Titles](#)

Section 4, Policy 80.01 [Situations And Application Regarding Odometer Statements](#)