



Louisiana Department of Public Safety
Office of Motor Vehicles
Policy 34.01 Vehicle Sales by Pawnbroker

Section: 4. Motor Vehicle Registration Requirements

Effective Date: 12/27/1993

Revised Date: 04/25/2001

Authority:

[R.S. 37:1801](#)

[R.S. 37:1792](#)

To view Louisiana Statutes: <http://www.legis.state.la.us/>

General:

- R.S. 37:1801 authorizes a pawnbroker to sell used motor vehicles to other individuals when the vehicles have been forfeited by the owners to the pawnbroker **ONLY IF HE IS A LICENSED USED MOTOR VEHICLE DEALER** pursuant to R.S. 32:771 et seq. If the pawnbroker is **NOT** a licensed used motor vehicle dealer, he is limited to selling motor vehicles only to;
 - A used vehicle dealer; or
 - A purchaser through a regular used motor vehicle auction; or
 - A purchaser through a used motor vehicle dealer.
- The above-mentioned act also requires that under no circumstances shall the practice commonly referred to as motor vehicle "title only" pawn transactions be allowed in this state. Every motor vehicle subject to a pawn transaction shall be stored, along with the certificate of title, at the business location at which the transaction occurred or at any location in the state secured or maintained by the pawnbroker.
- In order to process a registration and transfer the ownership, the pawnbroker will be required to provide the following:
 - Certificate of title signed over from pawnbroker to prospective purchaser.
 - R.S. 37:1792 prohibits the pawning of any item that carries a lien. If a title indicates an existing lien, *a satisfaction of lien executed by the lienholder must be submitted indicating that the lien shown on the last title record has been paid in full. The lien satisfaction must be submitted on company letterhead, and include name, address, and telephone number of the lienholder. If the telephone number is not on the letterhead, but is attainable, do not reject for that reason.
 - If the motor vehicle is being sold to an individual or being transferred for the pawnbroker's personal use (only if the pawnbroker is a licensed used motor vehicle dealer), OR if the pawnbroker is not a licensed used motor vehicle dealer and the motor vehicle is being sold to a used motor vehicle dealer, or through a used motor vehicle dealer or used motor vehicle auction, a copy of the "pawn ticket" indicating the following must be submitted:
 - The pledger's name and address
 - The pledger's date of birth

- The distinctive number from the pledger's Louisiana driver's license, driver's license from another state, international driver's license, passport, military identification, or identification issued by a government agency or the United States Postal Service
 - The date of the pawn transaction
 - A brief description (year, make, model, and VIN) of the motor vehicle pledged
 - The maturity date of the pawn transaction
 - A statement to the effect that the pledgor is not obligated to redeem the pledged things and that the pledged things shall be forfeited to the pawnbroker on the next business day after the maturity date
 - The name and address of the pawn shop
 - The pledger's signature
 - Current used motor vehicle dealer's license number, if applicable
- Copy of pawnbroker's current license issued by the Commissioner of the Office of Financial Institutions, Department of Economic Development.
- If the pawnbroker wishes to transfer the motor vehicle for his/her personal use, the pawnbroker must be licensed as a used motor vehicle dealer. Both state and local sales taxes must be remitted. Sales tax will be due on the amount indicated on the pawn ticket. The tax date will be the specified date of sale of the vehicle to the pawnbroker for his/her personal use.