Louisiana Department of Public Safety
Office of Motor Vehicles
Policy 35.02 Lien Termination Statements

Section: 4. Motor Vehicle Registration Requirements

Effective Date: 01/01/1996

Revised Date: 12/01/2006

Authority:
R.S. 10:9-404
To view Louisiana Statutes: http://www.legis.state.la.us/

General:

- Act 1201 (R.S. 10:9-404), relative to Louisiana Commercial Laws, passed by the 1995 Louisiana State Legislature, provides that effective January 1, 1996, a termination statement must be filed with the Office of Motor Vehicles
by a secured party (lienholder) to the effect that he no longer claims a security interest in a titled motor vehicle. The termination statement must be filed within one month from the expiration of the five-year filing date or within ten days following written demand by a debtor who has created a security interest in a titled motor vehicle.

Requirements:

- Each termination statement (DPSMV 1901) must give a complete description (make, year, model, body style, and vehicle identification number) of the vehicle, owner's name, address, social security number and title number. The name, address and EIN of secured party, and signature of the secured party's representative must be included.
- A $5.00 termination filing fee is required for each vehicle listed on the termination statement.

Procedures:

- All termination statements received and filed with the department will be processed by the Vehicle and Driver's License Information Unit and scanned to the Image System.
- Termination statements/fees will be returned if lienholder fails to furnish the required information.
- An "LT" flag on the master record indicates a termination statement has been filed by the secured party (lienholder) for said registered owner. A lien satisfaction will not be required on the next title transaction if an "LT" flag has been set.
- The "LT" flag will automatically lift when any title transaction is processed against the record.