

ARTICLE 9. WATERCRAFT

Rule 1. Definitions

140 IAC 9-1-1 Applicability

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 1. The definitions in this rule apply throughout this article. (*Bureau of Motor Vehicles; 140 IAC 9-1-1; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-1-2 "Auctioneer" defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31; IC 25-6.1-1

Sec. 2. "Auctioneer" means a person who is engaged in the business of, or as a part of the business participates in, providing a place or facility for the sale of watercraft on the basis of bids by a person acting for himself or herself or others. The term does not include a person active as an auctioneer only under IC 25-6.1-1. (*Bureau of Motor Vehicles; 140 IAC 9-1-2; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-1-3 "Bill of sale" defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 3. "Bill of sale" means a written instrument sufficient to support an intent to transfer ownership of a watercraft and must include the following:

- (1) The purchase price of the boat and motor.
- (2) The name of the purchaser.
- (3) The date of purchase.
- (4) A description of the watercraft describing the following:
 - (A) Year.
 - (B) Make.
 - (C) Model or boat type.
 - (D) Length.
 - (E) Hull identification number, if any.
- (5) The signature, printed name, and address of the seller.

(*Bureau of Motor Vehicles; 140 IAC 9-1-3; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-1-4 "Boat" defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-6-11-1; IC 9-13-2; IC 9-31

Sec. 4. "Boat" has the meaning set forth in IC 6-6-11-1. (*Bureau of Motor Vehicles; 140 IAC 9-1-4; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-1-5 "Boat dealer" defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-6-11-1; IC 9-13-2

Sec. 5. "Boat dealer" means a person who sells to the general public for delivery in Indiana at least six (6) boats per year. (*Bureau of Motor Vehicles; 140 IAC 9-1-5; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

24 IR 4232)

140 IAC 9-1-6 “Broker” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 6. “Broker” means a person, who for a fee, commission, or other valuable consideration, arranges, or offers to arrange, a transaction involving the sale, for purposes other than resale, of a new watercraft and who is not:

(1) a boat dealer or an employee of the dealer;

(2) a distributor or employee of the distributor; or

(3) at any time during the transaction, the owner of the watercraft involved in the transaction.

(Bureau of Motor Vehicles; 140 IAC 9-1-6; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-1-7 “Bureau” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-14-1; IC 9-31

Sec. 7. “Bureau” means the bureau of motor vehicles. *(Bureau of Motor Vehicles; 140 IAC 9-1-7; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2347; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-8 “Conservation officer” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 8. “Conservation officer” has the meaning set forth in IC 14-3-4-1 *[IC 14-3 was repealed by P.L. 1-1995, SECTION 91, effective July 1, 1995.]*. *(Bureau of Motor Vehicles; 140 IAC 9-1-8; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-9 “Consignee” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 9. “Consignee” means the boat dealer who receives a watercraft for the purpose of offering the watercraft for sale where title is held by another person. *(Bureau of Motor Vehicles; 140 IAC 9-1-9; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-10 “Consignment sale” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 10. “Consignment sale” refers to a sale, or offer of sale, of a watercraft by a consignee, whether or not for compensation. *(Bureau of Motor Vehicles; 140 IAC 9-1-10; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-11 “Consignor” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 11. “Consignor” means the person who owns a watercraft which is consigned to a boat dealer. *(Bureau of Motor Vehicles;*

140 IAC 9-1-11; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-1-12 “Dealer plates” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 12. “Dealer plates” means the two (2) plates provided to a boat dealer which must be displayed on a watercraft while the watercraft is being tested or demonstrated. *(Bureau of Motor Vehicles; 140 IAC 9-1-12; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-13 “Dealer registration” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31-4

Sec. 13. “Dealer registration” means a certificate of registration under IC 9-31-4 which identifies a dealership and information pertinent to the testing and demonstrating of a watercraft by the dealership. *(Bureau of Motor Vehicles; 140 IAC 9-1-13; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-14 “Discount dealer” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 14. “Discount dealer” means a person, other than a dealer or manufacturer, who is engaged in the business of selling at least six (6) watercraft during a license year to the general public. *(Bureau of Motor Vehicles; 140 IAC 9-1-14; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-15 “Distributor” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 15. “Distributor” means a person, other than a manufacturer or a wholesale dealer, who is engaged in the business of selling watercraft to dealers located in Indiana. The term includes a branch office or representative of the distributor. *(Bureau of Motor Vehicles; 140 IAC 9-1-15; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-16 “Hull identification number” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31-2-8

Sec. 16. “Hull identification number” means the standard coast guard approved twelve (12) digit number placed on a watercraft by the manufacturer or assigned by the bureau under IC 9-31-2-8 or by another state. *(Bureau of Motor Vehicles; 140 IAC 9-1-16; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-17 “Human powered vessel” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 17. “Human powered vessel” means a watercraft with propulsion that is caused solely by, or as a result of, energy directly expended by a human being. *(Bureau of Motor Vehicles; 140 IAC 9-1-17; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-18 “License year” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31-4-5

Sec. 18. “License year” means the two (2) year period established by IC 9-31-4-5. *(Bureau of Motor Vehicles; 140 IAC 9-1-18; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-19 “Manufacturer” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 19. “Manufacturer” means a person who is engaged in the business of constructing watercraft for sale to a boat dealer or to the general public. *(Bureau of Motor Vehicles; 140 IAC 9-1-19; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-20 “Motorboat” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2-103.5; IC 9-31

Sec. 20. “Motorboat” has the meaning set forth in IC 9-13-2-103.5. *(Bureau of Motor Vehicles; 140 IAC 9-1-20; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2348; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-21 “Person” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2-124; IC 9-31

Sec. 21. “Person” has the meaning set forth in IC 9-13-2-124. *(Bureau of Motor Vehicles; 140 IAC 9-1-21; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-22 “Police officer” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2-127; IC 9-31

Sec. 22. “Police officer” has the meaning set forth in IC 9-13-2-127. *(Bureau of Motor Vehicles; 140 IAC 9-1-22; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-23 “Probation” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31-4

Sec. 23. “Probation” means a period of time a boat dealer has to rectify a requirement under IC 9-31-4 or satisfactorily conduct the business operation. *(Bureau of Motor Vehicles; 140 IAC 9-1-23; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-24 “Revocation” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31-4-6

Sec. 24. “Revocation” means to withdraw and revoke the license of a boat dealer for the remainder of the license term as stated under IC 9-31-4-6. *(Bureau of Motor Vehicles; 140 IAC 9-1-24; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30,*

2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-1-25 “Special dealer permit” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31-3-6

Sec. 25. “Special dealer permit” refers to the documentation described in IC 9-31-3-6. *(Bureau of Motor Vehicles; 140 IAC 9-1-25; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-26 “Suspension” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31-4-6

Sec. 26. “Suspension” means to temporarily cease operations by a boat dealer for a period specified by the department for a failure to meet or comply with IC 9-31-4-6. *(Bureau of Motor Vehicles; 140 IAC 9-1-26; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-27 “Transfer dealer” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 27. “Transfer dealer” means a financial institution, a lending institution, or a person, other than a boat dealer or a manufacturer, who transfers at least six (6) watercraft during a license year as part of the person's primary business function. *(Bureau of Motor Vehicles; 140 IAC 9-1-27; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-28 “Watercraft” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2-198.5; IC 9-31

Sec. 28. “Watercraft” has the meaning set forth in IC 9-13-2-198.5. *(Bureau of Motor Vehicles; 140 IAC 9-1-28; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-1-29 “Wholesale dealer” defined

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-13-2; IC 9-31

Sec. 29. “Wholesale dealer” means a person who is engaged in the business of buying or selling watercraft for resale to another boat dealer or to other persons other than the general public. *(Bureau of Motor Vehicles; 140 IAC 9-1-29; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

Rule 2. Watercraft Titles

140 IAC 9-2-1 Establishment of ownership before issuance of a certificate of title

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 9-31

Sec. 1. An application for a certificate of title to a watercraft shall be accompanied by documentation sufficient to establish ownership. *(Bureau of Motor Vehicles; 140 IAC 9-2-1; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-2-2 New watercraft purchased directly from a manufacturer or an importer through a boat dealer

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 9-31

Sec. 2. The following documentation shall be provided for a new watercraft purchased directly from a manufacturer or an importer through a boat dealer:

- (1) The certificate of origin.
- (2) Form ST 108 WC (or another form approved by the department of state revenue) completed to establish that the Indiana sales or use tax has been paid to the Indiana licensed dealer for the sale of the watercraft.
- (3) The bill of sale, if the watercraft was purchased outside the state of Indiana.
- (4) A verification by a police officer or a conservation officer on a bureau form if required under section 25 of this rule.

(Bureau of Motor Vehicles; 140 IAC 9-2-2; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2349; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-3 Used watercraft purchased from a boat dealer

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 9-31

Sec. 3. The following documentation shall be provided for a used watercraft purchased from a boat dealer:

- (1) The certificate of title showing a reassignment by the boat dealer, if a title exists.
- (2) If the watercraft is purchased from a titling state other than Indiana, and the certificate of title is not available, the evidence of ownership required by the law of that state. The evidence shall be accompanied by a letter from the agency in the other state which issues watercraft titles stating the requirements of that agency are met.
- (3) Form ST 108 WC (or another form approved by the department of state revenue) completed to establish that the Indiana sales or use tax has been paid to the Indiana licensed dealer for the sale of the watercraft.
- (4) The bill of sale, if purchased outside of Indiana or when no title exists.
- (5) Verification by a police officer or a conservation officer on a bureau form, if required under section 25 of this rule.

(Bureau of Motor Vehicles; 140 IAC 9-2-3; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2350; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-4 Used watercraft acquired from a person (other than a boat dealer, an importer, or a manufacturer)

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31

Sec. 4. The following documentation shall be provided for a used watercraft acquired from a person (other than a boat dealer, an importer, or a manufacturer):

- (1) The certificate of title showing an assignment by the previous owner, if a title exists.
- (2) If the watercraft is purchased from a titling state other than Indiana and the certificate of title is not available, the evidence of ownership required by the law of the other state must be met. The evidence shall be accompanied by a letter from the agency in the other state which issues watercraft titles stating the requirements of that agency are met.
- (3) A bill of sale, if the purchase price is blank on an out-of-state title.
- (4) A bill of sale, if a title does not exist.
- (5) Verification by a police officer or a conservation officer on a bureau form, if required under section 25 of this rule.

(Bureau of Motor Vehicles; 140 IAC 9-2-4; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2350; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-5 Watercraft constructed by an applicant or for an applicant by another person not engaged in the manufacture or sale of watercraft

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31

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Sec. 5. The following documentation for a watercraft constructed by an applicant or for an applicant by another person not engaged in the manufacture or sale of watercraft shall be provided:

- (1) A bill of sale, if constructed by another person other than the applicant, or a sworn statement of ownership, if constructed by the applicant.
- (2) Available receipts of materials used to construct the watercraft, if constructed by the applicant.
- (3) A verification by a police officer or a conservation officer.

(Bureau of Motor Vehicles; 140 IAC 9-2-5; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2350; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-6 Watercraft acquired before January 1, 1986

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-1.1; IC 9-31-2

Sec. 6. Under IC 9-31-2, watercraft, acquired before January 1, 1986, is not required to have a certificate of title. The owner may elect to apply for a certificate of title. An applicant shall provide a police check and one (1) of the following:

- (1) A bill of sale.
- (2) The original certificate of origin with any assignments completed.
- (3) Proof of prior registration.

(Bureau of Motor Vehicles; 140 IAC 9-2-6; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2350; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-7 United States Coast Guard documented vessel

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31

Sec. 7. The following documentation shall be provided for a vessel which is documented, but not required to be documented, by the United States Coast Guard:

- (1) The original documentation papers issued by the United States Coast Guard.
- (2) A bill of sale.

(Bureau of Motor Vehicles; 140 IAC 9-2-7; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2350; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-8 Watercraft for which the transfer of ownership is by operation of law

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6; IC 9-31

Sec. 8. The following documentation shall be provided for a watercraft for which the transfer of ownership is by operation of law (such as upon a decree of dissolution of marriage, a partnership dissolution, inheritance, devise, bequest, order in bankruptcy, insolvency, replevin, or execution of sale), if a watercraft is sold to satisfy a tax warrant or a storage or repair charge, or if repossession is had upon default in performance of the terms of a security agreement:

- (1) For a repossession, each of the following is required:
 - (A) A copy of the security agreement.
 - (B) A certified copy of the security agreement, if the title does not reflect the lien or when no title exists.
 - (C) A certificate of title, if available.
 - (D) A verification by a police officer or a conservation officer, if required under section 25 of this rule.
- (2) For a mechanic's lien or storage lien, a court order which recognizes the perfection of the lien.
- (3) For a dissolution of marriage or divorce, one (1) of the following shall be provided:
 - (A) The certificate of title with the assignments completed, if available.
 - (B) A certified copy of the decree of dissolution of marriage or divorce, which includes the following:
 - (i) The first page of the decree.

- (ii) The page listing the watercraft.
 - (iii) The page with the signature of the court.
- (C) A docket entry with the signature of the court.
- (4) For a death, one (1) of the following shall be provided:
 - (A) If a title indicates a joint tenancy with rights of survivorship or a joint tenancy of husband and wife, a death certificate is required. The surviving person (or each surviving person) may assign title to any person.
 - (B) If a title indicates sole ownership, a personal representative of the estate or another person authorized by law to act for the deceased person must sign the title on behalf of the deceased in the same manner as if the deceased were selling the watercraft. The deceased person's name shall be signed followed by the name and title of the person executing the document. (If the decedent's title is lost or mutilated, a duplicate title is not required in the decedent's name.) In addition, one (1) of the following is required:
 - (i) A copy of the letters of administration, letters testamentary, or court order granting an unsupervised administration.
 - (ii) An affirmation for a certificate of, or application for, title or registration in an estate which is not greater than eight thousand five hundred dollars (\$8,500), where the affirmation is made more than five (5) days after the death. This option is not available if the deceased person was an out-of-state resident or if an estate has been probated.

(Bureau of Motor Vehicles; 140 IAC 9-2-8; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2351; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-9 Watercraft sold on consignment

Authority: IC 9-14-2-2; IC 9-31-1-5
Affected: IC 9-31

Sec. 9. One (1) of the following is required for a watercraft sold on consignment:

- (1) The certificate of title held by the previous owner with an assignment completed in the name of the buyer and signed by the consignor.
- (2) If a certificate of title was not previously issued, a bill of sale.
- (3) A verification by a police officer or a conservation officer, if required under section 25 of this rule.

(Bureau of Motor Vehicles; 140 IAC 9-2-9; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2351; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-10 Watercraft transferred as a gift, prize, or otherwise

Authority: IC 9-14-2-2; IC 9-31-1-5
Affected: IC 6-1.1; IC 6-6-11; IC 9-31

Sec. 10. (a) One (1) of the following is required for a watercraft transferred as a gift, prize, or otherwise without consideration:

- (1) The certificate of title held by the previous owner.
- (2) The manufacturer's statement of origin and a statement of ownership made under oath or by affirmation that the watercraft was given as a gift or a prize from an appropriate person or company.

(b) Proof of payment of, or exemption from, Indiana sales tax or use tax must be provided. *(Bureau of Motor Vehicles; 140 IAC 9-2-10; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2351; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-2-11 Watercraft abandoned on private property

Authority: IC 9-14-2-2; IC 9-31-1-5
Affected: IC 9-31

Sec. 11. A court order establishing ownership must be provided for a watercraft abandoned on private property. *(Bureau of Motor Vehicles; 140 IAC 9-2-11; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2351; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-2-12 Any other watercraft

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31

Sec. 12. Documentation to establish ownership shall be as specified by the bureau for any other watercraft. (*Bureau of Motor Vehicles; 140 IAC 9-2-12; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2351; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-13 Lack of documentation

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31

Sec. 13. If all the required documentation described in sections 2 through 12 of this rule is not provided by an applicant, but the evidence which is submitted shows that an applicant is apparently the owner of the watercraft, the bureau may notify known affected persons of a determination to issue a certificate of title, or duplicate certificate of title, to the applicant. (*Bureau of Motor Vehicles; 140 IAC 9-2-13; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2352; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-14 Application for certificate of title

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 6-6-11; IC 9-31

Sec. 14. (a) An application for a certificate of title is not completed until the applicant supplies the following information on a bureau form:

- (1) The complete name and address of the applicant.
- (2) In the remaining space available, the name of each owner additional to the applicant.
- (3) The Social Security number for an individual, or federal identification number for other than an individual.
- (4) A description of the watercraft to include the make of watercraft, the model name or number, hull identification number, length, model year, hull material, boat type, use, propulsion, fuel, and horsepower.
- (5) The former title number, if any.
- (6) The current registration number, if any.
- (7) The date of purchase.
- (8) The names and addresses of the first and second lienholder, if any.
- (9) The selling price, less trade-in, amount subject to tax and amount of sales or use tax paid unless an exemption is claimed.
- (10) The signature of each owner must be present on the application.
- (11) Any other information that the bureau may require.

(b) An affirmation by the seller or transferor certifying that the Indiana sales or use tax has been paid must accompany an application for a certificate of title. If the affirmation is not presented to the bureau, the bureau shall collect the sales or use tax on the watercraft.

(c) If the watercraft requires a police check, the police officer or conservation officer shall note the following information on the form:

- (1) The hull identification number.
- (2) The make and year of the watercraft.
- (3) The badge number, signature, title, and agency of the police officer.
- (4) The date of the verification.

(d) The bureau may destroy a certificate of title, or supporting evidence of a certificate of title, covering a watercraft that was on file for ten (10) years after the date of filing.

(e) No certificate of title shall be issued for a watercraft which is privately assembled or which has been substantially altered if the watercraft does not have a distinctive identification number stamped, embossed, or permanently attached to the watercraft. If the watercraft does not have a manufacturer's identification number, the owner must apply for a number from the bureau. (*Bureau of Motor Vehicles; 140 IAC 9-2-14; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2352; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-15 Hull identification number

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 9-29-15-2; IC 9-31

Sec. 15. (a) The owner of each watercraft titled in Indiana must have a valid hull identification number permanently stamped or engraved on the watercraft.

(b) Upon the completion of an application for a title under this rule, the bureau shall assign a hull identification number where any of the following conditions exist:

(1) No hull identification number is placed on the watercraft.

(2) The hull identification number has been removed or obliterated.

(3) The number placed on a watercraft does not comply with the definition of a hull identification number under 140 IAC 9-1-16.

(4) The same hull identification number is placed on another watercraft which is titled or registered in Indiana.

(c) If a person must apply for a new hull identification number from the department, the application must be submitted to the bureau and must include the following:

(1) A fee of two dollars and fifty cents (\$2.50) as required by IC 9-29-15-2.

(2) Proof of ownership of the watercraft as provided in this rule. For a watercraft which is registered but neither titled nor required to be titled, the proof of ownership must be established by one (1) of the following:

(A) A bill of sale.

(B) The original certificate of origin with all assignments completed.

(3) A verification by a police officer or a conservation officer as required under section 25 of this rule.

(4) A photograph of the watercraft.

(5) Any other information required by the bureau.

(d) The hull identification number assigned by the bureau must be engraved or embossed on the exterior of the starboard (right) transom of the watercraft within five (5) days of receipt of the hull identification number by the owner.

(e) Funds collected from the fee described in subsection (c) shall be retained by the bureau. (*Bureau of Motor Vehicles; 140 IAC 9-2-15; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2352; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-16 Regularity of application; payment of sales and use taxes by owner

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 9-31-2

Sec. 16. (a) The bureau shall use reasonable diligence to determine the genuineness and regularity of each application for a certificate of title.

(b) No certificate of title may be issued until the bureau is satisfied that no tax imposed by IC 6-2.5 is owed as evidenced by the receipt for payment of the determination of exemption from the department of state revenue. (*Bureau of Motor Vehicles; 140 IAC 9-2-16; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2353; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-17 Temporary title and registration

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 9-31

Sec. 17. The receipt showing the payment of fees to the bureau and a copy of the application provided to the applicant under sections 2 through 12 of this rule, together constitute the temporary registration and title to a watercraft. The temporary registration is valid for thirty-one (31) days. (*Bureau of Motor Vehicles; 140 IAC 9-2-17; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2353; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-18 Numbering certificates of title

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5; IC 9-31

Sec. 18. In order to provide a uniform method of numbering certificates of title, the bureau shall assign in sequence a six (6) digit number followed by an alpha character. (*Bureau of Motor Vehicles; 140 IAC 9-2-18; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2353; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-19 Cancellation of certificate of title

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-6-11; IC 9-29-15; IC 9-31-2

Sec. 19. (a) The bureau may cancel a certificate of title for any of the following reasons:

- (1) The certificate of title has been altered or forged.
- (2) The certificate of title was issued upon a manufacturer's or importer's certificate, or an assignment of either, which has been altered or forged.
- (3) A lien on a certificate of title has been wrongfully canceled.
- (4) The hull identification number, on a watercraft for which a certificate of title is issued, has been destroyed, removed, covered, altered, or defaced.
- (5) A person:
 - (A) used a false or fictitious name or gave a false or fictitious address;
 - (B) made a false statement in an application or certificate required under IC 9-31-2 or this rule or in a bill of sale or statement of ownership; or
 - (C) otherwise committed a fraud or misrepresentation in an application.
- (6) A person to whom the certificate of title is issued is not, or subsequent to issuance ceases to be, a lawful entity in the state of Indiana.
- (7) A person fails to deliver to the bureau fees required under IC 6-6-11, IC 9-29-15, or this rule, including the delivery of a check which is later dishonored.
- (8) A hull identification number placement verification is not completed and returned as provided in section 15 of this rule.
- (9) A certificate of title has been improperly issued.
- (10) The person who holds a certificate of title seeks cancellation because the watercraft is sold, destroyed, or removed to another state.

(b) A person in custody or possession of a canceled certificate of title must surrender the title upon demand by the bureau, a police officer, or a conservation officer. (*Bureau of Motor Vehicles; 140 IAC 9-2-19; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2353; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-20 Cancellation of registration

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-3

Sec. 20. (a) The bureau may cancel a registration upon notification by a state agency outside Indiana that the watercraft is registered with that state agency.

(b) A person in custody or possession of a canceled registration must surrender the registration upon demand by the bureau, a police officer, or a conservation officer.

(c) The cancellation of a watercraft registration does not determine ownership of the watercraft. (*Bureau of Motor Vehicles; 140 IAC 9-2-20; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2353; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-21 Delivery of certificate of title

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-2

Sec. 21. (a) If a certificate of title is issued which shows one (1) or more liens, delivery of the certificate of title shall be made by the bureau to the address shown on the face of the title for the first lienholder.

(b) Except as provided in subsection (a), delivery of a certificate of title shall be to the address shown for the owner listed

first on the certificate of title. (*Bureau of Motor Vehicles; 140 IAC 9-2-21; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2354; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-22 Lien on canceled certificate of title

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-2

Sec. 22. Cancellation of a certificate of title under section 20 of this rule does not affect the validity of a lien, mortgage, or encumbrance noted on the certificate. (*Bureau of Motor Vehicles; 140 IAC 9-2-22; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2354; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-23 Authorized agents for manufacturers and importers

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-2

Sec. 23. (a) A manufacturer or importer must provide a certificate of origin for a watercraft required to be titled.

(b) A manufacturer or importer shall designate an authorized agent to affirm on their behalf the authenticity of a certificate of origin. (*Bureau of Motor Vehicles; 140 IAC 9-2-23; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2354; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-24 Determination of taxation

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 6-2.5-3-6; IC 9-31-2

Sec. 24. (a) A person liable for a tax under IC 6-2.5-3-6 with respect to a watercraft acquired in a retail transaction shall pay the tax through the bureau when the application is made for a watercraft title unless the person presents proof that:

(1) the tax has already been paid; or

(2) the tax is inapplicable because there is an exemption under IC 6-2.5.

(b) Except as provided in subsection (c), the tax due under subsection (a) is computed under IC 6-2.5 and 45 IAC 2.2 based on the presumption that the sale price was the highest book value for that watercraft, as determined by the current Buc Used Boat Price Guide (BUC).

(c) The tax is due and calculated by:

(1) a bill of sale or certificate of title which reflects the purchase price;

(2) BUC book; or

(3) as a last resort, a statement by the applicant made under oath or affirmation indicating selling price.

(*Bureau of Motor Vehicles; 140 IAC 9-2-24; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2354; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-2-25 Police check before the issuance of a watercraft title

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-2

Sec. 25. A verification of the year, make, and identification number of a watercraft is required by a police officer or a conservation officer before a certificate of title can be issued to the watercraft under any of the following conditions:

(1) An out-of-state watercraft title is assigned to an Indiana resident.

(2) An out-of-state resident's title is transferred.

(3) A certificate of origin is assigned by an out-of-state dealer, not licensed by the state of Indiana, to an Indiana resident.

(4) A certificate of origin is assigned directly by an out-of-state or unlicensed manufacturer to an Indiana resident.

(5) An application is made for a hull identification number.

(6) An application is made for a mechanic's lien.

- (7) An application is made to change the hull identification number on a watercraft.
- (8) The bureau makes a request for clarification of the hull identification number on a watercraft.
- (9) An application for a title is based on an affirmation of ownership or a bill of sale.
- (10) A title application is made for an out-of-country watercraft.
- (11) A verification by a police officer or conservation officer is otherwise required under this rule before the issuance of a title.

(Bureau of Motor Vehicles; 140 IAC 9-2-25; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2354; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-2-26 Refunds; corrections

Authority: IC 9-14-2-2

Affected: IC 9-29-15; IC 9-31-2

Sec. 26. (a) Upon a request by an applicant, a refund will be made for a fee charged under this rule if:

- (1) documentation was issued by the bureau which resulted from an error by the bureau; or
- (2) the applicant was charged an amount in excess of the fee established under this rule or IC 9-29-15.

(b) A correction will be made without charge to documentation issued under this rule if the correction is needed as a result of an error by the bureau. If a correction or modification is required for a certificate of title because complete and accurate information was not provided by the applicant, including a failure to identify a lienholder, an additional fee of nine dollars (\$9) shall be assessed. If a correction or modification is required for a registration because complete and accurate information is not provided by an applicant, an additional fee of one dollar (\$1) will be assessed.

(c) An affirmation may be executed by a seller to correct an assignment which was erroneously prepared.

(d) Funds from the fee described in subsection (b) shall be placed in the motor vehicle highway account fund. *(Bureau of Motor Vehicles; 140 IAC 9-2-26; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2354; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-2-27 Fee for late title application

Authority: IC 9-31-1-5

Affected: IC 9-29; IC 9-31-2

Sec. 27. (a) Except as provided in subsection (d), a person who does not apply for a certificate of title within thirty-one (31) days after the purchase date for a watercraft must pay, in addition to other fees required under this rule, a late title application fee in the amount of ten dollars (\$10).

(b) The period of thirty-one (31) days begins with the day following the purchase date and continues for thirty-one (31) consecutive days, including Sundays and holidays. If day thirty-one (31) falls on a Sunday, a legal holiday, or a day when the bureau is closed, the due date is the first day following which is not a Sunday, a legal holiday, or a day when the bureau is closed. The period ends on the date when a person first appears at the bureau and makes a title application, regardless of whether the application is then completed.

(c) The purchase date for a watercraft is determined by the date of a seller's signature on an assigned title, certificate of origin, or bill of sale. If these dates are inconsistent, the earliest date applies. If the date has been altered, a late fee will be charged under this section.

(d) A nonresident owner of a watercraft with an out-of-state title who applies for a title in Indiana is not subject to a late fee under this section. *(Bureau of Motor Vehicles; 140 IAC 9-2-27; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2355; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

Rule 3. Boat Dealers

140 IAC 9-3-1 General requirements

Authority: IC 9-14-2-2

Affected: IC 6-2.5; IC 9-29-15; IC 9-31-4-7

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Sec. 1. (a) This section describes general requirements which must be satisfied by each boat dealer.

(b) A boat dealer shall have a license issued by the bureau to qualify the dealer for the receipt of dealer registrations.

(c) Only one (1) boat dealer can be licensed from a single established place of business under subsection (d) or from a single address.

(d) A boat dealer shall, for the entire license period, have an established place of business which meets each of the specifications contained in this subsection. The established place of business shall meet the following requirements:

(1) Have an Indiana address other than a post office box.

(2) Allow for the display of at least ten (10) watercraft of the kind and type which the dealer is licensed to sell.

(3) Not be attached to, or part of, a residence.

(4) Not violate a local zoning requirement.

(e) An established place of business which is located in a strip office mall, a garage, or a similar facility, and which otherwise satisfies subsection (d), may be approved if the following requirements are met:

(1) A separate entrance is maintained.

(2) A separate address is maintained.

(3) An adequate display area is provided.

(4) The general public is provided with a distinct impression of its separate business status.

(f) A boat dealer shall provide the bureau with its retail merchant certificate number obtained from the department of state revenue and its federal identification number.

(g) A boat dealer shall provide proof of liability insurance covering the established place of business under IC 9-31-4-7.

(h) A boat dealer shall provide the bureau with photographs of the established place of business with the initial application for a boat dealer license. The photographs must include the following:

(1) Any major sales or storage lot.

(2) The primary exterior advertising sign.

(3) The primary display and office building.

The photographs must be at least three (3) inches by five (5) inches large. The photographs must be updated if the dealership is moved or if its facilities are substantially altered or modified.

(i) Except for a boat dealer engaged primarily in the sale of used watercraft, the dealer shall provide the bureau, with the initial licensing application, evidence of the franchise or contract agreement with a manufacturer.

(j) The boat dealer shall maintain, at the established place of business, a conspicuous and permanent sign identifying the dealer by the name in which the dealer is operating and setting forth the hours of operation of the dealership. (*Bureau of Motor Vehicles; 140 IAC 9-3-1; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2355; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-2 Manufacturer's and importer's certificate of origin

Authority: IC 9-14-2-2

Affected: IC 9-31

Sec. 2. (a) A boat dealer shall not purchase or acquire a new watercraft without obtaining from the seller of the watercraft a manufacturer's certificate of origin or an importer's certificate of origin.

(b) A manufacturer's certificate of origin or an importer's certificate of origin must include the following:

(1) A description of the watercraft. The description must include the following:

(A) The year.

(B) The length.

(C) Dry weight.

(D) Series or model.

(E) Make.

(F) Horsepower rating.

(G) Hull type.

(H) Hull identification number.

(2) A certification of the date of transfer of the watercraft to a distributor, boat dealer, or other person.

(3) The name and address of the distributor, boat dealer, or other person to whom the watercraft was transferred.

(4) A certification that the transfer is the first transfer of the watercraft in ordinary trade and commerce.

(5) The signature and address of a representative of the transferor.

(c) An assignment of a manufacturer's certificate or an importer's certificate must be printed on the reverse side of the certificate. The assignment must include the name and address of the transferee, a certification that the watercraft is new, and a warranty that the title at the time of delivery is subject only to liens and encumbrances that are set forth and fully described on the assignment. (*Bureau of Motor Vehicles; 140 IAC 9-3-2; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2356; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-3 Dealer registration; plates and restrictions

Authority: IC 9-14-2-2; IC 9-29-3-19

Affected: IC 9-29-15; IC 9-31-3-19; IC 9-31-4

Sec. 3. (a) This section governs the issuance to, and maintenance by, a boat dealer of a dealer registration and two (2) dealer plates under IC 9-31-3-19. A boat dealer registration is effective for not more than twelve (12) months.

(b) In addition to the requirements for a certificate of registration under IC 9-31-3, the following requirements must be met by a boat dealer who holds a dealer registration:

(1) A boat dealer who wishes to receive a dealer registration shall be licensed and make an application for the dealer registration. A fee of ten dollars (\$10) must accompany the application for a dealer registration.

(2) A dealer registration (and two (2) plates) must not be used to test or demonstrate more than one (1) watercraft at a time.

(3) A dealer registration must be used exclusively in the usual and customary conduct and operation of the business of the boat dealer.

(4) A dealer registration must not be used on a watercraft for which a boat dealer charges or receives compensation from a person other than an employee of the dealer.

(5) A dealer registration must not be used on a watercraft leased or rented by the boat dealer to another person.

(6) A dealer registration must not be used on a watercraft in excess of ten (10) days by a prospective buyer or service customer.

(7) A dealer registration must not be used for the personal use of a boat unless the boat dealer or an employee of the boat dealer is present on the watercraft during its operation. To qualify as an employee under this subdivision, a bona fide employment relationship must be established by the boat dealer with the individual who claims to be an employee.

(8) A dealer registration must not be used to circumvent the watercraft registration requirements under IC 9-31-4 and 140 IAC 9-4, including those requirements relating to taxation. An unlawful use of a dealer registration may be demonstrated by a boat dealer's possession of a watercraft on which a dealer registration is affixed:

(A) beyond the usual and customary period of time in the industry for holding a watercraft in inventory; or

(B) outside of the boat dealer's inventory for sale.

(9) A dealer registration must not be loaned, leased, or sold to a person who is not authorized to use the dealer registration or to a person who has or could obtain a classification of dealer registration as a result of that person's business.

(*Bureau of Motor Vehicles; 140 IAC 9-3-3; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2356; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-4 Temporary permits

Authority: IC 9-14-2-2; IC 9-29-3-19

Affected: IC 4-21.5-3-8; IC 9-29-15; IC 9-31-3-6; IC 9-31-4

Sec. 4. (a) This section governs the issuance and use of a temporary permit by a boat dealer issued under IC 9-31-3-6.

(b) A boat dealer shall not issue more than one (1) temporary permit to the purchaser of a watercraft. A boat dealer cannot renew a temporary permit issued under this subsection, and a temporary permit must not be used for more than thirty-one (31) days.

(c) A boat dealer shall not apply a temporary permit to a watercraft owned or in the inventory of a boat dealer.

(d) A boat dealer who wishes to assign a temporary permit to another boat dealer shall, before making the assignment, record the temporary permit and registration in a log according to the control number on the temporary permit.

(e) A boat dealer who is assigned a temporary permit from another boat dealer must, upon receipt, record in a log the

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temporary permit and the name of the boat dealer who made the assignment.

(f) A boat dealer shall provide a bill of sale or another ownership document which establishes the purchase date to the purchaser at the time of the issuance of a temporary permit.

(g) A boat dealer shall pay a fee of one dollar (\$1) for each temporary permit which is purchased.

(h) The log required under this section must be maintained in the possession of the boat dealer for at least three (3) years following the final entry made in that log. In addition to any other requirements contained in this section, the log must include the following information:

(1) The temporary permit control number issued in its sequence.

(2) The name and address of the person to whom the temporary permit was issued.

(3) The make, model, and year of the watercraft to which the temporary permit is to be affixed.

(4) The hull identification number.

(5) The date of issuance of the temporary permit.

(i) Under IC 4-21.5-3-8, the department may suspend the license of a boat dealer who misuses a temporary permit or registration. (*Bureau of Motor Vehicles; 140 IAC 9-3-4; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2356; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-5 Dealer certificates of registration or temporary permits to be issued to a dealer or manufacturer

Authority: IC 9-14-2-2; IC 9-29-3-19

Affected: IC 9-29-15; IC 9-31-4

Sec. 5. (a) The following table shall be used to establish the maximum number of dealer certificates of registration to be issued on an annual basis:

Dealer Registrations	
Annual Boat Sales	Maximum Number of Registrations
6-40	2
41-75	4
76-150	6
151-250	8
251-500	10

(Maximum is thirty (30) registrations.)

Manufacturer Registrations	
Annual Boats Made	Maximum Number of Registrations
6-200	4
201-500	6
501-1,000	8
1,000-2,500	10
2,501-5,000	20

(Maximum is fifty (50) registrations.)

(b) The commissioner of the bureau may also limit the number of registrations issued.

(c) The commissioner of the bureau may limit the number of temporary permits issued based upon the number of watercraft sold or based upon the extent of the dealer's projected sales. (*Bureau of Motor Vehicles; 140 IAC 9-3-5; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2357; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-6 Transfer dealer license

Authority: IC 9-14-2-2

Affected: IC 9-31-4-7

Sec. 6. (a) To act as a transfer dealer, a person shall be licensed under this section.

(b) The application must show that the applicant possesses the following:

(1) A retail merchant certificate obtained from the department of revenue.

(2) A federal identification number.

(c) The application must show that the transfer dealer will operate from a place of business located in a permanent building. A tent, temporary stand, permanent quarters temporarily occupied, or residence does not qualify under this subsection.

(d) The application must show the place of business has parking or storage facilities for at least ten (10) watercraft.

(e) The application must include photographs of the place of business with the initial application under this section. The photographs must include the major sales, storage, and office space to be used by the transfer dealer. The photographs must be at least three (3) inches by five (5) inches large. The photographs must be updated if the place of business is moved or if its facilities are substantially altered or modified.

(f) The applicant shall provide and maintain business liability insurance for its place of business under IC 9-31-4-7.

(g) The applicant must provide a statement of the type and extent of the transfer dealer's business.

(h) Except as otherwise provided in this section, the provisions under this rule applicable to a boat dealer also apply to a transfer dealer. (*Bureau of Motor Vehicles; 140 IAC 9-3-6; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2357; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-7 Discount dealer license

Authority: IC 9-14-2-2

Affected: IC 9-31-4-7

Sec. 7. (a) To act as a discount dealer, a person shall be licensed under this section.

(b) The application must show that the applicant possesses the following:

(1) A retail merchant certificate obtained from the department of revenue.

(2) A federal identification number.

(c) The application must show that the discount dealer will operate from a place of business which is related to the sale of watercraft. A post office box or residence does not qualify under this subsection. Any sale of watercraft must be a secondary business which does not exceed fifty percent (50%) of the gross income which is derived from the place of business.

(d) The application must show that the place of business has an inventory of at least ten (10) watercraft.

(e) The application must include photographs of the place of business with the initial application under this section. The photographs must show the major sales and display of the watercraft inventory. The photographs must be at least three (3) inches by five (5) inches large. The photographs must be updated if the place of business is moved or if its facilities are substantially altered or modified.

(f) The applicant shall provide and maintain business liability insurance for its place of business under IC 9-31-4-7.

(g) The applicant shall provide a statement of the type and extent of the discount dealer's business.

(h) Except as otherwise provided under this section, the provisions of this rule applicable to a boat dealer also apply to a discount dealer. (*Bureau of Motor Vehicles; 140 IAC 9-3-7; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2358; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-8 Determining the number of boats or watercraft sold

Authority: IC 9-14-2-2

Affected: IC 9-31-4

Sec. 8. For the purpose of determining the number of boats or watercraft sold, or anticipated to be sold, under IC 9-31-4 or this rule, the period of twelve (12) months which immediately follows issuance of the boat dealer license shall be used. (*Bureau of Motor Vehicles; 140 IAC 9-3-8; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2358; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-9 Providing documentation to purchaser

Authority: IC 9-14-2-2

Affected: IC 9-31

Sec. 9. A boat dealer shall provide each person who purchases a boat or watercraft from the dealership with all documentation needed to transfer the title to the boat or watercraft to the purchaser. The documentation must be provided within ten (10) days of the sale or delivery of the watercraft. (*Bureau of Motor Vehicles; 140 IAC 9-3-9; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2358; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-10 Consignment sales

Authority: IC 9-14-2-2

Affected: IC 9-31-2; IC 9-31-4-7

Sec. 10. (a) A consignor, who consigns a watercraft to a consignee to be offered for sale and sold by the consignee on behalf of the consignor to a third person, must either:

- (1) provide the third person with a signed bill of sale or certificate of title correctly assigned; or
- (2) provide the consignee with the certificate of title and either:
 - (A) a power of attorney to designate the consignee as the agent of the consignor; or
 - (B) a duly executed consignment agreement between the consignor and the consignee.
- (b) A consignment agreement under subsection (a) must include the following information:
 - (1) The name and current address of the following:
 - (A) The person who is identified on the certificate of title as the owner.
 - (B) The person who holds possession of the certificate of title.
 - (C) Any person who holds a lien on the title.
 - (D) The person to whom the watercraft was consigned for sale.
 - (2) A description of the watercraft, including the make, model, and hull identification number.
 - (3) A statement to show that the consignee has been appointed by the consignor as the agent to offer the watercraft for sale.
 - (4) Any sales condition which must be met by the consignee.

(*Bureau of Motor Vehicles; 140 IAC 9-3-10; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2358; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-11 Investigation and evaluation of qualifications

Authority: IC 9-14-2-2

Affected: IC 9-31-2; IC 9-31-4-7

Sec. 11. (a) The bureau, or a person authorized by the bureau, may conduct an investigation of a boat dealer, transfer dealer, or discount dealer and of any place of business which is regulated under this rule to determine if the requirements of IC 9-31-4 and this rule are being satisfied, or would be satisfied, upon the issuance of a license.

(b) Upon the request of the bureau, or a person authorized by the bureau, a person who is subject to investigation under subsection (a) must provide any documentation or records necessary or reasonably required as follows:

- (1) To identify and record the sale of a watercraft.
- (2) To evaluate whether an applicant meets each of the requirements to be licensed.
- (3) To establish that insurance policies required under IC 9-31-4-7 or this rule are current and valid.
- (4) To identify and describe a franchise or contract agreement between a boat dealer and a manufacturer.
- (5) To identify the authority of a person to sell a particular watercraft held in inventory.
- (6) If a place of business houses both a primary business and a secondary business, to identify the respective gross incomes of those businesses.
- (7) To describe any other function or transaction which is subject to regulation under IC 9-31-4 or this rule.

(*Bureau of Motor Vehicles; 140 IAC 9-3-11; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2359; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-12 Validity of license; change of business name or location

Authority: IC 9-14-2-2; IC 9-29-3-19

Affected: IC 9-29-15; IC 9-31-4

Sec. 12. (a) Any person who surrenders a license a full twelve (12) months prior to its expiration date may be refunded one-half (1/2) of the license fee.

(b) If a business name or location is changed, the holder of a license issued under this rule must notify the bureau on a bureau form. The license must be surrendered within ten (10) days of the change, and the bureau shall collect a fee of five dollars (\$5). The bureau shall endorse the change on the license unless the bureau determines that the change violates another provision of this rule or IC 9-31-4. (*Bureau of Motor Vehicles; 140 IAC 9-3-12; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2359; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-13 Denial, suspension, or revocation of the dealer license and plates

Authority: IC 9-14-2-2

Affected: IC 4-21.5; IC 9-31-4

Sec. 13. (a) The bureau shall make the initial determination with respect to an application for the issuance of a boat dealer's license and plates. Based upon the application and investigation, the bureau shall either issue plates to the applicant or deny the issuance of the boat dealer plates.

(b) Within fifteen (15) days of the bureau's initial determination with respect to the application, the applicant may make a written request for a hearing for a redetermination of the status of the application. At the hearing, the applicant may present evidence to substantiate the applicant's claim to either boat dealer registration plates or to a specific classification of boat dealer registration plates. The hearing will be conducted in accordance with IC 4-21.5. Any further review of the bureau's determination shall be afforded through the circuit or superior court in which the person's principal place of business is located.

(c) A license or plates under this section may be denied, suspended, revoked, or placed upon probation for:

(1) a material misrepresentation in application for a license filed with the bureau;

(2) a lack of fitness under the standards set forth in IC 9-31-4 or this rule;

(3) a willful failure to comply with IC 9-31-4 or this rule; or

(4) a willful violation of any federal or state law relating to the sale, distribution, financing, or insuring of boats.

(d) Any probation, suspension, or revocation of a boat dealer's license or boat dealer's plates must be made by the bureau after notice of specific charges and hearing in accordance with IC 4-21.5. Any further review of the bureau's determination shall be afforded through the circuit or superior court in which the person's principal place of business is located. (*Bureau of Motor Vehicles; 140 IAC 9-3-13; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2359; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-3-14 Issuance of cease and desist order by commissioner

Authority: IC 9-14-2-2

Affected: IC 9-31-4-2

Sec. 14. All businesses engaged in the business activities as identified in IC 9-31-4-2 must be licensed to carry out such business activities and functions. Failure to obtain a license or having a license suspended or revoked by the bureau shall be cause for an order to cease and desist all such business activities to be issued by the bureau. The bureau shall notify the superintendent of the Indiana state police of all such orders issued to cease and desist business. (*Bureau of Motor Vehicles; 140 IAC 9-3-14; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2359; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

Rule 4. Registration**140 IAC 9-4-1 Identification number**

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-3; IC 9-31-4

Sec. 1. (a) The identification number issued under the Indiana numbering system shall be divided into the following parts:

- (1) The first part shall consist of the letters "IN".
- (2) The second part shall consist of not more than four (4) numerals.
- (3) The third part shall consist of not more than two (2) letters.

(b) Each group of letters and numerals shall be separated by a hyphen or an equivalent space, for example, IN-1234-AA or IN 567 AA.

(c) Since the letters "I", "O", and "Q" may be mistaken for arabic numbers, they shall not be used in the third part of the identification. (*Bureau of Motor Vehicles; 140 IAC 9-4-1; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2360; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-4-2 Display of identification number

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-3; IC 9-31-4

Sec. 2. The boat number awarded by this state shall be as follows:

- (1) Painted on, or attached to, each side of the bow, on the forward half of the motorboat and above the water line, of the motorboat for which it was issued so as to be clearly visible for identification purposes.
- (2) Of a single color which will sharply contrast with the color of the background, for example, black on white.
- (3) So maintained as to be clearly visible and legible at a distance of at least one hundred (100) feet.
- (4) Readable from left to right.
- (5) In block letters of good proportion of not less than three (3) inches in height.

(*Bureau of Motor Vehicles; 140 IAC 9-4-2; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2360; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232*)

140 IAC 9-4-3 Application for identification number

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-3

Sec. 3. The application for an identification number shall be made upon a form approved by the department and shall contain the following:

- (1) Name and address of owner.
- (2) Make of boat.
- (3) Year built, if known.
- (4) Length of boat.
- (5) Series of model, if known.
- (6) Manufacturer's serial number, if known.
- (7) Present number, if any.
- (8) State in which principally used.
- (9) Citizenship of owner and date of birth.
- (10) Hull material, such as:
 - (A) wood;
 - (B) steel;
 - (C) aluminum;
 - (D) plastic; or
 - (E) other.
- (11) Type propulsion, such as:
 - (A) outboard;
 - (B) inboard; or
 - (C) other.
- (12) Type of fuel, such as:

- (A) gas;
 - (B) diesel; or
 - (C) other.
- (13) Statement as to use, for example:
- (A) pleasure;
 - (B) livery;
 - (C) commercial-passenger;
 - (D) commercial-fishing; or
 - (E) commercial-other.

(Bureau of Motor Vehicles; 140 IAC 9-4-3; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2360; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-4-4 Certificate of identification number

Authority: IC 9-14-2-2; IC 9-31-1-5
Affected: IC 9-31-3

Sec. 4. The certificate of identification number shall be upon a form approved by the department and shall contain the following information:

- (1) Registration number.
- (2) Name and address of owner.
- (3) Make of boat and length of boat.
- (4) Manufacturer's serial number of boat, if any.
- (5) Signature of owner.
- (6) Expiration date.

(Bureau of Motor Vehicles; 140 IAC 9-4-4; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2360; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)

140 IAC 9-4-5 Dealer's and manufacturer's identification number; display

Authority: IC 9-14-2-2; IC 9-31-1-5
Affected: IC 9-31-3; IC 9-31-4

Sec. 5. (a) The manufacturer's and dealer's application and certificate shall be the same as the approved form.

(b) The description of the boat will be omitted since the number of the registration certificate awarded may be transferred from one (1) boat to another, owned by said dealer or manufacturer.

(c) In lieu of the description, the word "manufacturer" or "dealer", as appropriate, will be plainly marked on each certificate. The manufacturer or dealer may have the number awarded printed upon or attached to a removable sign to be temporarily but firmly mounted upon or attached to the boat being demonstrated or tested, so long as the display meets the requirements under section 2 of this rule. *(Bureau of Motor Vehicles; 140 IAC 9-4-5; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2360; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-4-6 Livery boats

Authority: IC 9-14-2-2; IC 9-31-1-5
Affected: IC 9-31-3; IC 9-31-4

Sec. 6. (a) The livery boat operator's application and certificate shall be the same as the approved form.

(b) The word "livery" will be plainly marked on each certificate.

(c) In addition to the number on a livery boat, the word "livery" shall appear directly beneath the awarded number. *(Bureau of Motor Vehicles; 140 IAC 9-4-6; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2361; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

140 IAC 9-4-7 Renewal of identification number

Authority: IC 9-14-2-2; IC 9-31-1-5

Affected: IC 9-31-3; IC 9-31-4

Sec. 7. Any applicant desiring to retain the same number and certificate shall apply for same, no later than six (6) months after the expiration date of said number and certificate. *(Bureau of Motor Vehicles; 140 IAC 9-4-7; filed Jun 7, 1993, 10:00 a.m.: 16 IR 2361; readopted filed Jul 30, 2001, 10:31 a.m.: 24 IR 4232)*

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