



## BILL OF SALE (MOTORCYCLE) & GUIDE

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## 1. Overview

You've listed your motorcycle and you've found your buyer - it's time to finish your deal. In the modern marketplace, your transaction can't be completed with a simple handshake and a wave goodbye. A vehicle transfer also requires you to file with your state's motor vehicle department and other local agencies. This process calls for a complete, well-drafted bill of sale. With the enclosed documents and instructions, you can firm up the terms of your arrangement and prepare for your bike's new titling and registration.

A bill of sale is like a receipt. It proves that ownership of a particular piece of property has changed hands. It also details the terms of the sale, including information about price, delivery, and condition. Bills of sale can help prove the identity of a vehicle's true legal owner. Moreover, many states and counties use these documents to determine the amount of sales tax owed on the transaction, if any.

If you follow the enclosed sample and guidelines, you will have a written acknowledgment of the rights and responsibilities being transferred as part of your sale. This will provide essential documentation of ownership and liability obligations and you will be well on your way to establishing a clear record of title for your motorcycle.

## 2. Dos & Don'ts Checklist

- ☐ Getting the correct name and physical address of the other party to your deal is essential. If questions emerge, you'll need to contact that person or company directly.
- ☐ If you are the seller, give the buyer the completed bill of sale only after you have received your money and the transaction is complete. The bill of sale states specifically that you have already been paid; it may be difficult to collect any outstanding amounts if you give written evidence that the buyer's payment obligations are complete.
- ☐ The enclosed bill of sale assumes that the motorcycle's purchase price will be paid in full on the sale date. If the buyer intends to make a down payment at the time of purchase and pay the remainder over time, do not use the enclosed document. Draft and sign a promissory note, and use a bill of sale that provides for deferred payment.
- ☐ Sign two copies of the bill of sale, one for you and one for the other party.
- ☐ Although not strictly required, consider bringing a third party with you when the bill of sale is signed. If questions arise about the sale, that person can serve as a reporter of the transaction. Alternatively, you and the other party can have your signatures notarized.
- ☐ Once your bill of sale is complete and signed, visit your local county clerk or tax office to record the document. The bill of sale will be registered and used to estimate applicable sales (or use) taxes.
- ☐ The seller should contact its state Department of Motor Vehicles (DMV) immediately after completion of the sale and inform them that the vehicle has been sold and to whom. This will protect the seller if a ticket is issued or an accident occurs in the period between the sale and the re-titling of the motorcycle.

- ☐ To complete the title transfer, both the seller and the buyer should send a copy of the bill of sale to the state's DMV. Some states require that the seller report the title transfer within five (5) days of the sale, and the buyer within ten (10) days.
- ☐ Additional steps may be required to wrap up your vehicle transfer. For example, the motorcycle's "pink slip" must be signed over to the purchasing party. Check with your local DMV and tax authority to see what documents may be needed in your area.
- ☐ Make sure the vehicle's license plate is removed before the motorcycle is physically transferred to the buyer. In many states, this is required by law.

### 3. Bill of Sale (Motorcycle) Instructions

The following provision-by-provision instructions will help you understand the terms of your bill of sale.

The numbers below (e.g., Section 1, Section 2, etc.) correspond to the provisions in the enclosed form. Please review the entire document before starting your step-by-step process.

- **Location of Sale.** Write in the name of the state and county where the sale will take place. If the parties are from different counties, use the state and county in which the motorcycle is located.
- **Purchase Price.** Write the purchase price in the first blank provided. Be sure to include the full price, including any down payments that have already been made.
- **Names and Addresses of Parties.** Identifies the parties and their street addresses (not P.O. Boxes). One party to this bill is called the "Seller" and the other is called the "Buyer." As you probably guessed, the Seller is the party that will sell the motorcycle and the Buyer is the party that will purchase it. Note that only the individual whose name is on the title of a vehicle is permitted to sell it. This means that if a married couple is selling the motorcycle but that motorcycle is titled in the wife's name, only the wife should sign the bill of sale.
- **Motorcycle Location and Description.** Describe the motorcycle in detail, making sure that it can be identified clearly from the description. You must include the location, make, model, body type, year, and VIN, examples of which are listed below:
  - **Location:** Include the county and state where the vehicle is currently situated.
  - **Make:** BMW, Suzuki, Kawasaki, Harley-Davidson, etc.
  - **Model:** Touring, Softtail, Enduro, Street Bikes, Cruisers, Scooters, Off-Road, etc.
  - **Motorcycle Engine No.:** A motorcycle's engine number is usually on the very bottom part of the engine, and should be a total of 10 numbers and letters.
  - **VIN:** The Vehicle Identification Number (or "VIN") is your motorcycle's 17-character unique identifier. Generally, the VIN is located in one of the following places: stamped on the side of the steering head and/or on the Safety Certification Label attached to, or near, the side of the steering head.

- **Section 1: Seller's Representations and Warranties.** Promises that the Seller is, in fact, the owner of the motorcycle it is selling and that no third parties have any liens or other interests in the motorcycle. This section allows the Buyer to purchase the motorcycle without fearing that any third party will assert an ownership interest down the road.
- **Section 2: Buyer's Representations and Warranties.** Promises that the person signing the bill of sale has the authority to do so.
- **Section 3: No Other Warranties.** Disclaims any warranties other than the warranty of title described in Section 1 and the manufacturer's warranty (if any). This bike is being offered "as is." The Buyer should know the impact of this provision: if the motorcycle has problems in the future, the Seller has no responsibility to fix those issues.
- **Section 4: Inspection.** A summary of recent mechanical inspections. If the vehicle has been inspected within the last month, delete the bracketed "not" and attach a report of that inspection. If it has not been inspected within the last month, delete the second sentence.

If the seller knows of any defects in the motorcycle, those problems must be disclosed in the space provided. Any known defects that are not reported could invalidate the sale and may bring later charges of fraud. If there are no known defects, the blank space can be deleted.

- **Section 5: Delivery of Motorcycle.** Explains where and when the motorcycle should be picked up by the Buyer. Write in the date on which you want this to happen.
- **Section 6: Conveyance of Title.** Indicates that title to the motorcycle will be given to the Buyer on the day the Buyer receives it. This section also includes the Seller's promise that it will sign every document needed to effectuate the title transfer.
- **Section 7: Cancellation of Insurance and Tags.** The Seller's agreement to cancel any remaining insurance or tags on the motorcycle.
- **(Optional) Section 8: Additional Terms of Sale.** An optional provision allowing the Buyer and Seller to include any representations, warranties, or other provisions particular to their situation. For example, the parties may wish to include a requirement that the motorcycle be cleaned thoroughly before the delivery date. If you remove this section, correct the section numbers and the references in the document.
- **Signatures.** Each party must sign and print their name. Several states require that the parties also provide phone numbers. Although this may not be a requirement in your state, it's a good idea for both parties to give as much contact information as possible. Be sure to date this document, as a number of important deadlines start to run on the sale date (e.g., transfer of title and registration).

If a third party witnessed the signing, have that person sign and date the space provided. If there was no witness to your transaction, you can delete this segment.

- **Odometer Disclosure Statement.** Federal and state laws require an accurate report of a motorcycle's mileage on its bill of sale. Some states require this disclosure statement to be on a page separate from the bill of sale itself. The enclosed form has made this separation.

Write in the Seller's name and the number of miles on the motorcycle. Do not include tenths of a mile. Do not check any of the blank lines below the initial paragraph if the odometer reading is, to the Seller's knowledge, correct. Check the first line if the odometer goes to five digits, and the reported

mileage is incorrect because the odometer has rolled over after passing 99,999 miles. For example, if the reading is "10,000," but the actual mileage is 110,000, the seller should record the number "10,000" and check this line.

If the Seller knows the odometer number is incorrect or the odometer itself is broken, it should check the second line.

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## Form Sample

### BILL OF SALE (MOTORCYCLE)

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

**BE IT KNOWN**, that for good and valuable consideration, and in payment of the sum of \_\_\_\_\_ (\$ \_\_\_\_\_) dollars (the "Purchase Price"), the receipt and sufficiency of which is hereby acknowledged, \_\_\_\_\_ [Name of Seller] (the "Seller"), of \_\_\_\_\_ [Seller's Street Address], county of \_\_\_\_\_, state of \_\_\_\_\_ hereby sells and transfers to \_\_\_\_\_ [Name of Buyer], (the "Buyer"), of \_\_\_\_\_ [Buyer's Street Address], county of \_\_\_\_\_, state of \_\_\_\_\_, and its heirs, executors, administrators, successors, and assigns forever, the following-described motorcycle (the "Motorcycle"):

Location (county,  
state):

Make:

Model:

Motorcycle Engine

No.:

Year:

Vehicle I.D. No.

(VIN):