



**Jesse White**  
Secretary of State

# Vehicle Services Department

## FACT SHEET

### Titles Obtained by Bond

A bond is required when standard ownership documents (i.e., assigned title) cannot be surrendered with an Application for Certificate of Title (625 ILCS 5/3-109). The Secretary of State may, as a condition of issuing a Certificate of Title, require the applicant to file a bond in the amount equal to one and one-half times the current wholesale value of the vehicle. The filing of this bond will protect the Secretary of State's office and any prior owner or lienholder as well as any subsequent purchasers, or person acquiring security interest or respective successors, against any expense, loss or damage due to the issuance of a Certificate of Title. The bond (and the deposit filed with a cash bond) must be returned at the expiration of three (3) calendar years from the date of filing, unless the Secretary of State has been notified pending any action to recover on the bond.

#### Definitions:

**Cash Bond** — A bond executed by the applicant for vehicle ownership and accompanied by the deposit of cash in the form of currency, cashier's check, money order or bank certificate of deposit made payable to State Treasurer.

**Surety Bond** — A bond executed by the applicant for vehicle ownership and a person/firm authorized to conduct a surety business in Illinois, which obligates the guarantor to pay a third party upon default by the applicant in the performance of any duty the applicant owes to any third party.

**Wholesale Value** — The trade-in value of a vehicle or the value of a vehicle sold between licensed dealers and not at retail.

#### Applying for Title:

To obtain a title for a vehicle without the proper surrender documents, the following items must be submitted to the Secretary of State:

1. Evidence of your right to acquire a title, such as a **bill of sale, receipt** or **canceled check**. If evidence of your ownership is not available, a notarized statement explaining how you came into possession of the vehicle is required.  
**NOTE: A bond cannot be used to obtain titles on abandoned vehicles, repossessions, mechanics liens or estates, or to remove a lienholder.**
2. A written **appraisal** of the current wholesale value of the vehicle from a licensed new or used vehicle dealer (including motorcycle, mobile home and trailer dealers), a licensed rebuilder (for salvage or junk vehicles only), a licensed real estate agent (for mobile homes only) or an officer of an antique vehicle club or association (for antique vehicles only). The appraisal also may be obtained from a used vehicle price guide, supported by copies of the front cover and pertinent pages of the guide.  
**NOTE: If you are a licensed Illinois dealer, you cannot perform your own appraisal. Appraisals must come from disinterested, qualified parties.**

The affirmation of appraisal statement must contain the following:

- Description of the vehicle: year, make, model and vehicle identification number.
- Current wholesale value.
- Statement that the vehicle is intact and that all major component parts are present and in running condition (check box if applicable), or statement that the appraisal applies to a salvage or junk vehicle (check box, if applicable).
- Statement that the appraisal value is accurate to the best of the appraiser's knowledge and that the affirmation is made under penalties of perjury.
- Signature and printed name of the appraiser.
- Firm name, address and dealer license number, or real estate license number, if applicable.
- Date of appraisal.

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3. You must choose the type of bond being applied for:
  - A. **Surety Bond** — A properly completed bond form in the amount of one and one-half (1-1/2) times the appraised value. The required **Power of Attorney** form must be attached by the issuing insurance company.
  - B. **Cash Bond** — A properly completed bond form in the amount of one and one-half (1-1/2) times the appraised value, which must be accompanied by **payment to the State Treasurer** in the amount of the bond.

**NOTE: There is NO minimum bond amount required. The Secretary of State retains the right to question any appraisal that is not appropriate for the transaction.**

4. Properly completed **application** and **fee**, payable to Secretary of State.
5. Properly completed **Motor Vehicle Use Tax Return** form and **tax payment**, if applicable. If the unit is a mobile home, proof of **Mobile Home Local Service Tax** must be submitted. For questions regarding sales tax, please contact the **Illinois Department of Revenue at 217-785-6606**.
6. If a lienholder is listed on the previous title record, a lien release is required.

**SECRETARY OF STATE FACILITIES AND REMITTERS CANNOT PROCESS NOR ISSUE PLATES OR TEMPORARY PERMITS ON BONDS UNDER ANY CIRCUMSTANCES.**

**PLATES OR TAGS WILL BE ISSUED AFTER APPRAISAL OF BOND.**

Upon completion of the required items for bond, please submit all documents to:

Secretary of State  
Vehicle Titles Division  
Attn: Bonded Titles  
609 Howlett Building  
501 S. Second St.  
Springfield, IL 62756-7000

**For questions about obtaining a Certificate of Title by bond, please call 217-782-9796.**

**NOTE: Any person has a right of action to recover on the bond for any breach of its conditions, but the aggregate liability of the surety to all persons shall not exceed the amount of the bond.**