



Lien Release - What Every Car Owner Should Know?

Is the title on your vehicle free and clear, or is there still a lien attached to it?

Many people assume that once a vehicle loan is paid off, there is nothing left to do!

There are two ways a lender may release a lien once a vehicle loan is paid off:

- Electronically release the lien.
- Mark that the lien was discharged and mail the paper title to you.

Generally, if a lender participates in Ohio's Electronic Lien and Title (ELT) Program, the lien will be released electronically and the Bureau of Motor Vehicles (BMV) records will no longer show a lien on the vehicle. However, you will still need to apply for a paper title with the **County Clerk of Courts Title Office**.

If the lien is released manually, you should receive a paper title in the mail from your lender, showing that the lien was discharged. In order to remove the lien from the BMV records, you must take the title to any County Clerk of Courts Title Office and apply for a title. The County Clerk of Courts Title Office will issue you a new paper title.

To be on the safe side, it is important to follow up with the BMV and/or take the proper steps to make sure you indeed have a clear title. Also, keep all records in a safe place.

Failure to take these steps may have you scrambling for a clear title or lien release in the future.

So, what if you are already at the "scrambling" part?

- Check and see if the lender/lienholder is still in business and request a lien release.
- If the lender/lienholder is no longer in business, it's time to do some research.
 - ◊ If the lender is a bank that failed, click here to see if the FDIC has the authority to assist.
 - ◊ Determine if the lender/lienholder merged into or was acquired by another company or changed their business name or location.
 - ◊ Locate and contact the registered agent, this information can generally be found through the Secretary of State.
- If all else fails, you may have to petition a judge for a court ordered title. Contact your County Clerk of Courts for further instructions on this process.

Q: I paid my loan off but there is still a lien showing on my title, can DFI provide a lien release letter or release the lien?

While the Ohio Department of Commerce's Division of Financial Institutions will assist with research efforts regarding the lender/lienholder, it does not have the legal authority to release a lien on the behalf of an individual.

For additional resources regarding lien release, click [here](#).



Department
of Commerce

Division of Financial Institutions