

MOTOR VEHICLES:  
DEPARTMENT OF REVENUE:

Reciprocity between Missouri and  
Illinois.

February 16, 1953

Honorable John F. Carmody  
Prosecuting Attorney  
Randolph County  
Moberly, Missouri



Dear Mr. Carmody:

This department is in receipt of your request for an official opinion which reads as follows:

"I would like an official opinion upon the following question.

"Is a truck which is leased by an Illinois corporation to a resident of Illinois required to be registered in the State of Missouri under the provisions of Chapter 301, RSMo 1949?"

The question presented is whether a truck which is leased by an Illinois corporation to a resident of the State of Illinois is required to be registered in the State of Missouri.

Section 301.020, RSMo 1949, provides, in part, as follows:

"Every owner of a motor vehicle or trailer, which shall be operated or driven upon the highways of this state, \* \* \* shall file, \* \* \* an application for registration \* \* \*."

"Owner" is defined in Section 301.010, Subsection (19), Mo. R. S. 1951 Supplement, as follows:

"'Owner,' the term owner shall include any person, firm, corporation

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or association, who holds the legal title of a vehicle or in the event a vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purpose of this law;"

The above definition of "owner" recognizes only two exceptions to the requirement that the legal title holder is the person who must register in Missouri. These exceptions are: (1) when the vehicle is subject to agreement for conditional sale with the right of purchase upon the performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee; or (2) when the vehicle is subject to a lease with the right of purchase upon performance of the conditions stated in the agreement and with the immediate right of possession vested in the conditional lessee. Under all other circumstances, the person holding the title to the vehicle is the owner within the meaning of the Motor Vehicle Law. Therefore, if a person or corporation owning the legal title merely leases a truck to another person and said lease does not include the right of purchase, then the legal title holder is the owner and he must be the person who must register the vehicle.

The question next arises, does this same rule apply to an Illinois truck that is leased by an Illinois corporation to an Illinois lessee, said lease not being subject to the right of purchase.

Section 301.270, RSMo 1949, provides as follows:

"A nonresident owner, except as otherwise herein provided, owning any motor vehicle which has been duly registered for the current year in the state, country or other place of which the owner is a resident and which at all times when operated in the state has displayed upon it the number plate or plates issued for such

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vehicle in the place of residence of such owner may operate or permit the operation of such vehicle within this state without registering such vehicle or paying any fee to this state, provided that the provisions of this section shall be operative as to a vehicle owned by a nonresident of this state only to the extent that under the laws of the state, country or other place of residence of such nonresident owner like exemptions are granted to vehicles registered under the laws of and owned by residents of this state."

The above statute extends to nonresident owners the right to operate in this state without being registered if the state in which the person is a resident extends like favors to the resident of this state under the same conditions and circumstances.

We must look, therefore, to the laws of Illinois to determine whether a truck leased by a Missouri lessor to a Missouri lessee is entitled to operate in Illinois without the payment of a registration fee.

Chapter 95 1/2, Section 1, Smith-Hurd Illinois Annotated Statutes, defines "owner" in exactly the same terms as does the Missouri statute, which definition reads as follows:

" \* \* \* \* \*  
Whenever the word 'owner' is used in this Act it shall be construed to mean the person who holds the legal title of a motor vehicle or in the event a motor vehicle is the subject of an agreement for the conditional sale or lease thereof with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or in the event a mortgagor of a motor vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purposes of this Act. As amended by act approved July 17, 1945. L. 1945, p. 1059."

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Therefore, under the Illinois Act, it is the same as Missouri insofar as it defines who is the owner so as to register the motor vehicle.

Chapter 95 $\frac{1}{2}$ , Section 2, Smith-Hurd Illinois Annotated Statutes, designates those vehicles which are designed and used for pulling or carrying freight and those vehicles which are used for carrying more than seven persons as vehicles of the second division.

Chapter 95 $\frac{1}{2}$ , Section 9, Smith-Hurd Illinois Annotated Statutes, provides that all owners of vehicles of the second division must be registered.

Chapter 95 $\frac{1}{2}$ , Section 22, Smith-Hurd Illinois Annotated Statutes, provides as follows:

"Except as herein provided for foreign corporations, the provisions of sections 8, 9, 10, 14, 17, and 27 of this Act, shall not apply to any motor vehicle or motor bicycle owned by non-residents of this State if the owner thereof has complied with the law requiring the registration of motor vehicles or motor bicycles or the names of the owners thereof in force in the city, state, foreign country or province, territory or Federal district of his residence: and the registration number showing the initial or abbreviation of the name of such city, state, foreign country or province, territory or Federal district, is displayed on such vehicle substantially as is provided in section 14 of this Act: Provided, that the provisions of this section shall be operative as to a motor vehicle or motor bicycle owned by a non-resident of this State only to the extent that under the laws of the city, state, foreign country or province, territory or Federal district of his residence, like exemptions and privileges are granted to motor vehicles or motor bicycles duly registered under the laws of and owned by residents of this State. If, under the laws of such city, state, foreign country or province, territory or Federal district, motor vehicles or motor bicycles owned by residents of this State, operating upon the

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highways of such city, state, foreign country or province, territory or Federal district are required to pay the registration fee and carry the license plates or pay any other fee or tax to such city, state, foreign country or province, territory or Federal district, the motor vehicles or motor bicycles owned by residents of such city, state, foreign country or province, territory or Federal district, and operating upon the highways of this State shall comply with the provisions of sections 8, 9, 10, 14, 17 and 27 of this Act. Foreign corporations, partnerships and individuals owning, maintaining or operating places of business in this State and using motor vehicles or motor bicycles in connection with such places of business, shall comply with the provisions of sections 8, 9, 10, 14, 17 and 27 of this Act insofar as the motor vehicles and motor bicycles used in connection with such places of business are concerned.

"In order to effectuate the purposes of this section, the Secretary of State of Illinois shall have authority to enter into reciprocal agreements with the responsible officers of other states as to licenses, permit fees and flat taxes under which motor vehicles, trucks, tractors, trailers or semi-trailers properly licensed or registered in other states may be operated in this State without an Illinois registration or the payment of permit fees or flat taxes; provided like privileges are accorded to vehicles owned by Illinois citizens when operated in such other states. As amended by act approved July 9, 1951. L. 1951, p.\_\_\_\_, S. B. No. 96, effective Jan. 1, 1952."

(Underscoring ours.)

Under the above section, it will be seen that reciprocity is granted by the State of Illinois to non-resident owners who have leased trucks to nonresident

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lessees unless the foreign corporation, partners or individuals own, maintain or operate places of business in Illinois and use motor vehicles in connection with such places of business.

CONCLUSION.

Therefore, it is believed that the State of Missouri should grant reciprocity and not require a nonresident lessor who leases trucks to a nonresident lessee to register if the nonresident owner does not maintain a place of business in this State and use vehicles in connection with such place of business.

The foregoing opinion, which I hereby approve, was prepared by my Assistant, Mr. Frank W. Hayes.

Yours very truly,

JOHN M. DALTON  
Attorney General

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