

In North Carolina, you must purchase auto insurance before you are allowed to tag your vehicle and put it on the road. The state of North Carolina uses its license tag system as a way to track whether or not you currently have liability insurance on your car. And while the law hasn't changed, the way it is being enforced has changed dramatically and this could catch a few car owners off guard.

NC law has always required liability insurance to be in place before you may be issued a license tag to operate your vehicle on the roads. In the past there has been a bit of flexibility in how this law was enforced, particularly for people who sold a car. Until recently, if you waited a few weeks before you bothered to take you tag down to the tag office and turn it in, then you would be unlikely to be fined. That has all changed, the enforcement has been stepped up and with very few exceptions, if you have a tag in your possession even one day after your insurance has been cancelled, then you will probably have to pay the \$50 fine for this legal transgression.

We can all speculate on why this change has come about; perhaps the increased revenue associated with collection of these fines plays a part. Or maybe there have been just too many uninsured vehicles out there involved in accidents. Whatever is driving this change, people who have become used to taking their time about turning in their tags after selling a car, will have to change their patterns or face fines.

We spoke with a DMV officer and he confirmed that they are more rigorously enforcing this rule and collecting more fines these days. He also offered some sound advice for helping protect yourself from the fine, even when you do turn your tags in on time. He said that we should advise people to turn in their tags before they cancel their insurance on a car, and most importantly ask for a receipt stating that the tag has been turned in. Otherwise your tag may be thrown in a box and not processed for a couple of days, by which time you may have already cancelled your insurance and you might still face a fine due to the lag in processing your tag.

If you have any questions about this process, or if you need any help at all with your auto insurance, please call our office, toll free at 877-687-7557. We look forward to helping you with all of your insurance needs.