

# Texas Repairman's Lien



What is a lien?	This is your right to keep, repossess, and/or sell repaired equipment to make sure you get paid for repair work you do for the customer.
When is a lien needed?	When you repair equipment but the customer doesn't pay you when the work is finished.
How do I get a lien?	Keep the equipment until you get paid. You have the right to do this.
How do I lose the lien?	If you release the equipment, your lien is lost. <i>However</i> , if you released the equipment because the customer gave you a bad check or credit card, <b>AND</b> you have a work ticket containing the correct wording, you <i>may</i> still have a lien and can repossess the equipment as long as you don't "breach the peace." For a sample work ticket with the correct wording, please <a href="#">click here</a> . Please note that additional requirements will arise if you repossess the equipment. Contact your attorney if this situation applies to you.
How do I get paid? <i>(This section does NOT apply to titled vehicles.)</i>	<b>To get paid, you will need to sell the equipment in compliance with state law.</b>
	<p>If you have the equipment and haven't been paid for 60 days, there are two options. Don't use either option until the repair bill is more than 60 days past due. If the owner lives in Texas and you can obtain his address, then you must send the owner a written demand to pay the amount due. A sample demand letter may be found by <a href="#">clicking here</a>. If the owner doesn't pay before the 11th day after the demand letter is sent, you may sell the equipment, as long as you give the owner 20 days notice of the sale. Giving notices to lenders with security interests in the equipment is also recommended. For sample notice-of-sale forms, please <a href="#">click here</a>. If the owner doesn't live in Texas or you don't know his address, you may sell the equipment without giving notice.</p> <p>The sale must be at public auction, and the equipment goes to the highest bidder for cash. You can keep the cash received to pay your bill and your sale expenses. The rest must be given to the owner or to lenders that have claimed an interest.</p>

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<p><i>(This section applies ONLY to titled vehicles)</i></p>	<p>To get paid, you will need to sell the titled vehicle in compliance with state law.</p>
	<p>If you have the titled vehicle in your possession and haven't been paid, you must send written notice to the owner of the titled vehicle and to each lienholder found on the certificate of title. For a sample notice, please <a href="#">click here</a>. To obtain the certificate of title to identify the lienholders, submit a request for Texas Motor Vehicle Information to the Texas Department of Motor Vehicles. For a copy of the request form, please <a href="#">click here</a>. When submitting the form, check the box that says "I am the current recorded owner or lienholder of the vehicle."</p> <p>If the vehicle is registered outside of Texas, you must give notice to the last known registered owner and each lienholder of record.</p> <p>You must file a copy of the notice with the tax assessor-collector's office in the county in which the repairs were made. The administrative fee for this filing is \$25.00 and it must be filed within 30 days after the date the charges accrued for the repair work. <b><i>This requirement does not apply to franchised dealers but we recommend that all franchised dealers comply to make sure they have rights to sell the vehicle if payment is not received</i></b></p> <p>If you have not received payment before the 31<sup>st</sup> day after filing the notice with the tax assessor-collector's office, you may sell the vehicle at a public sale and apply the proceeds to the charges owed to you. Any remaining proceeds must be paid to those entitled to them (e.g. owner or other lienholders).</p>
<p>These materials are intended to be general summaries only. Contact your attorney for your specific situation.</p>	