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AUTOMOBILE FIRST-PARTY TOTAL LOSS AND SALVAGE TITLE LAWS IN ALL 50 STATES

When and whether a vehicle involved in a collision is considered “totaled” or a “total loss” for *first-party insurance claim purposes* or for purposes of *handling salvage and branding titles of vehicles which are considered “salvage”* are two different but related concepts and practices within the insurance industry which are often conflated. This can cause a great deal of angst and confusion for consumers and even many insurance professionals. Lawyers who do not practice in this area can also become lost navigating the maze of rules and regulations regarding the act of “totaling” a vehicle and the resulting responsibilities and ramifications with regard to salvage. However, it doesn’t need to be that complicated. A “total loss” is a function of the insurance policy and the particular insurance company’s practices regarding when to pay a total loss as opposed to paying for repairs to a damaged vehicle. A total loss is not instantly considered salvage.

Every state has their own title-branding laws and requirements and some of them leave it up the insurance company. In most states the law defines damage thresholds as a function of requirements for salvage title laws only. In other words, the state may require a salvage title if damage exceeds a certain threshold, however carriers can declare a total loss at any at any level of damage. In other words, the total threshold laws do not bind insurance companies adjusting auto property loss claims. For example, in a state with a 80% salvage title threshold, a vehicle’s repairs may be at 75% of market value, but the carrier, after taking salvage value into consideration, finds that the repair is not economically feasible and declares the vehicle to be a total loss. In such an instance, the vehicle could go to the salvage auction as a total loss, yet it would retain a clean title under state law, as it remains below the salvage title threshold.

First-Party Total Loss Claims

In insurance parlance, the phrase “Total Loss” in a first-party claim setting simply means that the cost of repairing a vehicle, plus projected supplements, projected diminished resale value, and projected rental costs, exceeds the Actual Cash Value (ACV) of the pre-accident vehicle less the projected proceeds of selling the damaged vehicle for salvage. This is known as an “*Economic Total Loss.*” If the vehicle is badly damaged and beyond repair, it is known as a “*Constructive Total Loss.*” To determine the ACV of a vehicle, it is compared to similar vehicles being sold in the area, private databases such as Kelley Blue Book are referenced, or an appraiser is used. To that amount the insurance company sometimes adds sales tax, title, and registration fees. Insurance companies sometimes have their own formulas for determining when to “total” a vehicle. Some do so if a vehicle’s repairs are found to be at 51% of the vehicle’s value, and others use a figure as high as 80%. Much depends on the language of the insurance policy involved. For example, typical language found in an auto insurance policy under *Part D – Coverage For Damage To Your Auto*, might read as follows:

Our limit of liability for loss will be the lesser of the:

1. Actual cash value of the stolen or damaged property;
2. Amount necessary to repair or replace the property with other of like kind and quality; or
3. Amount stated in the Declarations of this policy.

Another example of policy language regarding total losses is as follows:

We will pay the cost to physically repair the auto or any of its parts up to the actual cash value of the auto or any of its parts at the time of the collision. The most we will pay will be either the actual cash value of the auto or the cost to physically repair the auto, whichever is less. We will, at our option, repair the auto, repair or replace any of its parts, or declare the auto a total loss. If, the repair of a damaged part will impair the operational safety of the auto, we will replace the part.

Therefore, the policy language of a typical policy will usually allow the insurer to consider a vehicle to be a “total loss” if:

1. The damage to the vehicle is so severe that it can’t be repaired safely;
2. The repairs will exceed the value of the vehicle itself, or
3. The amount of damage is so severe that state regulations require the vehicle to be declared a total loss.

The insurance company will then pay to its insured the ACV of the vehicle, plus applicable state fees and taxes, if provided for in the policy language, less any deductible owed. (Note: A chart entitled “Recovery of Sales Tax After Vehicle Total Loss In All 50 States” can be found [HERE](#).) The policy language usually dictates what is owed. If the vehicle is owned free and clear, the payment is made to the insured. If the vehicle is leased, the leasing company is usually paid. If the vehicle is financed and the lender is listed on the policy or on the title, the financing company is usually paid first. If the settlement exceeds the balance of the loan, the insured receives the balance. If the settlement is less than what is owed, the insured will be responsible for paying the rest of the loan balance. In those situations, the availability of “gap insurance” comes into play. Gap insurance is an optional car insurance coverage that helps pay off your auto loan if your car is totaled or stolen and you owe more than the car’s depreciated value. Gap insurance is also known as “loan/lease gap coverage.” It covers the owner if he or she is the original borrower or leaseholder on a new vehicle. Gap insurance helps pay the gap between the depreciated value of the vehicle and what the owner still owes on the car.

Typically, cars are “totaled” when the cost to repair the vehicle is higher than the ACV of the vehicle. However, it is not always practical to repair a vehicle, even if the cost of repair is less than its ACV. A vehicle worth \$4,000 requiring \$3,000 in repairs might be considered “totaled” by an insurer even though the cost of repair is less than its value before the accident. Insurance companies will typically consider such a vehicle to be a total loss, even though the repairs are only 75% of ACV or pre-damage value, or if the vehicle is stolen and not recovered. The damage threshold varies from company to company. An insurer will usually take possession of a totaled vehicle and obtain its title. If the owner is okay with the carrier totaling the vehicle but still wants to keep the vehicle, the carrier will pay its insured the ACV of the vehicle, minus any deductible that is due and the amount the vehicle could have been sold for at a salvage yard. It then will be up to the insured to make repairs and take care of any title issues.

Total Loss Thresholds, Vehicle Title Branding, and Resale of Salvage Vehicles

A “total loss” is a function of the insurance policy and an insurance company’s practices regarding when they declare a vehicle a total loss as opposed to paying to repair it, as a matter of policy. A “total loss” is not automatically considered salvage. Every state has its own title-branding laws and requirements, and some states leave that decision to the insurance company. The issue of “total loss” of a vehicle discussed above goes hand-in-hand with a state’s salvage/vehicle title branding laws and the two concepts are often conflated. When a vehicle is declared a total loss, the insurance company usually takes ownership of the vehicle. The title is transferred into the insurance company’s name, and it then sells the vehicle to a salvage dealer, who in turn sells it to an auto parts yard or a recycler. On occasion, the insured may want to keep the salvage vehicle for sentimental or financial reasons. In that case, the insurance company pays its insured the ACV less

the deductible and salvage value of the vehicle. Some states have salvage laws which prevent an insured from keeping a total loss vehicle. If the insured keeps the salvage vehicle, it should not be removed from the insurance policy until a rental vehicle is no longer being used and the vehicle is no longer registered in the insured's name. Many "totaled" vehicles are repaired and sold to the public after they are "totaled." Insurance companies are required to declare a car totaled and apply for a *salvage title* once damage reaches a certain point under a state's law.

Salvage laws help the public know what it is paying for when it buys a salvaged vehicle. The definition of a "salvage vehicle" differs from state to state. Generally, however, a salvage vehicle is one that has been in some sort of accident or had damage occur and has been declared a total loss due to that damage at some point in its history. It could also be as simple as a vehicle which was stolen and not recovered in a specified period of time. Often, it's not clear who has to declare the vehicle a total loss (the insurance company or the state, as in Minnesota, which has a "total loss" definition). Therefore, what qualifies as a salvage vehicle varies from state to state, but often overlaps with a "total loss" label from either the state or an insurer.

Depending on the type and extent of damage, the salvage buyers will occasionally have these cars repaired and will then attempt to sell them as a running vehicle. When insurance companies write off a vehicle as a "total loss", the law in most states requires the vehicle's title of ownership to be given a "brand." That brand permanently marks the car as damaged goods to all potential future owners, but there are ways for unscrupulous dealers to make the brand disappear. In the old days, it was literally done with chemicals. Today, photo-editing software and digital scanners are used to print new titles. There are no national titling laws. Cars can also simply be re-registered in different states until the brand falls away. According to the vehicle history provider *CarFax*, 800,000 cars in the U.S. — including at least 500 taxis — have been "title washed" to conceal their troubled histories.

Whether or not a vehicle is required to have a "salvage title" issued varies from state to state. In a small number of states, a salvage title is required if a vehicle is stolen and not recovered within 21 days. Arizona, Florida, Georgia, Illinois, Maryland, Minnesota, New Jersey, New Mexico, New York, Oklahoma, and Oregon use salvage titles to identify stolen vehicles. Not all total loss vehicles result in a DMV-reported branded title, however. For example, there will be no branded title if an insurance company's definition of "total loss" is different from that of the DMV's threshold requirement for a branded title, or when the owner of the vehicle is a self-insured company, such as a fleet or a rental car company.

Salvage vehicles which are repaired and the "salvage title" is removed or replaced with a "rebuilt salvage" brand so that a buyer knows that the vehicle has been purchased as salvage, repaired, passed an inspection, and has been deemed as safe to drive. The salvage information contained in the chart below is directly from the American Association of Motor Vehicle Administrators' website and is subject to change. While the procedure varies slightly from state to state, the insurance company will typically take ownership of the totaled vehicle (known as "salvage") and may obtain a "salvage title" for the vehicle. After it pays it's insured the pre-loss ACV of the vehicle and forwards the certificate of ownership, license plates, and a required fee to the Department of Motor Vehicle (DMV), the DMV then issues a *Salvage Certificate* for the vehicle. In some cases, the vehicle is repaired, re-registered with the DMV, and then classified as a "revived salvage" or "salvaged" vehicle. Of course, if the insured wants to keep the "totaled" vehicle, the insurance company will deduct the value of the salvage from the claim payment. The detailed laws and regulations regarding whether a vehicle is considered a total loss and what sort of branding or titling requirements follow, are in place in order to avoid fraud which often occurs when total loss vehicles do not get classified as salvage by insurers and other sellers or are not appropriately branded, and are not properly and swiftly reported into the appropriate state and federal databases by those entities, such as auto auctions that are handling the vehicles prior to their being offered for resale. Unscrupulous buyers of salvage vehicles often take advantage of an undocumented damage status to then offer these cars for resale to an unsuspecting public, including instances of title-skipping, where the seller - which in many cases is a major insurance company or salvage auction company, but also can include Internet focused "junk-my-car" solicitation companies, tow-to-acquire companies, charity organizations, and other companies that buy used and salvage vehicles from the public for resale – engages in a practice of title skipping to hide its part in the chain of ownership of the total loss vehicle.

In some states, such as Florida, if the vehicle's repair costs exceed 80% of its pre-accident ACV, it is considered a salvage vehicle. In other states, such as Minnesota, the vehicle becomes a salvage vehicle when the insurance company declares it to be a "total loss" and the vehicle is worth at least \$5,000 and is less than six -years-old. This means that in some states, a vehicle worth less than \$5,000 or older than six years cannot be deemed salvage, making those who buy vehicles which fit this description open to fraud and unsafe vehicles. In most states, vehicles which carry a salvage title may not be registered and driven on public roads. In order to resell the vehicle and operate it on the public roadways, the title must be "rebranded" with a "rebuilt salvage" brand.

The National Motor Vehicle Title Information System (NMVTIS) is a system that allows the titling agency to instantly and reliably verify the information on the paper title with the electronic data from the state that issued the title. NMVTIS is designed to protect consumers from fraud and unsafe vehicles and to keep stolen vehicles from being resold. Insurance carriers are required to provide NMVTIS with information on every salvage vehicle obtained, including total loss vehicles. The Department of Justice recognizes that many state laws have differing requirements and definitions of terms such as "salvage." The NMVTIS requirements do not alter these state laws and the state laws do not prevail over federal definitions and requirements. However, as stated in the NMVTIS regulations, a determination of total loss under a state law will trigger the requirement for an insurance company to report a total loss vehicle. The information reported to NMVTIS is not required to be used by any future state that titles a vehicle included in an insurance carrier report.

Total Loss Threshold (TLT)

A Total Loss Threshold (TLT) is the dollar amount or percentage of value that triggers an automobile's being declared a "total loss" by the insurance company. In determining whether a vehicle is subject to a state's salvage title laws, insurance companies will calculate the *Total Loss Ratio* (cost of repairs/actual cash value) and then compare the resulting ratio/percentage to limits set and/or established by state law. The *Total Loss Ratio* is also sometimes referred to simply as the *damage ratio*. Some states have pre-determined percentages which dictate by law how high this damage ratio needs to be in order to be able to declare a vehicle a "total loss" and be eligible for a salvage title or certificate. This is referred to as the *Total Loss Threshold* (TLT). In order to total a vehicle, the damage ratio must exceed the state-established TLT percentage. States frequently dictate this TLT as part of legislating salvage titles and it varies from state to state. A car with damage totaling 75% of its value is totaled in New York, but considered repairable in Texas, where the threshold is 100%. As an example, in Wisconsin, § 342.065(1)(c) reads as follows:

(c) If the interest of an owner in a vehicle that is titled in this state is not transferred upon payment of an insurance claim that, including any deductible amounts, exceeds 70% of the fair market value of the vehicle, any insurer of the vehicle shall, within 30 days of payment of the insurance claim, notify the department in writing of the claim payment and that the vehicle meets the statutory definition of a salvage vehicle, in the manner and form prescribed by the department.

In addition, Wis. Stat. § 340.01(55g) provides the definition of a salvage vehicle: "Salvage vehicle" means a vehicle less than seven-years-old that is not precluded from subsequent registration and titling and that is damaged by collision or other occurrence to the extent that the estimate or actual cost, whichever is greater, of repairing the vehicle exceeds 70% of its fair market value." Many states have exceptions to these rules for older vehicles which tend to complicate the issue.

When state law does not dictate a TLT, an insurance company must determine internally when a vehicle becomes a total loss. This means that the insurance company applies a Total Loss Formula (TLF), which is usually set forth in the policy and sometimes governed by state law. It should also be noted that in some TLT states, rental costs are also considered in determining whether a vehicle is a constructive total loss.

It is important to remember that statutory thresholds may be based on differing valuation standards (e.g., fair market value vs. retail value), which can affect when salvage branding is triggered.

Total Loss Formula (TLF)

When a TLT is not dictated by the state, an insurance company might apply its own internal TLT or percentage, or simply default to something known as the *Total Loss Formula* (TLF). However, this internal TLF cannot be less than the TLT determined by state law. This TLF can be summarized or expressed as follows:

$$\text{Cost of Repair + Salvage Value} > \text{Actual Cash Value.}$$

The concept of a ‘total loss’ varies depending on whether one is referring to an insurer’s first-party claim decision or a state’s statutory salvage/title threshold. In a first-party insurance claim, a vehicle is generally considered an economic total loss when the actual cash value (ACV) of the vehicle is equal to or less than the cost of repairs, taking into account salvage value and other claim-related costs. This is commonly referred to as an ‘economic total loss’ or ‘total loss formula’ and is not mandated by statute in most states, but instead arises from policy language and claims-handling practices and practical considerations.

For example, in a state where there is no statutory percentage threshold governing when a carrier may total a vehicle, a vehicle with an actual cash value (ACV) of \$10,000, repair costs of \$5,000, and a salvage value of \$6,000 may be declared a total loss under an *economic total loss analysis*, even though repair costs alone are only 50% of ACV. In that scenario, if the vehicle is repaired, the insurer pays \$5,000. If the vehicle is declared a total loss, the insurer pays the insured \$10,000 (subject to deductible and policy terms), takes ownership of the vehicle, and recovers \$6,000 through salvage, resulting in a net cost of \$4,000. Because the net cost to total the vehicle (\$4,000) is less than the cost to repair it (\$5,000), the insurer may reasonably determine that the vehicle is an economic total loss. This illustrates that statutory salvage thresholds generally govern title branding and do not control first-party total loss determinations unless expressly mandated by state law.

By contrast, many states impose a statutory percentage threshold (often referred to as a ‘total loss threshold’ or ‘TLT’) that governs when a vehicle must be declared salvage for title and branding purposes. A vehicle is assigned a salvage title when it has been affirmed a total loss from vandalism, fire, theft, collision, or flood. The salvaged vehicle will not be registered or driven legally until it has a reconstructed titled issued. These thresholds typically compare repair cost to pre-loss value and do not necessarily incorporate salvage value unless expressly stated in the statute. Importantly, in many jurisdictions, these statutory thresholds do not control an insurer’s decision to declare a vehicle a total loss in a first-party claim.

For example, a damaged vehicle with an ACV of \$2,800 and repair costs of \$2,000 reflects a 72% damage ratio. In a state with a 70% statutory threshold, such as Arkansas, the vehicle may be required to be branded as salvage for title purposes. In a state with an 80% threshold, such as Florida, it would not meet the statutory threshold. However, an insurer may still determine that the vehicle is an economic total loss under the policy in either state if repair costs, salvage value, and other considerations make repair economically impractical. In states that do not impose a fixed percentage threshold on insurers, carriers typically rely on this economic analysis, often informed by appraisers and valuation data sources such as CCC Information Services.

50-State Chart

The preceding introduction and the following chart will hopefully help remove some of the confusion over when a car is considered “totaled” in a first-party insurance claim and when it is rendered a “salvage vehicle” for which certain duties arise under state law. However, if there are questions, claims professionals should refer to their company rules and procedures, applicable insurance policy language, and even legal counsel before making a decision to total a vehicle. This chart is for informational purposes only and should not be construed as legal advice.

Important: Please note that this chart concerns itself with state laws dealing with first-party insurance claims involving total losses as well as when a salvage title or other branding is required by state motor vehicle title laws. The chart has nothing to do with the tort damages owed by a third-party tortfeasor whose negligence caused the collision to the vehicle owner. The “Statutory Salvage / Title Branding Threshold” column reflects state laws governing when a vehicle must be branded as salvage for title purposes. The “Insurer Total Loss Threshold Rule” column reflects whether a state requires insurers to follow a specific percentage or formula

when determining whether a damaged vehicle is a total loss in a first-party claim. In many states, no fixed percentage is mandated, and insurers may determine total loss based on policy language and economic considerations. States differ significantly in how ‘total loss’ thresholds are applied. In some states, the percentage threshold functions as a binding rule that insurers must follow when determining whether a vehicle is a total loss in a first-party claim. In other states, the percentage applies only to salvage title or vehicle branding requirements and does not control the insurer’s claim decision, which is governed by policy language and economic considerations. Accordingly, the thresholds identified below may reflect either a mandatory rule for insurers or a statutory salvage designation standard, depending on the state. The chart distinguishes between these concepts so that insurers can determine whether a fixed percentage threshold is required in a given jurisdiction.

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
ALABAMA	75% of fair retail value. A vehicle is salvage when an insurer pays a total-loss claim on damage that is greater than or equal to 75% of the vehicle’s pre-loss fair retail value.	75% statutory threshold. Alabama is a rare state which its laws define a ‘total loss’ at damage greater than or equal to 75% of fair retail value, and that total-loss determination triggers salvage treatment.	Ala. Code § 32-8-87(b)(1)a, (d)(1) (defines total loss at ≥75% and requires salvage branding); Ala. Admin. Code r. 810-5-75-.57 (insurer duties upon total loss, including title surrender).	Alabama is one of the few states in which the statutory total-loss threshold and the salvage-branding rule substantially overlap. If an insurer pays for a total loss, the vehicle is considered salvage, and no salvage or junk vehicle may be driven on public roads until properly retitled and, if applicable, rebuilt and inspected. The Alabama Department of Revenue expressly describes a salvage vehicle as “also known as total loss.” Alabama law defines a vehicle as a ‘total loss’ when damage equals or exceeds 75% of fair retail value, and also ties that determination to the insurer’s payment of a total-loss claim and the issuance of a salvage title.

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
ALASKA	No fixed statutory percentage or formula. A vehicle is considered salvage or 'junk' if it is wrecked, destroyed, or damaged to the extent that it is not economically repairable or cannot be safely operated.	No statutory percentage threshold. Auto insurers determine total loss based on policy language and economic considerations. In practice, carriers typically apply a total loss formula (cost of repair plus salvage value compared to ACV), but this is not mandated by Alaska statute.	Alaska Stat. § 28.10.181 (defines salvage/junk vehicle status); Alaska Admin. Code tit. 2, § 92.170 (governs insurer obligations once that status exists).	There is no statutory total loss percentage or formula in Alaska governing when a vehicle must be declared a total loss. Instead, Alaska law focuses on whether a vehicle is 'wrecked' or not repairable for its intended use. An insurer that acquires a vehicle determined to be uneconomical to repair or incapable of safe operation must surrender the title and brand it accordingly (e.g., 'junk'). The determination of whether to declare a vehicle a total loss in a first-party claim is left to the insurer and governed by policy language and economic considerations, not by statute. While insurers may utilize a total loss formula in practice, Alaska law does not mandate its use.
ARIZONA	70% of Fair Market Value (FMV). A vehicle is salvage if the cost of repair equals or exceeds 70% of its fair market value.	No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).	A.R.S. § 28-2091(T)(4) (defines salvage vehicle threshold at 70%); Ariz. Admin. Code R17-4-405 (procedures for salvage title and insurer reporting).	Arizona's 70% threshold applies to salvage/title branding only and does not mandate when an insurer must declare a vehicle a total loss in a first-party claim. Insurers typically apply an economic total loss analysis (repair cost compared to ACV, often considering salvage value), but this is not prescribed by statute.
ARKANSAS	70% of average retail value. A vehicle is salvage if the cost of repair equals or exceeds 70% of its average retail value.	No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).	Ark. Code Ann. § 27-14-2301(6)(B) (defines salvage vehicle threshold at 70% of average retail value); Ark. Code Ann. § 27-14-2301 et seq. (governs salvage title branding and procedures).	The 70% threshold applies only to salvage/title branding and does not control first-party total loss determinations. Arkansas does not mandate use of a Total Loss Formula (TLF). Insurers may declare a vehicle a total loss based on economic considerations, including repair cost compared to ACV and, in practice, often consideration of salvage value. For example, a vehicle with an ACV of \$10,000, repair costs of \$5,000, and salvage value of \$6,000 could reasonably be declared a total loss under an economic total loss analysis even though repair costs alone are only 50% of ACV, because the combined exposure exceeds the vehicle's value.

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
CALIFORNIA	<p>No fixed percentage. A vehicle is salvage if it is damaged to the extent that it is uneconomical to repair.</p> <p>If the insurance company declares the vehicle a total loss, DMV can issue a Salvage Certificate.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p> <p><i>Martinez v. Enter. Rent-A-Car Co.</i>, 13 Cal. Rptr.3d 857 (Cal. App. 2004).</p>	<p>Cal. Veh. Code § 544 (defines salvage vehicle based on uneconomical repair);</p> <p>Cal. Code Regs. tit. 10, § 2695.8(f) (governs insurer total loss settlement practices and valuation requirements).</p>	<p>A vehicle is a total loss where the cost of repair exceeds the vehicle value prior to the repair of the vehicle.</p> <p>“Total Loss” means either of the following:</p> <p>(a) A vehicle, other than a non-repairable vehicle, that has been damaged to the extent the insurance company considers it <u>uneconomical to repair</u>, and is not repaired; or</p> <p>(b) A vehicle determined to be uneconomical to repair, for which a total loss payment has been made by an insurer, whether or not the vehicle is subsequently repaired, if prior to or upon making the payment, the insurer obtains the agreement of the claimant to the amount of the total loss settlement, and informs the client that, pursuant to subdivision (a) or (b) of § 11515, the total loss settlement must be reported to the DMV, which will issue a salvage certificate for the vehicle.</p> <p>California does not impose a numeric total loss threshold. The salvage determination is based on whether the vehicle is uneconomical to repair. Insurers are subject to detailed regulatory requirements regarding total loss settlements, including valuation methods, but retain discretion in determining whether to repair or total a vehicle. The regulations address how total loss claims must be adjusted, not when a vehicle must be declared a total loss.</p>
COLORADO	<p>100% of actual cash value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds its actual cash value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Colo. Rev. Stat. § 42-6-102(17) (defines salvage vehicle based on repair cost exceeding ACV);</p> <p>Colo. Rev. Stat. § 42-6-136 (governs salvage title issuance and procedures).</p>	<p>Colorado uses a “total loss formula” approach for salvage branding, effectively requiring that repair costs meet or exceed the vehicle’s value before it is branded salvage. This threshold applies to title branding and does not mandate when an insurer must declare a vehicle a total loss in a first-party claim. Insurers retain discretion and typically apply an economic total loss analysis in practice.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
CONNECTICUT	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Conn. Gen. Stat. § 14-149 (defines salvage vehicle threshold at 75%);</p> <p>Conn. Agencies Regs. § 38a-334-6 (total loss claim settlement standards);</p> <p>Conn. Gen. Stat. § 38a-353 (unfair claim settlement practices framework).</p>	<p>The 75% threshold applies to salvage/title branding and does not control first-party total loss determinations.</p> <p>Connecticut regulations do, however, govern how insurers value and settle total loss claims but does not mandate a percentage threshold for declaring a vehicle a total loss. Insurers must base settlements on actual cash value using reasonable, supported valuation methods (e.g., comparable sales or appraisal data), adjust for condition, mileage, and equipment, and provide sufficient information to the insured to evaluate and challenge the valuation. Insurers typically apply an economic total loss analysis in practice.</p>
DELAWARE	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>21 Del. C. § 2512</p>	<p>The insurer determines if vehicle is a total loss. It is then transferred as “salvage vehicle.” The 75% threshold applies to salvage/title branding only and does not control first-party total loss determinations. Delaware does not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.</p>
DISTRICT OF COLUMBIA	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>D.C. Code § 50-2201.02(11) (defines salvage vehicle threshold at 75%);</p> <p>D.C. Mun. Regs. tit. 18, § 2702 (governs salvage title procedures and insurer reporting).</p>	<p>The 75% threshold applies to salvage/title branding only and does not control first-party total loss determinations. The District of Columbia does not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
FLORIDA	<p>80% of actual cash value.</p> <p>A vehicle is a total loss and must be branded salvage if the cost of repair equals or exceeds 80% of its actual cash value.</p>	<p>80% statutory threshold effectively governs total loss determinations, although insurer decisions remain subject to policy language.</p>	<p>Fla. Stat. § 319.30(1)(t) (defines total loss);</p> <p>Fla. Stat. § 319.30(3)(a) (requires salvage branding at ≥80% of ACV);</p> <p>Fla. Stat. § 626.9743 (motor vehicle total loss settlement practices).</p>	<p>Florida is one of the few states where both salvage branding and first-party total loss determinations are governed by statute. Once repairs reach 80% of ACV, the vehicle is treated as a total loss for title purposes, and insurers generally follow this threshold in adjusting claims.</p> <p>The statute does not strictly require an insurer to total a vehicle below 100%, but the 80% threshold functions as a practical rule in claim handling.</p>
GEORGIA	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Ga. Code Ann. § 40-3-2(13)(A) (defines salvage vehicle threshold at 75%);</p> <p>Ga. Code Ann. § 40-3-36 (governs salvage title branding and procedures).</p>	<p>The 75% threshold applies to salvage/title branding only and does not control first-party total loss determinations. Georgia law defines when a vehicle must be branded salvage but does not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.</p>
HAWAII	<p>No fixed percentage.</p> <p>A vehicle is salvage if it is damaged to the extent that repair is uneconomical or impractical.”</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Haw. Rev. Stat. § 286-2 (defines salvage vehicle based on uneconomical repair);</p> <p>Haw. Rev. Stat. § 286-52 (governs salvage certificate and branding procedures).</p>	<p>Hawaii does not use a fixed percentage threshold for salvage branding <u>or</u> total loss determinations. The salvage designation is based on whether repair is uneconomical or impractical. Insurers retain discretion in first-party claims and typically apply an economic total loss analysis in practice.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
IDAHO	<p>75% of retail value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its retail value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Idaho Code § 49-123(2)(n) (defines salvage vehicle threshold at 75% of retail value);</p> <p>Idaho Code § 49-526 (governs salvage certificate of title procedures).</p>	<p>The 75% threshold applies to salvage/title branding only and does not control first-party total loss determinations. Idaho law defines when a vehicle must be branded salvage but does not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.</p>
ILLINOIS	<p>33 1/3% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 33 1/3% of its fair market value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>625 Ill. Comp. Stat. 5/1-182 (defines salvage vehicle threshold at 33 1/3%);</p> <p>625 Ill. Comp. Stat. 5/3-117.1 (governs salvage certificate and branding procedures).</p>	<p>Illinois uses a uniquely-low 33 1/3% threshold for salvage branding, which does not reflect insurer total loss practices. This threshold applies only to title branding and does not control first-party total loss determinations. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice. Illinois law also requires transparency in total loss valuations but does not mandate a percentage threshold for declaring a vehicle a total loss.</p>
INDIANA	<p>70% of actual cash value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 70% of its actual cash value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Ind. Code § 9-13-2-164.5 (defines salvage vehicle threshold at 70% of ACV);</p> <p>Ind. Code § 9-22-3-3 (governs salvage title and branding procedures).</p>	<p>The 70% threshold applies to salvage/title branding only and does not control first-party total loss determinations. Indiana law defines when a vehicle must be branded salvage but does not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
IOWA	<p>70% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 70% of its fair market value.</p>	<p>No fixed statutory threshold; however, the 70% salvage threshold has historically operated as a practical benchmark and strongly influences total loss calculations.</p>	<p>Iowa Code § 321.52 (requires salvage title when damage is $\geq 70\%$ of fair market value).</p> <p>“Wrecked or salvage vehicle” means the cost of repair exceeds 70% of the FMV of the vehicle, as determined in accordance with rules adopted by the department.</p>	<p>Iowa used to define a salvage vehicle as one for which the cost of repair exceeds 50% of the FMV of the vehicle. But Iowa repair shops were losing money because of vehicles being totaled. As of 2021 and Senate File 230, Iowa now defines a “wrecked or salvage vehicle” as one “for which the cost of repair exceeds 70% of the fair market value of the vehicle.”</p> <p>The 70% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. Historically, however, Iowa has treated the salvage threshold as a practical proxy for total loss, and insurers typically total vehicles at or before 70% because salvage branding is required at that level. As a result, the salvage threshold and total loss determinations often operate in tandem in practice, even though they are not legally identical.</p>
KANSAS	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Kan. Stat. Ann. § 8-197 (defines salvage vehicle and requires branding at $\geq 75\%$ of fair market value).</p>	<p>The 75% threshold applies to salvage/title branding only and does not control first-party total loss determinations. Kansas law defines when a vehicle must be branded salvage but does not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.</p>
KENTUCKY	<p>75% of retail value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its retail value.</p>	<p>No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Ky. Rev. Stat. § 186A.520 (defines salvage vehicle threshold at 75% of retail value);</p> <p>Ky. Rev. Stat. § 186A.530 (governs salvage title procedures).</p>	<p>The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
LOUISIANA	<p>Approximately 75% of actual cash value.</p> <p>A vehicle is salvage when damage is sufficient to require a salvage title under Louisiana law.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>La. Rev. Stat. § 32:702 (defines total loss as vehicle with damage of 75% of FMV);</p> <p>La. Rev. Stat. § 32:707.4 (requires salvage title when vehicle is declared a total loss in an insurance settlement).</p>	<p>Louisiana does not clearly codify a specific percentage threshold for salvage branding in the same manner as many states. While a 75% figure is often referenced in industry practice, the statutory framework focuses on whether the vehicle is damaged to the extent that it qualifies for a salvage title under Louisiana law (which requires it to be a “total loss”, after which within thirty days the owner must send the certificate of title, properly endorsed, to the office of motor vehicles along with an application for a salvage title. Insurers still retain discretion and typically apply an economic total loss analysis.</p>
MAINE	<p>75% of retail value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its retail value.</p>	<p>No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.</p>	<p>29-A Me. Rev. Stat. § 664 (governs salvage title and branding procedures).</p>	<p>The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.</p>
MARYLAND	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Md. Code Ann., Transp. § 11-152(a) (defines salvage vehicle, including 75% damage threshold);</p> <p>Md. Code Ann., Transp. § 13-507 (requires issuance of salvage certificate and governs branding procedures)</p>	<p>The 75% threshold applies to salvage/title branding only and does not control first-party total loss determinations. Maryland law both defines when a vehicle qualifies as salvage and requires branding at that level, but does not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
MASSACHUSETTS	A vehicle is salvage when it is declared a total loss by an insurer.	No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).	Mass. Gen. Laws ch. 90D, § 1 (defines salvage vehicle as one declared a total loss); Mass. Gen. Laws ch. 90D, § 20 (requires surrender of title and issuance of salvage title following total loss settlement).	Massachusetts does not use a fixed percentage threshold for salvage branding. Instead, salvage status is triggered when an insurer declares a vehicle a total loss. As a result, the total loss determination effectively drives the branding process. Insurers retain discretion in first-party claims and typically apply an economic total loss analysis in practice. Massachusetts is not a true “75% state” in the statutory sense.
MICHIGAN	75%–91% of pre-damage ACV (salvage); ≥91% (scrap). A vehicle is salvage if repair costs equal or exceed 75% of its pre-damage actual cash value.	No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).	Mich. Comp. Laws § 257.217c (this statute defines salvage vehicle, including 75% damage threshold, and requires issuance of salvage title).	The 75% threshold applies to salvage/title branding and does not control first-party total loss determinations. Michigan law further distinguishes between salvage (75%–91%) and scrap (≥91%) vehicles for title purposes. These thresholds govern branding requirements but do not mandate when an insurer must declare a vehicle a total loss. Insurers retain discretion under the policy and typically apply an economic total loss analysis in practice.

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
MINNESOTA	<p>No fixed percentage for insured vehicles.</p> <p>80% of actual cash value (for self-insured vehicles).*</p> <p>Damage to late model vehicle (newer than six-years-old) or high value vehicle (over \$5,000) exceeds 80% of its actual cash value.</p> <p>A vehicle is salvage when repair costs exceed its value or when an insurer pays a total loss claim; self-insured vehicles must be branded salvage at ≥80% of ACV</p>	<p>No fixed statutory threshold; however, the 80% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Minn. Stat. § 168A.151 (requires salvage branding upon total loss and establishes 80% threshold for self-insured vehicles).</p>	<p>Minnesota does not use a single uniform percentage threshold for all vehicles. Salvage branding is generally triggered when an insurer pays a total loss claim or when damage renders repair uneconomical, and self-insured vehicles must be branded salvage at 80% of ACV. These rules govern title branding but do not formally mandate first-party total loss determinations. Insurers retain discretion and typically apply an economic total loss analysis in practice. Minnesota distinguishes between insured and self-insured vehicles. For insured vehicles, including late-model vehicles, salvage branding is triggered by the insurer's total loss determination rather than a fixed percentage. For self-insured vehicles, a salvage title is required at ≥80% of ACV. These rules govern branding but do not mandate first-party total loss decisions.</p>
MISSISSIPPI	<p>No fixed percentage. A vehicle is salvage when an insurer determines it is uneconomical to repair or declares it a total loss.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Miss. Code Ann. § 63-21-33 (governs salvage title issuance and relies on insurer determination of total loss/uneconomical repair).</p>	<p>Mississippi does not impose a fixed statutory percentage threshold for salvage branding. Instead, the determination is driven by whether the insurer considers the vehicle a total loss or uneconomical to repair. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and both largely governed by insurer evaluation rather than a statutory percentage rule.</p> <p>However, a vehicle is excluded from being classified as a salvage vehicle if it is 10 years old or older, valued at \$1,500 or less, or needs 5 or fewer minor components replaced.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
MISSOURI	<p>80% of fair market value (late-model vehicles).</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 80% of its fair market value.</p>	<p>No fixed statutory threshold; however, the 80% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Mo. Rev. Stat. § 301.010(51)(a) (defines salvage vehicle threshold at 80% for late-model vehicles)</p>	<p>Vehicle less than six-years-old and damaged exceeds 80% of the fair market value are salvage vehicles. The 80% threshold applies only to salvage/title branding and does not formally mandate first-party total loss determinations. However, because late-model vehicles must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 80% in practice.</p>
MONTANA	<p>No fixed percentage.</p> <p>A vehicle is salvage when it is damaged to the extent that it is uneconomical to repair.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Mont. Code Ann. § 61-3-211 (defines salvage vehicle based on insurer determination of uneconomical repair and governs branding procedures).</p>	<p>Montana does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the vehicle is uneconomical to repair, as determined by the insurer. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and both largely governed by insurer evaluation rather than a statutory percentage rule.</p>
NEBRASKA	<p>75% of retail value (late-model vehicles only).</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its retail value.</p>	<p>No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Neb. Rev. Stat. § 60-171(7)(a) (defines salvage vehicle threshold at 75% for late-model vehicles)</p>	<p>“Salvage” means: (1) Late model vehicle damage exceeds 75% of the retail value at the time it was wrecked, damaged, or destroyed. “Late model vehicle” means a vehicle which has (a) a manufacturer’s model year designation of, or later than, the year in which the vehicle was wrecked, damaged, or destroyed, or any of the six preceding years; or (2) Voluntary designation by the owner by obtaining a salvage branded certificate of title, without regard to the damage to, age of, or value of the vehicle.</p> <p>Nebraska applies the 75% threshold to late-model vehicles only. This threshold governs salvage/title branding and does not formally mandate first-party total loss determinations. However, because qualifying vehicles must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
NEVADA	<p>65% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 65% of its fair market value.</p>	<p>No fixed statutory threshold; however, the 65% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Nev. Rev. Stat. § 487.790(1)(b) (defines salvage vehicle threshold at 65% of fair market value).</p>	<p>The 65% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 65% in practice.</p>
NEW HAMPSHIRE	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.</p>	<p>No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.</p>	<p>N.H. Rev. Stat. Ann. § 261:22(VI)(b) (defines salvage vehicle threshold at 75% of fair market value).</p>	<p>The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.</p>
NEW JERSEY	<p>No fixed percentage.</p> <p>A vehicle is salvage when an insurer determines it is economically infeasible to repair or declares it a total loss.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>N.J. Stat. Ann. § 13:21-22.3 (governs salvage title issuance and relies insurer's determination of total loss or uneconomical repair).</p>	<p>New Jersey does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the insurer considers the vehicle uneconomical to repair. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and both largely governed by insurer evaluation rather than a statutory percentage rule.</p>
NEW MEXICO	<p>No fixed percentage.</p> <p>A vehicle is salvage when it is damaged to the extent that it is uneconomical to repair.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>N.M. Stat. Ann. § 66-1-4.16(C) (defines salvage vehicle based on uneconomical repair determination).</p>	<p>New Mexico does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the vehicle is uneconomical to repair. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and both largely governed by insurer evaluation rather than a statutory percentage rule.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
NEW YORK	75% of retail value (for certain older vehicles). Certain vehicles are salvage if the cost of repair equals or exceeds 75% of its retail value.	No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.	15 N.Y.C.R.R. § 20.20(c)(2) (establishes 75% threshold for salvage branding of certain vehicles).	New York applies a 75% threshold for salvage branding in specified circumstances (notably older vehicles made in 1973 or older), but does not mandate a fixed percentage for all total loss determinations. The threshold governs title branding and does not formally control first-party total loss decisions. Insurers retain discretion and typically apply an economic total loss analysis in practice.
NORTH CAROLINA	75% of fair market value. A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value.	No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.	N.C. Gen. Stat. § 20-71.3(d) (requires branding of total loss vehicles and reflects 75% damage threshold for salvage designation)	The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.
NORTH DAKOTA	75% of retail value. A vehicle is salvage if the cost of repair equals or exceeds 75% of its retail value.	No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.	N.D. Cent. Code § 39-05-20.2 (defines salvage vehicle threshold at 75% of retail value). 11 N.C. Admin. Code 4.0418.	The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.
OHIO	No fixed percentage. A vehicle is salvage when an insurer determines it is fiscally impractical to repair or declares it a total loss.	No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).	Ohio Rev. Code § 4505.11(C)(1) (requires issuance of salvage title when insurer determines vehicle is a total loss).	Ohio does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the insurer considers the vehicle a total loss or uneconomical to repair. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and largely governed by insurer evaluation rather than a statutory percentage rule.

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
OKLAHOMA	<p>60% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 60% of its fair market value.</p>	<p>No fixed statutory threshold; however, the 60% salvage threshold strongly influences total loss determinations in practice.</p>	<p>47 Okla. Stat. § 1111(C)(1) (defines salvage vehicle threshold at 60% of fair market value).</p>	<p>The 60% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 60% in practice.</p>
OREGON	<p>80% of retail market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 80% of its retail market value.</p>	<p>No fixed statutory threshold; however, the 80% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Or. Rev. Stat. § 801.527(3) (defines salvage vehicle threshold at 80% of retail market value).</p>	<p>The 80% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 80% in practice.</p>
PENNSYLVANIA	<p>No fixed percentage.</p> <p>A vehicle is salvage when the cost of repair exceeds the value of the repaired vehicle or is deemed uneconomical to repair.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>75 Pa. Cons. Stat. § 102 (defines salvage vehicle based on uneconomical repair or cost exceeding value).</p>	<p>Pennsylvania does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the vehicle is uneconomical to repair or whether repair costs exceed value. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and largely governed by insurer evaluation rather than a statutory percentage rule.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
RHODE ISLAND	<p>“80% of fair market value (75%–80% with owner consent).</p> <p>A vehicle is salvage if repair costs equal or exceed 80% of its fair market value. Insureds may elect a total loss between 75% and 80% with written consent.</p>	<p>80% statutory threshold governs total loss determinations unless the owner consents to a lower threshold.</p>	<p>R.I. Gen. Laws § 31-46-1.1 (defines salvage vehicle and branding requirements);</p> <p>230 R.I. Code R. 27-9.1-4 (limits insurer ability to total vehicle below 80% absent owner consent).</p>	<p>Rhode Island is one of the few states where the statutory threshold directly impacts first-party total loss determinations. An insurer generally may not declare a vehicle a total loss unless repair costs reach 80% of fair market value, unless the owner agrees in writing to a lower threshold. This creates a binding statutory constraint on insurer total loss decisions.</p> <p>It is the responsibility of insurance companies to evaluate and classify salvage. There are two (2) classifications of salvage vehicles: Classification A indicates the vehicle has extensive damage and is good for “parts only.” Classification B indicates the vehicle has considerable damage but is considered repairable. It will be the responsibility of insurance companies to evaluate and classify salvage.</p>
SOUTH CAROLINA	<p>75% of fair market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its fair market value</p>	<p>No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.</p>	<p>S.C. Code Ann. § 56-19-480(G) (defines salvage vehicle threshold at 75% of fair market value).</p>	<p>The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.</p>
SOUTH DAKOTA	<p>No fixed percentage.</p> <p>A vehicle is salvage when an insurer determines it is a total loss or uneconomical to repair.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>S.D. Codified Laws § 32-3-51.19 (governs salvage title issuance and relies on insurer calculation of total loss).</p>	<p>South Dakota does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the insurer considers the vehicle a total loss. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and largely governed by insurer evaluation rather than a statutory percentage rule.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
TENNESSEE	<p>75% of retail market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its retail market value.</p>	<p>No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Tenn. Code Ann. § 55-3-211(9)(A) (defines salvage vehicle threshold at 75% of retail market value)</p>	<p>The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.</p>
TEXAS	<p>100% of actual cash value. A vehicle is salvage if the “cost of repair” equals or exceeds its actual cash value.*</p> <p>*Costs of repair do not include cost of materials and labor for repainting the vehicle and sales tax on the total cost of repairs.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Tex. Transp. Code § 501.091(15) (defines salvage vehicle when repair costs exceed ACV).</p>	<p>Texas uses a ‘100%’ threshold for salvage branding, but this applies only to title designation. Insurers are not required to wait until repair costs reach 100% of ACV and may declare a vehicle a total loss earlier based on economic considerations. As a result, total loss determinations are driven by policy language and economic analysis rather than the statutory threshold. A carrier may decide to total a vehicle when the damages are less than the actual cash value. Section 501.091(15) simply provides a damage threshold in which a vehicle will be considered totaled. Property is a “total loss” if a reasonably prudent uninsured owner, desiring to restore the property to its pre-loss condition, would not utilize that property for such restoration. <i>Canal Ins. Co. v. Hopkins</i>, 238 S.W.3d 549 (Tex. App. Tyler 2007).</p> <p>When an insured auto is so damaged that it would cost more to repair than to replace, it is usually deemed a total loss. <i>Singleton v. Elephant Ins. Co.</i>, 953 F.3d 334 (5th Cir. 2020).</p>
UTAH	<p>No fixed percentage.</p> <p>A vehicle is salvage when it is declared a non-repairable or total loss vehicle based on the extent of damage.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Utah Code Ann. § 41-1a-1005 (governs non-repairable and salvage vehicle determinations based on extent of damage and insurer evaluation).</p>	<p>Utah does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the vehicle is considered non-repairable or a total loss, as determined by the insurer. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and largely governed by insurer evaluation rather than a statutory percentage rule. Or if two or more major components suffer major damage.</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
VERMONT	<p>No fixed percentage.</p> <p>A vehicle is salvage when it is declared a total loss or determined to be uneconomical to repair.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Vt. Stat. Ann. tit. 23, § 2001(14) (defines salvage vehicle based on total loss or uneconomical repair determination).</p>	<p>The insurer makes decision whether a vehicle (less than 10-years-old) is declared a total loss. Vermont does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether the vehicle is considered a total loss or uneconomical to repair. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and largely governed by insurer evaluation rather than a statutory percentage rule.</p>
VIRGINIA	<p>75% of actual cash value (late-model vehicles).</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its actual cash value.</p>	<p>No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.</p>	<p>Va. Code Ann. § 46.2-1602.1 (defines salvage vehicle threshold at 75% of ACV for late-model vehicles).</p>	<p>Virginia applies the 75% threshold to late-model vehicles for salvage/title branding. This threshold does not formally mandate first-party total loss determinations, but because qualifying vehicles must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.</p>
WASHINGTON	<p>No fixed percentage.</p> <p>A vehicle is salvage when it is determined to be uneconomical to repair.</p>	<p>No fixed statutory threshold; determined by policy language and economic total loss analysis (insurer compares repair cost and salvage value to ACV).</p>	<p>Wash. Rev. Code § 46.04.514 (defines total loss based on economic impracticality); Wash. Admin. Code § 284-30-320(18) (defines total loss for claims handling).</p>	<p>Washington does not impose a fixed statutory percentage threshold for salvage branding. The determination is based on whether repair is economically impractical. As a result, salvage branding and first-party total loss determinations are closely aligned in practice and largely governed by insurer evaluation.</p> <p>“Total loss means that the insurer has determined that the cost of parts and labor, plus the salvage value, meets or exceeds, or is likely to meet or exceed, the “actual cash value” of the loss vehicle. Other factors may be considered in reaching the total loss determination, such as the existence of a biohazard or a death in the vehicle resulting from the loss.” Wash. Admin. Code § 284-30-320(18).</p>

STATE	STATUTORY SALVAGE/TITLE BRANDING THRESHOLD	INSURER TOTAL LOSS THRESHOLD RULE (FIRST-PARTY CLAIMS)	STATUTORY AUTHORITY	COMMENTS
WEST VIRGINIA	<p>75% of market value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its market value.</p> <p>(Flood-damaged cars as defined by §17A-4-10(l)(2) will also constitute a total loss).</p>	No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.	W. Va. Code § 17A-4-10(a) (defines salvage vehicle threshold at 75% of market value).	<p>The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark.</p> <p>Flood-damaged vehicles may also qualify as total losses under separate statutory provisions. The vehicle must meet the definition of a flood-damaged vehicle as defined in §17A-4-10(l)(2), which defines a flood-damaged vehicle as a vehicle that “was submerged in water to the extent that water entered the passenger or trunk compartment.”</p>
WISCONSIN	<p>70% of fair market value (vehicles less than 7 model years old).</p> <p>A vehicle is salvage if repair costs exceed 70% of its fair market value.</p>	No fixed statutory threshold; however, the 70% salvage threshold strongly influences total loss determinations in practice.	<p>Wis. Stat. § 340.01(55g) (defines salvage vehicle threshold at 70%).</p> <p>Wis. Stat. § 342.065(1)(c) (requires salvage branding upon qualifying damage).</p>	Damage exceeding 70% of fair market value will render vehicle a salvage vehicle This only applies “If the vehicle is less than 7-years-old, is damaged by collision or other occurrence to the extent that the estimated or actual cost, whichever is greater, of repairing the vehicle exceeds 30% of its fair market value and was transferred to an insurer upon payment of an insurance claim.”
WYOMING	<p>75% of actual cash value.</p> <p>A vehicle is salvage if the cost of repair equals or exceeds 75% of its actual cash value</p>	No fixed statutory threshold; however, the 75% salvage threshold strongly influences total loss determinations in practice.	Wyo. Stat. § 31-2-106(v) (defines salvage vehicle threshold at 75% of ACV).	The 75% threshold applies to salvage/title branding and does not formally mandate first-party total loss determinations. However, because a vehicle must be branded salvage at that level, insurers typically treat the threshold as a practical benchmark and total vehicles at or before 75% in practice.

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