



# Dealer Handbook: Dealer Requirements and Plate Guide

## ITD PHONE NUMBERS

Dealer Operations .....	334-8681
Titles.....	334-8663
Financial Services – Revenue Operations.....	334-8751
BRIAN DURAN – MV Program Supervisor.....	334-4458
Vehicle Services – General Information.....	334-8663

## MOTOR VEHICLE INVESTIGATORS

CJ WILLIAMS, LEAD INVESTIGATOR.....	334-8686
ADRIAN LINDSAY, DISTRICT 1.....	772-1261 Fax 287-3861
Boundary, Bonner, Kootenai, Shoshone Counties	
MONTE SCHMIDT, DISTRICT 2.....	799-4828 Fax 287-3877
Benewah, Clearwater, Idaho, Latah, Lewis, Nez Perce Counties	
KRIS BRANNER, DISTRICT 3A.....	454-7661 Fax 332-4170
Canyon, Gem, Owyhee, Payette, Washington Counties	
SARA ANDERSON, DISTRICT 3B.....	334-8715 Fax 332-4180
NAMPA, MERIDIAN, EAGLE, STAR, HORSESHOE BEND; Adams, Valley Counties	
KENDRA CONDER, DISTRICT 3C.....	334-8750 Fax
DOWNTOWN BOISE, GARDEN CITY, KUNA, EAST/SOUTH BOISE; Elmore, East Owyhee Counties	
BRAD WOODROW, DISTRICT 4.....	736-3099 Fax 332-4182
Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, Twin Falls Counties	
STEVE ALLEN, DISTRICT 5.....	239-3332 Fax 236-6053
Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida, Power Counties	
TREVOR ELORDI, DISTRICT 6.....	525-7109 Fax 525-7110
Butte, Clark, Custer, Lemhi, Bonneville, Fremont, Jefferson, Madison, Teton Counties	

## SPECIFIC REQUIREMENTS TO OBTAIN A DEALER LICENSE

- **Education Requirements:** At least one active owner from a prospective used-only or wholesale-only dealership must attend an 8-hour pre-licensing class and pass a closed-book written examination prior to applying. The owner of a used-only or wholesale-only dealership **renewing** a license must complete at least four hours of annual education that is recognized by the department before a license can be issued. The owners or members of a corporation, limited liability corporation, or limited liability partnership who are not active in a dealership may designate a corporate substitute (a manager or employee) to attend class. If that designated individual leaves the dealership, another manager or employee must be assigned as a corporate substitute and complete the dealership's annual education requirements. Note: An individual serving as a corporate substitute must be a licensed Idaho salesperson. Franchised dealers are exempt. Contact Idaho State Independent Automobile Dealers Association at 208-463-7709 or 800-950-8227.
- **Dealership name:** Prior to applying as a dealer or obtaining a dealer bond, you should call the Dealer Team at (208) 334-8681 to make sure that the proposed name of the dealership is not deceptively similar to an existing dealership's name. According to Section 53-504, Idaho Code, any dealership name which has a D.B.A. (doing business as) must be filed as an assumed name with the Secretary of State's office. If the dealership is owned by a corporation, limited-liability company, or a limited-liability partnership, you must submit verification from the Secretary of State at (208) 334-2300.
- **Vehicle dealer performance bond required:** Upon initial application, Idaho Code requires all vehicle/vessel dealers to file a performance bond with the department. The bond shall be in the amount of \$20,000 for all retail dealers, \$40,000 for all wholesale-only dealers (effective July 1, 2015), and \$10,000 for motorcycle, all-terrain vehicle, utility type vehicle, truck campers, and snow machine dealers. All bonds must be issued by a corporate surety licensed to do business within the state of Idaho. A bond may also be posted in the form of cash or a certificate of deposit, which remains on deposit until five years after the dealership has gone out of business. The bond must reflect the exact ownership, D.B.A.s, and dealership location that is listed on the [application for dealer license](#).
- **ICAR Fund:** In addition to maintaining a vehicle dealer performance bond, all retail vehicle dealers will be required to pay \$300 toward the Idaho Consumer Asset Recovery Fund (ICAR) as a condition for initial license issuance or license renewal (Idaho Code 49-1608B, C, D, E, and F). **Beginning, July 1, 2015, all wholesale-only dealers will be exempt from paying into ICAR.** Dealers who have operated for at least **three** consecutive years without any lapses or claims against their vehicle dealer performance bond or judgments paid against them through the ICAR fund, have the option to operate without a bond. The ICAR fund's fees are subject to annual evaluation; the fee may be suspended upon reaching a maximum threshold.
- **Building and zoning required:** An enclosed commercial structure built to meet applicable building codes. Such structure shall be located in an area zoned by local authorities for the type of business in which the dealer is licensed. A letter of zoning approval or a zoning official's signature on the dealer application must be submitted. Zoning approval is also required for off-site sales, changes of location, and supplemental lots.
- **Application for Idaho Vehicle Dealer License (retail or wholesale):** The application for dealer's license must be completed in **FULL**. All owners/corporate officers must be listed. A [personal history](#) for each owner, partner, corporate officer, or director must be completed, but inactive



corporate officers are not required to obtain identification cards. The name of the dealership and location must be accurate and match the information on the bond that is submitted with the application. All owners, partners, officers, or directors must sign the application in the appropriate area and their signatures must be notarized. Please allow 30 days for processing.

- **Seller Permit Number:** A copy of the seller's permit number issued in the name of the dealership by the Idaho Tax Commission must be submitted with any retail dealer application. The Idaho Tax Commission can be reached by phone at (208) 334-7660 or (800) 972-7660.
- **Employer Identification Number:** Submit EIN issued by Federal Government. (see [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small))
- **Liability Insurance** (effective 7-1-06): Submit liability insurance certificate. Minimum coverage amount is \$25,000 bodily injury to one person, \$50,000 bodily injury to two persons, and \$15,000 property damage or destruction. The certificate needs to be issued with "any auto" or it needs to state that it complies with Idaho Code 49-1608A.
- **Dealership Location Inspection:** After the application is approved, the Motor Vehicle Investigator for your district will be contacted by the Dealer Licensing Team and the investigator will call you for an appointment to inspect your dealership location. The Investigator will verify the location, display area, office, sign, and give instructions on how to complete documents for titling purposes.
- **Franchises:** If your dealership will be selling NEW vehicles/vessels, a letter of franchise approval from the manufacturer is required for each type of new vehicles/vessels sold.
- **Personal History and Salesmen Application:** If you will be hiring salesmen, an application (ITD-3171) must be completed for each person hired. A photocopy of this form will serve as a 30-day temporary license for the salesman but is not valid until submitted to ITD with fees. All owners must complete this form.

### PRINCIPAL PLACE OF BUSINESS REQUIREMENTS

- **Place of Business:** This is the location where the dealer and his salesmen conduct the dealer's business. Other locations belonging to the same dealership and operating under the same name are called "supplemental lots." Supplemental lots must be located in the same or an adjacent county of the principal location.
- **Declared hours:** Dealers must declare the business hours that the principal place of business will be open and staffed by a licensed salesperson.
- **Dealership Sign:** An exterior sign must be permanently affixed to the land or building, have letters that are clearly visible and readable from the main road, and meet local zoning requirements. The recommended size for an exterior sign is at least 24 square feet (3' x 8', 4' x 6', etc.) with 4-inch-square minimum lettering. The sign should include the trade name of the dealership, street address, and dealer number. For a wholesale dealer, and for ease of reading by prospective customers, the sign may be painted on the office window next to the entrance door.
- **Dealership office:** Must be a clearly defined area including a locking office to keep books; a desk; filing cabinet; and a phone for the business. The telephone number must be listed in the general directory. The telephone must be answered in the name of the dealership and may be forwarded to another location or an answering machine.
- **Display area:** The display area must be large enough to display five or more vehicles/vessels of the type the retail dealer is licensed to sell. The "improved display area" should be adjacent to the dealership office, owned or leased by the dealer, and separated from other business property by visual boundaries or signing. If two separate dealerships are located adjacent to one another,



there shall be a physical divider made to separate the display areas. (Ropes, chains, barriers, etc., shall meet the definition of physical dividers.) This requirement is not for a wholesale-only dealership.

- **Restrictions of dealership use:** The principal place of business must be devoted mainly to the business for which the vehicle dealer is licensed. In addition, the office cannot be a room or rooms in a hotel, rooming house, apartment building, or a part of any single- or multiple-unit dwelling house unless the entire ground floor is principally occupied for commercial purposes and the office of the dealership is located on the ground floor.

### FEES

Initial Dealer's License	\$190.00	
ICAR Fee (Retail Dealers)	\$300.00	(Effective July 1, 2013)
Renewal Dealer's License	\$175.00	
Owner/Officer's ID	\$0.00	(Additional \$10 when the picture is taken)
Salesman ID Cards	\$26.00	(Additional \$10 when the picture is taken)
Dealer Plates	\$23.00	(includes \$4.25 mailing fee \$3.00 ISP Fee)
Loaner Plates	\$81.00	(includes \$4.25 mailing fee \$3.00 ISP Fee)
Laden Plates	\$181.00	(includes \$4.25 mailing fee \$3.00 ISP Fee)
Temporary 30-day registrations (out-of-state residents only)	\$180.00	(books of 20 each)
Supplemental Lot License (each dealer location)	\$44.00	
Temporary Supplemental Lots License (Off-site)	\$44.00	(\$88 for 2 or more dealers)
License Reprints	\$18.00	

### SUPPLEMENTAL LOT

A supplemental lot is a physically separate location owned and maintained by a licensed dealer or manufacturer within the same or adjacent county as the principal place of business which meets all the requirements for a principal place of business. Supplemental lots share all credentials with the main lot but must still maintain its own principal place of business requirements. When a supplemental lot is approved, they are given a license that shares the same expiration date as the main license. A main license and supplemental lot license are renewed at the same time.

Documents Required:

- Application for Vehicle or Vessel Dealership License – ITD3170
- Zoning Approval
- Bond Rider (if applicable) showing coverage at the main lot and supplemental lot
- Certificate of Liability Insurance showing coverage at the main lot and supplemental lot
- Revised franchise agreement (if applicable)

### **TEMPORARY SUPPLEMENTAL LOT (Offsite Sale)**

A Temporary Supplemental Lot is a location other than the principal place of business, or supplemental lot within the same or adjacent county as the principal place of business, where a licensed dealer may secure a license to conduct the business and is licensed for a period of time not to exceed ten (10) days for a specific purpose such as auto shows, auctions, shopping center promotions, tent sales, etc. Temporary supplemental lots need to meet all local zoning and building codes for the type of business being conducted. The requirements for a principal place of business are not applicable to temporary supplemental lot locations. The adjacent county restriction does not apply if the dealer holds the franchise for the products to be displayed or sold and has approval from a manufacturer for the location where the proposed temporary supplemental lot license will be issued by the department. Non-franchised dealers are permitted to temporarily display or sell their products within a one hundred seventy-five (175) mile radius of their principal place of business, upon approval by the department.

Documents Required:

- Off-Site Motor Vehicle Dealer's License Temporary Supplemental Lot application – ITD3198
- Franchise Dealers need a letter of approval from the manufacturer for the location where the proposed temporary supplemental lot license will be issued if not in the same or in an adjacent county.
- Zoning authorization letter for the location where the proposed temporary supplemental lot license will be issued. Many locations have permanent zoning letters on file with ITD. Contact the Dealer Licensing team to determine if the location of your offsite sale location has a zoning letter on file.

### **CASUAL DISPLAY**

"Casual Display" is defined as the display of a vehicle or vessel at a location other than the location specified to the dealer on an Idaho Dealer's license and such vehicle or vessel is not offered for sale or exchange, but is "displayed" to gain association of the dealer's name and location with a particular make, model or type of vehicle or vessel. A Casual Display will consist of no more than six vehicles or

vessels at any given time or location. New vehicles and vessels can only be displayed if the displaying dealer holds the franchise rights for those vehicles.

Casual Display privileges and guidelines will apply to licensed Idaho dealers only. A Casual Display must be reported to the Idaho Transportation Department (ITD) in advance of the display and is limited to a maximum of 30 days.

Documents Required:

- Notification of Casual Display of a Vehicle, ITD3932.

### **DEALERSHIP NAME CHANGE**

Documents Required:

- Application for Vehicle or Vessel Dealership License – ITD3170. You may disregard the zoning authorization on page 2 of the application.
- Bond Rider (if applicable) showing the new name.
- Certificate of Liability Insurance showing the new name.
- Verification of LLC, LLP or incorporation (if applicable).
- Certificate of assumed business name if the new name is a dba.
- Updated sales tax permit.
- EIN or Certification of No EIN/SSN – ITD3823
- Revised Franchise (if applicable)

### **OWNERSHIP CHANGE (Add or Remove Owners)**

Documents Required:

- Application for Vehicle or Vessel Dealership License – ITD3170. You may disregard the zoning authorization on page 2 of the application. All owners remaining on the license and any owners being added to the license must sign page 3 of the application and have their signatures notarized.
- Personal History Application – ITD3171 if adding new owners.
- Release from previous owners if removing owners.

### **LOCATION CHANGE**

Documents Required:

- Application for Vehicle or Vessel Dealership License – ITD3170

- Zoning Approval
- Bond Rider (if applicable) showing coverage at the new location.
- Certificate of Liability Insurance showing coverage at the new location.
- Revised franchise agreement (if applicable).
- New phone number if applicable.

## **DEALER PLATES**

Idaho code 49-1627 Use of Dealer and Manufacturer License Plate

- A dealer or a full-time sales person may use a dealer plate on a vehicle in the dealership's inventory for personal use. This is only allowed on unladen vehicles.
- Dealer plates can be used on laden vehicles in connection to the dealer's business. Connection to business means transporting vehicles or trailers from a manufacturer to a dealer, from dealership to dealership or from a dealership to offsite locations in promotion of the dealer's business.
- Any dealership employee can use a dealer plate to test the mechanical operation of a vehicle in inventory and to pick up or deliver a vehicle in connection to the dealer's business. Any other use is considered personal use.
- Part-time sales people can use dealer plates when on a test drive.
- Wholesale dealers cannot use dealer plates for personal use.
- A prospective purchaser can drive on dealer plates for up to 96 hours. If any prospective purchaser is driving on a dealer plate after normal business hours, they need an authorization letter signed by the dealer.
- PER IDAHO CODE 49-411, dealer plates are regulated by the number of vehicle sales during the previous licensing period. A dealer may request as many plates as they think they will need with their initial application. Upon renewal, two license plates are allowed for up to the first twenty vehicle sales, then one additional plate for each ten additional sales.

## **LADEN PLATES**

Idaho code 49-1627 Use of Dealer and Manufacturer License Plate

- Laden plates may only be used on power unit vehicles in the dealer/manufacturer's inventory for sale.
- Limited use to move vehicles from a manufacturer to a dealer, from dealership to dealership, to and from auctions or from a dealership to off-site sale locations in furtherance of the dealer/manufacturer's business.
- Laden plate usage is valid on vehicles up to 26,000 pounds combined gross vehicle weight.

- Temporary weight increase permits can be purchased at the Ports of Entry and must be obtained prior to movement on the highways.

## **LOANER PLATES**

### Idaho code 49-1628 Use of Vehicle Dealer Loaner Plate

- A dealer must maintain a log showing the vehicle identification number, date, reason for use, and the name of the person authorized to use the plate.
- The user of a loaner plate must carry identification showing dealer name, number on plate, signature of dealer and year for which the plate is valid.
- Loaner plates can be used on a vehicle from the dealership's inventory loaned to a customer of the dealership while the customer's vehicle is being repaired.
- The dealer or his/her family can use a loaner plate on a vehicle from the dealership's inventory for personal use.
- Loaner plates can be used on a vehicle from the dealership's inventory for furtherance of the dealership business.