



## Dealer Handbook: Dealer Requirements and Plate Guide

### ITD PHONE NUMBERS

Dealer Operations .....	208-334-8681
Titles.....	208-334-8663

### MOTOR VEHICLE INVESTIGATORS

District 1 serving Boundary, Bonner, Kootenai, Shoshone County, Benwah, and Latah County

Thomas Gracie .....	208-772-1238
Adrian Lindsay .....	208-772-1261

District 2 serving Nez Perce, Clearwater, Lewis, Idaho, Adams, Washington, Valley

Monte Schmidt .....	208-799-4828
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District 3A serving Canyon, Gem, Owyhee, Payette, Adams, and Washington County

Kris Branner .....	208-454-7661
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District 3B serving Nampa, Meridian, Eagle, and Kuna

Brianna Hughes .....	208-334-8715
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District 3C serving Downtown Boise, Garden City, Star, Southeast Boise; Horseshoe Bend

Dusti Hall .....	208-334-8750
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District 4 serving Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka, Elmore, and Twin Falls County

Teresa Scruggs .....	208-736-3093
Tim Miller .....	208-736-3099

District 5 serving Bannock, Bear Lake, Bingham, Caribou, Franklin, Oneida, Power County

Joel Holverson .....	208-239-3332
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District 6 serving Butte, Clark, Custer, Lemhi, Bonneville, Fremont, Jefferson, Madison, and Teton County

Laramie Davis .....	208-528-3445
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### SPECIFIC REQUIREMENTS TO OBTAIN A DEALER LICENSE

- **Education Requirements:** All active owners 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. All owners 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. Franchised dealers are exempt. Contact Idaho State Independent Automobile Dealers Association at 208-463-7709 and <https://www.theassociationid.com/> online or Independent Training Services at 208-557-4066 and <https://idahodealereducation.com/>
- **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 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 <https://www.irs.gov/businesses/small-businesses-self-employed>)
- **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	\$20.80	(includes \$4.25 mailing fee \$3.00 ISP Fee)
Loaner Plates	\$87.80	(includes \$4.25 mailing fee \$3.00 ISP Fee)
Laden Plates	\$177.20	(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 radii 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.

## DEALERSHIP NAME CHANGE

### Documents Required:

- Application for Vehicle or Vessel Dealership License – [ITD 3170](#). 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 – [ITD 3170](#). 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 – [ITD 3171](#) if adding new owners.
- Release from previous owners if removing owners.

## LOCATION CHANGE

### Documents Required:

- Application for Vehicle or Vessel Dealership License – [ITD 3170](#)
- 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

- Any dealer or manufacturer license plate issued may, during the calendar year for which issued, be transferred from one (1) vehicle to another owned or operated by such manufacturer or dealer, in pursuance of his business as a manufacturer or dealer.
- (2) Dealer plates shall not be used on vehicles under the following circumstances:
  - (a) On work or service vehicles not held in stock for sale.
  - (b) On leased or rented vehicles owned by the licensed manufacturer or dealer.
  - (c) On a laden vehicle designed for transportation of cargo, unless the manufacturer or dealer has complied with section 49-434, Idaho Code, except as provided in subsection (3) of this section.
  - (d) On vehicles which have been sold.
  - (e) On vehicles used by the licensee for furtherance of another business.
  - (f) On vehicles owned by a licensed wholesaler used for personal use.
  - (g) On vehicles owned by a licensed wholesaler, operated by their licensed salesmen, used for personal use.
- (3) Dealer and manufacturer plates may be used on laden vehicles operated by the manufacturer, dealer or his licensed vehicle salesman, in connection with the manufacturer's or dealer's business. A dealer plate may be used on a laden trailer in connection with a manufacturer's or dealer's business to move vehicles or trailers from a manufacturer to a dealer, from dealership to dealership or from a dealership to off-site locations in promotion of the dealer's business as long as the power unit is properly licensed under chapter 4, title 49, Idaho Code. A dealer plate may be used on a vehicle assigned for personal use on a full- time basis to the dealer, or licensed full-time vehicle salesman. This personal use exception applies only to the manufacturer, dealer, or licensed full-time vehicle salesman personally, and any other persons, including members of their families, are excluded. A prospective purchaser of a vehicle may have possession of the vehicle with a dealer plate for not more than ninety-six (96) hours or may operate the vehicle when accompanied by the manufacturer, dealer or a licensed vehicle salesman.
- (4) Licensed part-time vehicle salesmen may use a dealer plate on a vehicle that is offered for sale only to demonstrate the vehicle to a purchaser, but not for personal use. Other employees or authorized persons, not licensed as a vehicle salesman, may use a dealer plate when testing the mechanical operation of a vehicle or for the necessary operation in pursuance of the dealer's business, including the delivery and pickup of vehicles owned or purchased by that manufacturer or dealer.

## **LADEN PLATES**

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

- (5) Laden dealer and manufacturer plates may be displayed on any power unit in the dealer's or manufacturer's inventory to operate vehicles laden with vehicles that are in the dealer's or manufacturer's inventory in pursuance of the dealer's or manufacturer's business. Such use shall be limited to moving vehicles from a manufacturer to a dealer, from dealership to dealership, or from a dealership to off-site locations in furtherance of the dealer's business. Such uses may include travel to licensed temporary supplemental lot locations, to and from auctions or to a new licensed location.
- (a) Laden dealer and manufacturer plates shall not be used for personal use by the dealer or manufacturer or a licensed full-time or part-time salesman of the dealership.
- (b) Laden dealer and manufacturer plates shall be valid up to a maximum of twenty-six thousand (26,000) pounds combined gross vehicle weight.
- (c) Fees will be as provided in section 49-434(1), Idaho Code, for commercial vehicles at a weight limit of twenty-six thousand (26,000) pounds combined gross vehicle weight.
- (d) The dealer or manufacturer may increase the weight limit through the purchase of a temporary weight increase permit, as provided for in section 49-432(2), Idaho Code.
- (6) Vehicle manufacturers and dealers shall keep a written record of the vehicles upon which dealer's number plates are used for personal use on a full-time basis, and the time during which each plate is used. The record shall be open to inspection by any peace officer or any officer or employee of the department.
- (7) No manufacturer or dealer shall cause or permit any vehicle owned by them to be operated or moved upon a public highway without displaying upon the vehicle a license plate issued to that person, either under the provisions of this section or section 49-428, Idaho Code, except as otherwise authorized in section 49-431, Idaho Code.

## **LOANER PLATES**

### **Idaho code 49-1628 Use of Vehicle**

A dealer shall maintain a log showing the vehicle identification number, date, reason for use, and the name of the person authorized to use the plate.

(2) The user of a loaner plate shall carry identification showing dealer name, number on plate, signature of dealer and year for which the plate is valid.

(3) Loaner plates may be used on vehicles held in stock for sale which are loaned to a customer of a dealership while the customer vehicle is being repaired, and, on vehicles held in stock for sale and operated by the dealer or his family for personal use or for furtherance of dealership business.

(4) Loaner plates may not be used on:

- (a) Work or service vehicles not held in stock for sale.
- (b) Leased or rented vehicles owned by the licensed dealer.
- (c) A laden vehicle designed for transportation of cargo, unless the dealer has complied with the provisions of section 49-434, Idaho Code.
- (d) Vehicles which have been sold.
- (e) Vehicles used by licensee for furtherance of another business.
- (f) Vehicles used for personal use by licensed salesman or other no licensed employees of the dealership.
- (g) Vehicles of which the dealer does not have legal ownership.
- (h) Vehicles being operated by an actual purchaser.