

Motor Vehicle and Other Dealer License Requirements

Thank you for expressing an interest in becoming a dealer in Washington. It is important that you understand and meet all the listed requirements **before you apply for a license**.

After you have determined that you meet all requirements listed, please contact us and request a Dealer Application Packet. The packet will include all the forms you need to apply for the business licenses. Call Dealer Services at (360) 664-6466 or Business Licensing Service at 1-800-451-7985.

- 1. Business site meets local codes:** You will need to contact the city and/or county zoning departments to ensure that the business site complies with all applicable building codes, zoning, and other land-use ordinances.
- 2. Business site meets state dealer licensing laws:** To comply with state laws your site will need to meet the following requirements.
 - Must be located at a commercial property with an enclosed building (in most cases you cannot sell vehicles from your home).
 - An exterior sign that is permanently affixed to the land or building. The sign must display the business name and nature of the business, such as auto sales, with letters clearly visible to the major avenue of traffic.
 - A telecommunications system must be in operation and the phone number must be listed in directory assistance.
 - A retail dealer is required to have the business site open from 10:00 a.m. to 4:00 p.m. five days per week. These hours are referred to as “normal business hours.” Additional hours and days of operation may be added at your discretion. Hours of operation must be prominently posted at the main entrance door(s)
 - Books, records and files must be maintained at the business site.
 - If there will be two or more vehicle dealer businesses sharing a location, all records, office facilities, and inventory will have to be physically segregated and clearly identified.
- 3. Bonds:** All vehicle dealers are required to carry a bond. See page 2 of this form for information on the amount of bond you will need. Bonds can be obtained from many insurance companies. It is recommended you research the cost of your bond before you apply for a license.
- 4. New vehicle sales:** If you will be selling new vehicles, you will need to provide us with the name and address of each manufacturer you will represent and a Sales and Service Agreement from each of the manufacturers.
- 5. Finances:** You will be required to provide comprehensive information about your business finances.

Businesses owned by a sole proprietor or partnership also require personal financial information on each business owner. In addition, all assets will need to be documented (for example: copies of bank statements, copies of titles/registrations of vehicles, tax assessor statements for real estate owned, etc.). A current lease agreement will need to be included if you do not own the business site. A license can be denied based on information found in this process.
- 6. Personal criminal history:** Each owner, partner, corporate officer, and/or LLC member/manager of the business must go through a personal background check. A license can be denied based on information found in this process.
- 7. Business names:** cannot be duplicated. You can search the Business Licensing Service (BLS) database for a business or trade name at <https://secure.dor.wa.gov/gteunauth/?Link=Lookup> or contact BLS at 1-800-451-7985 to see if the name is available. If the search result is “No matches were found for your search,” it doesn’t guarantee that the name is not being used, only that it has not been registered.
- 8. Education for non-franchised motor vehicle dealer:** At least one owner, partner, corporate officer, and/or LLC member/manager of the business will be required to submit a certificate of dealer education, provided by the trainer upon successful completion of at least eight hours of training. Contact Dealer Services for more information.
- 9. Vehicle Dealer E-Permits:** All motor vehicle dealers or subagencies, manufactured home/travel trailer dealers or subagencies, miscellaneous vehicle dealers or subagencies, off-road vehicle dealers, and snowmobile dealers are required by law to use the E-permits system. For information on how to apply for and use the system, go to dol.wa.gov/business/vehiclevesseldealer/epermit.html

License types, fees and bond amounts

All dealer license applications	\$975
Yearly license renewal	\$325
Each dealer plate needed for your business	\$ 43 per year

Motor vehicle dealer

Bond amount \$30,000

Required for businesses that buy and sell new or used cars, trucks, and/or motorhomes at retail or wholesale. Also required for auctioneers selling titled vehicles.

Manufactured home–travel trailer dealer

Manufactured home (or park trailer)

Bond amount \$30,000

Travel trailer (or fifth wheel trailer and tent trailer)

Bond amount \$30,000

Required for businesses that sell new or used non-motorized mobile or manufactured homes, park trailers, travel trailers, or tent trailers at retail or wholesale.

Miscellaneous vehicle dealer

Bond amount \$5,000

Required for businesses that sell, at retail or wholesale, motorcycles and any miscellaneous vehicle other than motor vehicles, mobile homes, tent trailers, fifth wheel trailers, and travel trailers. (This license allows the sale of off-road vehicles, and utility, boat, and/or horse trailers.)

After you have completed an application packet and submitted it with the required documentation and fees, you will be contacted by a dealer investigator to arrange for a required inspection of your business site. For more information, contact Dealer Services at (360) 664-6466.

If you have any questions pertaining to the established place of business requirements, please contact the dealer investigator's office in Olympia at (360) 664-6475.