



South Carolina Department of Motor Vehicles

REQUIREMENTS FOR OBTAINING A MOTOR VEHICLE DEALER OR WHOLESALER LICENSE

DLA-1A
(Rev. 1/05)

Any motor vehicle dealer or wholesaler applying for the first time will be required to be inspected prior to being issued a license. For the purpose of determining which dealers need to be inspected, the following guidelines will be used: 1. Any dealer or wholesaler who is applying for the first time. 2. Any dealer or wholesaler who is reapplying after having been closed for a year or having a license that has been expired more than ninety (90) days. 3. Any wholesaler changing from a wholesale to a retail dealer or visa versa. 4. Any dealer/wholesaler moving to a new location. 5. Any dealer or wholesaler changing ownership of a location. 6. Any dealer or wholesaler changing the name of the business.

In order to qualify as a Motor Vehicle Dealer, you must meet the following criteria:

1. "Motor Vehicle Dealers" must maintain a bona fide place of business consisting of a permanent structure containing at least 96 square feet of floor space, occupied by the applicant and easily accessible to the public. A bona fide place of business does not mean a residence, tent, temporary stand or other temporary quarters. The selling or exchanging of motor vehicles must be the principal business conducted from the location.
2. Place of business must display a permanent sign with letters at least six (6) inches in height, clearly readable from the nearest avenue of traffic. The sign must clearly identify the licensed business. The dealer's place of business must have a reasonable area or lot to properly display motor vehicles.
3. Must obtain liability insurance covering vehicles offered for sale. Demonstration plates will not be issued unless proof of liability insurance coverage is furnished.
4. Must obtain a surety bond in the amount of fifteen thousand dollars (\$15,000). You must also submit the Power of Attorney furnished to you by the bonding company.
5. Must keep complete records of each transaction for a period of not less than five years from the date of the transaction. Records must be available for Department inspection upon demand during normal business hours.
6. Sales tax must be collected on any sale by a retail dealer. A sales tax number must be obtained from the South Carolina Department of Revenue, Tax Division. Applications for Title, Forms 400, must be completed reflecting the Dealer License Number, Sales Tax Number, and Dealers Signature.

A Motor Vehicle "Wholesaler" must meet all the requirements above except for items 1 and 2. A "Wholesaler" is not required to maintain a permanent place of business or display a sign. Wholesalers are not permitted to sell vehicles to individuals. They are licensed to sell to other licensed dealers only.

A Dealer or Wholesaler License applies to only one place of business of the applicant and is not transferable to another person or place of business.

For first time applications as defined by the guidelines indicated above, submit a completed and signed Form DLA-1, Application for a Motor Vehicle License and DLA-1B, Surety Bond along with it's Power of Attorney, to the following address. No fees will be submitted at this time.

Department of Motor Vehicles
Dealer Licensing & Audit Unit
P.O. Box 1498
Blythewood, South Carolina 29016-0023
Telephone Number: (803) 896-2611

Upon approval or disapproval of the application, you will be notified accordingly of the additional steps necessary.

For renewal of a Motor Vehicle License, submit the following to your local Department of Motor Vehicles Branch Office:

1. Form DLA-1, Application for Motor Vehicle License, must be completed in its entirety and signed.
2. Fees are as follows:

Dealer or Wholesaler License	\$50.00
Demonstration Plates	\$20.00 each