



South Carolina Department of Motor Vehicles

Requirements for Obtaining a Motor Vehicle Dealer or Wholesaler License

DLA-1A (IS)
(Rev. 8/11)

The following actions require a new application with supporting documents (see paragraphs 3 through 10 below) to be MAILED to SCDMV Dealer Licensing & Audit Unit, P.O. Box 1498, Blythewood, SC 29016-0023 or for overnight delivery the physical address of 10311 Wilson Boulevard, Blythewood, SC 29016 may be used. (Supplemental bond instructions in parenthesis)

- a. Any dealer or wholesaler who is applying for the first time (include new original bond and its power of attorney)
- b. Any licensee who is reapplying after having been closed for a year or having a license that has been expired more than ninety (90) days (include new original bond and its power of attorney)
- c. Any change in license category
- d. Any licensee moving to a new location (include new original bond and its power of attorney or a bond rider)
- e. Any licensee with a complete change of ownership (include new original bond and its power of attorney)
- f. Any licensee changing the name of the business with a new entity (include new original bond and its power of attorney)
- g. Any licensee changing the name of the business with the same entity (include bond rider with a copy of the corporate name change filed with the S.C. Secretary of State)
- h. Any address change due to E911 System (include bond rider with copy of E911 letter)

The above situations CANNOT be done at a local DMV office. If the dealer had previously been licensed for a year or more, sales volume for the purpose of determining the number of demonstration plates authorized will be based on the previous license(s) sales.

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, actually 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 building. **IMPORTANT: There are substantial restrictions on licensing a building that contains more than one business or entity. IF YOU ARE CONSIDERING LICENSING A BUILDING THAT IS SHARED BY OTHER BUSINESSES OR ENTITIES A PRE-INSPECTION IS REQUIRED.** Contact Dealer Licensing Headquarters at (803) 896-2611 to be put in contact with your local agent for a pre-inspection prior to making any commitment on a shared building. Click [here](#) to see the related DMV Policy
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 (2,000 square feet meets the display area requirement).
3. If demonstration plates are being requested, applicant must provide proof of liability insurance in the dealership's name covering all vehicles in the dealer's inventory (typically called "Garage Liability Insurance"). Personal liability insurance policies are not acceptable.
4. Motor Vehicle dealers or wholesalers applying for an original dealer or wholesaler license must furnish a surety bond in the amount of \$30,000 along with its Power of Attorney. Motorcycle or Travel Trailer dealers or Wholesale Motor Vehicle Auctions must furnish a surety bond in the amount of \$15,000 along with its Power of Attorney.
5. All retail dealers (motor vehicle, motorcycle, or travel trailer) must include a copy of SCDOR Form ST-1 Retail License for the trade name (dba) and location with each initial application or application that involves an address change.
6. Applicants for a non-franchise automobile dealer license must attend an eight-hour pre-licensing course. An original or a certified true copy of the original certificate of completion of the course must accompany the application. The prelicensing course requirement does not apply to:
 - a. a non-franchise automobile dealer owned and operated by a franchised automobile dealer
 - b. a non-franchise automobile dealer whose primary business is salvage
 - c. a non-franchise automobile dealer whose primary business objective and substantial business activity is the rental of motor vehicles
 - d. an existing non-franchise automobile dealer moving to a new location
7. Initial applications must include a completed and signed AD-020A Eligibility Affidavit for each individual who owns or controls 10% or more of the business (not required for an existing licensee being re-licensed at new location).
8. Initial applications must include a South Carolina Law Enforcement Division (SLED) Criminal History (CATCH) on any individual who owns or controls 10% or more of the business (not required for an existing licensee being re-licensed at new location). This report must be obtained from the South Carolina Law Enforcement Division (SLED) and is available online at their website located at www.sled.sc.gov or contact SLED Records Department, P.O. Box 21398, Columbia, SC 29221 (803) 896-1443 if you have any questions regarding obtaining the criminal history report.
9. Initial applications or applications for re-licensing at a new location must include a diagram on regular letter size paper (8½" x 11") that indicates the office area and the vehicle display area and/or lot with dimensions detailing the office space and surface area of the display area. Note location and names of all businesses in the building.
10. ADDRESS CHANGE APPLICATIONS to Headquarters must include a check or money order for the license fee of \$50.00 and corrected registration fee of \$1.00 per plate. Payment for other applications will occur later at a field office.

A Motor Vehicle "Wholesaler" must meet all the requirements above except for items 1, 2, 5, and 6. A licensed wholesaler is not permitted to exhibit, advertise, attempt to sell, solicit to sell, or transfer a vehicle in any manner to anyone except a licensed motor vehicle dealer or wholesaler. A licensed wholesaler may not transfer a vehicle into an owner's name.



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For renewal of a Motor Vehicle License, SCDMV requires a South Carolina Law Enforcement Division (SLED) Criminal History (CATCH) on any individual who owns or controls 10% or more of the business. This report must be obtained from the South Carolina Law Enforcement Division (SLED) and is available online at their website located at www.sled.sc.gov or contact SLED at Records Department, P.O. Box 21398, Columbia, SC 29221. The criminal history report is \$25.00 and you may contact SLED at (803) 896-1443 if you have any questions regarding obtaining the criminal history report.

If your initial dealer license was issued on or after July 1, 2008, you must also complete SCDMV form AD-020A Affidavit of Eligibility on each individual who owns or controls 10% or more of the business.

If you have any questions regarding these procedures or the renewal process in general, please contact the Dealer Licensing & Audit Unit at (803) 896-2611. In addition the license renewal fee of \$50.00, please complete and **submit to your local SCDMV office** renewal documents per the following document matrix:

MOTOR VEHICLE DEALER, WHOLESALER, MOTORCYCLE DEALER, TRAVEL TRAILER DEALER, AND WHOLESALE MOTOR VEHICLE AUCTION REQUIRED DOCUMENTS MATRIX FOR RENEWALS

GENERAL RULE (unless Phoenix Alert instructs)	SCDMV FORM DLA-1	SLED CATCH REPORT *	SCDMV FORM AD-020A *	SCDMV FORM DLA-1C **	PROOF OF INSURANCE
License # is 34434 or greater WITH plates	✔	✔	✔	✔	✔
License # is 34434 or greater WITHOUT plates	✔	✔	✔		
License # is less than 34434 WITH plates	✔	✔		✔	✔
License # is less than 34434 WITHOUT plates	✔	✔			

* Document required for each person listed in Block #13 of DLA-1

** Approved substitutes for DLA-1C are:

- Minimum of 20 numbered legible transactions on letter size paper with Date of Sale, Complete Name & Address of Buyer, Vehicle Year, Make, and VIN
- CVR Sales Volume Certification Letter for last twelve months of sales

In order to qualify for any demonstration plates, you must have sold at least 20 vehicles during the previous 12 months (dealer license year). Twenty sales will allow you to obtain two demonstration plates and each additional 15 sales will allow the issuance of one plate. Proof of valid commercial (garage) liability insurance is required for plate issuance. Personal liability insurance policy is not acceptable. Dealer demonstration plates are \$20.00 each.

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. Any change in information submitted on an initial or renewal application during the license year must be reported in writing to the Dealer Licensing & Audit Unit at one of the following addresses within 30 days after the change occurs.

The following actions CANNOT be done while renewing a license at a DMV branch office and require a new application with supporting documents (see page 1) to be MAILED to SCDMV Dealer Licensing & Audit Unit, P.O. Box 1498, Blythewood, SC 29016-0023 or for overnight delivery the physical address of 10311 Wilson Boulevard, Blythewood, SC 29016 may be used.

- a. Any licensee who is reapplying after having been closed for a year or having a license that has been expired more than
- b. ninety (90) days
- c. Any change in license category
- d. Any dealer or wholesaler moving to a new location or address change due to E911 system
- e. Any dealer or wholesaler with a complete change of ownership
- f. Any dealer or wholesaler changing the name of the business