



# South Carolina Department of Motor Vehicles

## Requirements for Obtaining a Motor Vehicle Dealer or Wholesaler License

DLA-1A (IS)  
(Rev. 7/09)

The following actions require a new initial application with supporting documents (see paragraphs 3, 4, 6, 7, 8, and 9 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.

- a. Any dealer or wholesaler who is applying for the first time
- 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 (change to retail automobile dealer must include pre-licensing course certificate)
- d. Any dealer or wholesaler moving to a new location (include new original bond and its power of attorney)
- e. Any dealer or wholesaler with a complete change of ownership (include new original bond and its power of attorney)
- f. Any dealer or wholesaler changing the name of the business (include new original bond and its power of attorney)

The above situations CANNOT be done at a local DMV office and a new license number will be issued. 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) transactions.

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 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 (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 dealer or wholesaler licensees must keep complete records of each transaction for a period of not less than four years from the date of the transaction. Wholesale Motor Vehicle Auctions must keep complete records on 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. All retail dealers must submit a copy of SCDOR Form ST-1 Retail License with initial application. All wholesalers and Wholesale Motor Vehicle Auctions must submit a copy of SCDOR Form ST-9 Exemption Certificate with initial application. In lieu of a copy of ST-9 Exemption Certificate, a copy of ST-1 Retail License AND copy of ST-10 Application for Certificate may be submitted but license will not be allowed to be renewed without subsequent submission of copy of ST-9 Exemption Certificate to Dealer Licensing Headquarters, P.O. Box 1498, Blythewood, SC 29016-0023.
7. Applicants for a non-franchise automobile dealer license must attend an eight-hour pre-licensing course. The original or a certified true copy of the original certificate of completion of the course must accompany the application. The pre-licensing 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
8. Effective July 1, 2009, 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.
9. Effective July 1, 2009, 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. 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](http://www.sled.sc.gov) or contact SLED 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.

A Motor Vehicle "Wholesaler" must meet all the requirements above except for items 1, 2, and 7. 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. Upon the expiration, cancellation or revocation of a dealer or wholesale license, the business may only dispose of its vehicles at a licensed Wholesale Motor Vehicle Auction.

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



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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 [www.sled.sc.gov](http://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 require a new initial 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.

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- e. Any dealer or wholesaler changing the name of the business (include new original bond and its power of attorney)