



# South Carolina Department of Motor Vehicles

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

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(Rev. 01/2024)

The below actions **CANNOT** be completed at a branch office; These actions require a new application with supporting documents (see requirements 3 - 10 below) to be MAILED to SCDMV Business License Unit, (for standard delivery) P.O. Box 1498, Blythewood, SC 29016-0023 or (for overnight delivery) 10311 Wilson Boulevard, Building C, Blythewood, SC 29016-0023. (Supplemental bond instructions are in parenthesis).

- a. Any dealer or wholesaler who is applying for the first time (include original bond and its power of attorney)
- b. Any licensee who is reapplying after the license has been cancelled or expired for more than ninety (90) days (include new original bond and its power of attorney)
- c. Any change in license category (include new original bond and its power of attorney)
- 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 must contact the Business License Unit for applicant and bond requirements.
- g. Any address change due to E911 System (include bond rider with copy of E911 letter)

To qualify as a motor vehicle dealer, an applicant must meet the following criteria.

1. A motor vehicle dealer must maintain a bona fide place of business consisting of a permanent structure: a) containing at least 96 square feet of floor space, b) occupied by the owner or operator, and c) 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 the Business License Unit at (803) 896-2611 to obtain information for a compliance auditor to schedule a pre-inspection prior to making any commitment on a shared building.
2. The 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 (minimum of 2,000 square feet meets the display area requirement).
3. If requesting demonstration plates, an applicant must provide proof of garage liability insurance in the dealership's name and location (physical address), covering all vehicles in the dealer's inventory. Personal liability insurance policies are not accepted.
4. A motor vehicle dealer or wholesaler dealer applying for a license must furnish an original surety bond in the amount of \$50,000 along with its power of attorney. A motorcycle, or motorcycle wholesale dealer must furnish an original surety bond in the amount of \$25,000 along with its power of attorney. A wholesale auction dealer must furnish an original surety bond in the amount of \$15,000 along with its power of attorney.
5. A retail dealer (motor vehicle, motorcycle, or recreational vehicle) must include a copy of SCDOR Form ST-1 Retail License for the trade name (dba) and physical location with each first-time application or application that involves an address or business name change.
6. All dealers (motor vehicle, motorcycle, recreational vehicle, auction, or wholesale) must provide proof that city or county requirements have been met for first-time dealer's license applications or any applications that involve a name or address change. (Examples include: a zoning permit, business license, business registration, or letter from the city or county stating there are no requirements for the trade name (dba) and location of dealership.)
7. Applicants for a non-franchise automobile dealer's 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 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;
  - d. an existing non-franchise automobile dealer moving to a new location; or
  - e. a franchise, wholesale, recreational vehicle, motorcycle, or wholesale auction license.

For additional information, you may contact the two providers listed below who meet the criteria to teach the course:

- Carolina Independent Automobile Dealer Association (CIADA) at 1-800-432-4232 and 1-704-455-2117 or visit its website at <https://www.theciada.com>.
  - Carolina Dealer Training at 1-704-918-4138 or visit its website at <https://carolinadealtraining.com>.
8. A first-time application must include a completed and signed [AD-808A: Affidavit of Eligibility Form](#) for each individual who owns or controls 10% or more of the business (not required for an existing licensee being re-licensed at a new location).
  9. A first-time or renewal application must include National Criminal Report on any individual who owns or controls 10% or more of the business (not required for an existing licensee being re-licensed at a new location). **The report cannot be more than 90 days old.** This report can be obtained online at The National Criminal Report website [www.premierbiotech.com](http://www.premierbiotech.com) or on the SCDMV website <http://scdmvonline.com/> (under the [Dealer Licenses tab](#) >> Quick Links). An applicant can call (888) 686-9909 with any questions regarding obtaining the National Criminal Report.
  10. First-time applications or applications for re-licensing (at a new location) must include a diagram on regular letter size paper (8½" x 11") that indicates: a) the format/structure of the building, b) the office area, and c) the vehicle display area and/or lot with dimensions detailing the office space and surface area of the display area. The diagram must show locations and names of all businesses in the building.
  11. **Address and Business Name Change applications** with no ownership change must be mailed to SCDMV Headquarters including a check or money order for the license fee of \$150.00 and corrected registration fee of \$1.00 per plate.

A motor vehicle wholesaler must meet all the requirements on this instruction sheet except for items 2, 5, and 7. In addition to those requirements, a wholesale applicant must also complete [Form DE-004A: Wholesale Dealer Agreement](#). 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. **Applicants can visit SCDMV's website, <http://scdmvonline.com/>, to obtain a detailed checklist of requirements needed for each license type (instructions: hover the cursor over the *Business Customers* tab >> under the *Dealers* column and select *Dealer Licenses*).**