

DEFINITIONS ARS 28-4301 – Effective January 1, 2006

“**Automotive Recycler**” means a person who is engaged in the business of buying or acquiring a motor vehicle solely for the purpose of dismantling, selling or otherwise disposing of the parts or accessories and who dismantles six or more vehicles in a calendar year.

“**Broker**” means a person who for a fee, commission or other valuable consideration offers to provide, provides or represents that the person will provide a service of arranging or assisting in effecting the purchase of a motor vehicle and who is not a/an:

1. New motor vehicle dealer or an employee or agent of a new motor vehicle dealer.
2. Used motor vehicle dealer or an employee or agent of a used motor vehicle dealer.
3. Manufacturer or an employee or agent of a manufacturer.
4. Auctioneer or engaged in the auto auction business.
5. Wholesale motor vehicle dealer.

“**New Motor Vehicle Dealer**” means a person who buys, sells, exchanges or offers or attempts to negotiate a sale or exchange of any interest in, or who is engaged in the business of selling, new motor vehicles or used motor vehicles taken in trade on new motor vehicles or used vehicles purchased for resale.

“**Title Service Company**” means a person, other than a licensed motor vehicle dealer, who, for a fee issues temporary registration plates or prepares and submits to the director applications for registration of, and certificates of title to, motor vehicles.
ARS 28-5001

“**Used Motor Vehicle Dealer**” means a person, other than a new motor vehicle dealer, who buys, sells, auctions, exchanges or offers or attempts to negotiate a sale or exchange of any interest in, or who is engaged in the business of selling, four or more used motor vehicles in a **continuous 12**

month period. Used motor vehicle dealer does not include a wholesale motor vehicle auction dealer.

“**Wholesale Motor Vehicle Auction Dealer**” means a person who is in the business of providing auction services **solely** in wholesale transactions to motor vehicle dealers licensed by this state or any other jurisdiction, and **who neither buys, sells nor owns the motor vehicles he or she auctions** in the ordinary course of business.

“**Wholesale Motor Vehicle Dealer**” means a person who sells used motor vehicles **only** to licensed motor vehicle dealers.

APPLICATION ARS 28-4361

Application must be **completed in full** and must be signed by the individual, all partners, or an officer of the corporation.

Application will be returned for incompleteness, non-compliance of requirements or improper fees.

A separate application must be submitted for each type of license and for each county.

Note – If there is a change in business entities, after becoming licensed, then a new application must be submitted with all applicable paperwork, including a new bond.

CRIMINAL RECORDS CHECK ARS 28-4361C & ARS 28 5003C

Each applicant and each partner, officer, director, agent **or** stockholder owning 20% or more of a corporation seeking a new license must provide a personal history form and fingerprint cards to enable the Motor Vehicle Division (MVD) to conduct a criminal records check.

The criminal records check may not apply if the application is for a subsequent license or the applicant and each partner, officer, director, agent or stockholder owning 20% or more of a corporation has completed a criminal records check through the MVD during the past five years, or is currently licensed.

An applicant convicted of fraud or an auto-related felony within the last ten years or any other type of

felony within the last five years will have his or her license application denied.

If application is denied, the MVD will notify the applicant in writing of the denial and the grounds for the denial. The applicant may appeal the denial by requesting a MVD administrative hearing and, if the denial is upheld, appeal to the Maricopa County Superior Court. ARS 28-4365

FEES

- \$ 15 Filing *
- 24 Criminal Records Check (per individual) *
- 100 License
- 10 Provisional License
- 50 Branch Office (if applicable)
- 10 License (Title Service Company)

***Note:** To be paid when submitting application. All other fees paid later by invoice.

Criminal Records Check fee must be by cashier’s check or money order payable to the Arizona Department of Public Safety.

All other fees may be by check payable to the Motor Vehicle Division.

BOND ARS 28-4362

The bond must be a surety bond executed by an insurance or bonding company authorized to do business in Arizona, and must be in the amount of:

- \$100,000 New Motor Vehicle Dealer
Used Motor Vehicle Dealer
- \$ 25,000 Title Service Companies Broker
Wholesale Auto Auction Dealer
Wholesale Motor Vehicle Dealer
- \$ 20,000 Automotive Recycler

A separate original bond must be submitted for each application and for each county in which the licensee has an established place of business, except for title service companies.

A power of attorney for the attorney-in-fact must be attached to the bond.

The bond must be signed by the individual, all partners (if a partnership) or one corporate officer (if incorporated). Bonds may not be handwritten.

The bond is continuous and may be canceled only upon receipt of 60 days written notice to Dealer Licensing.

BUY/SELL AGREEMENTS

A copy of the Buy/Sell Agreement must be submitted at the time of application, whenever a prospective dealer purchases an existing dealership. All parties involved must sign the agreement, including partners, directors, officers, stockholders owning 20% or more of a corporation, etc.

DEALERS SELLING NEW PRODUCTS ARS 28-4363

Applicants who will be selling new products must submit a certificate of appointment signed by an authorized agent of the manufacturer or distributor licensed to conduct business in Arizona.

The certificate of appointment must contain the following information:

1. Name of appointed dealership
2. Address where new product will be sold
3. Name of each product

ESTABLISHED PLACE OF BUSINESS ARS 28-4334

Established place of business must be a permanent enclosed building or structure, owned either in fee or leased, with sufficient space to display two or more vehicles of a kind and type that the dealer is licensed to sell. The established place of business must be devoted principally to the business of a dealer.

A used motor vehicle dealer and automotive recycler may use a trailer as an office.

A wholesale motor vehicle dealer or title service company may operate from a location zoned for residential use. Applicants should contact their local city or county office to ensure compliance with local zoning ordinances.

BUSINESS HOURS ARS 28-4361

All dealers must maintain the business hours as indicated on their application.

BUSINESS SIGN ARS 28-4406

Each motor vehicle dealer and automotive recycler sign must be legible for 300 feet during daylight. The sign must be permanently erected on the ground or permanently affixed to the building. The sign must indicate that the business of a motor vehicle dealer or automotive recycler is conducted at or from the premises.

A wholesale motor vehicle dealer or title service must erect a permanent sign (of any size) at the entrance of the place of business. The sign must indicate that the business of a wholesale motor vehicle dealer or broker is conducted at or from the premises.

No sign shall be considered permanent if it is painted on glass.

CORPORATIONS and LIMITED LIABILITY COMPANIES Must Submit

- An official copy of the Articles of Incorporation on file at the Arizona Corporation Commission.
- A copy of the current filing of the Annual Report and Certificate of Disclosure, if applicable.

For information on filing as a corporation in Arizona, contact the Arizona Corporation Commission at 602-542-3135 or www.azcc.gov.

LIMITED LIABILITY PARTNERSHIPS Must Submit

- An official copy of the Partnership Agreement on file at the Arizona Secretary of State's office.

For information on filing as a limited liability partnership in Arizona, contact the Secretary of State's office at 602-542-6187.

DEALER PLATES Optional

Automotive recyclers, wholesale auction, title services and brokers are not eligible to obtain dealer plates.

Motor Vehicle Dealer Plate (DL)	\$ 30
Trailer Dealer Plate (TR)	30
Dealer Transporter Plate (DT)	20
Dealer Motorcycle Plate (MD)	10

The right to use a dealer plate expires on license expiration. The fee to continue the right to use a

dealer plate must be submitted on or before license expiration date through ServiceArizona.

Every dealer who applies for and obtains dealer plates must comply with ARS 28-4532, 28-4533, 28-4534, 28-4535, 28-4536, 28-4538 and all applicable provisions of the Uniform Motor Vehicle Safety Responsibility Act.

PROVISIONAL LICENSE ARS 28-4364

The director may approve an application for a provisional dealer or automotive recycler license, pending completion of the criminal records check, if all other licensing requirements are met.

This license is valid unless revoked by the MVD or until the applicant receives approval or denial of the application for a permanent motor vehicle dealer license or automotive recycler license.

EXPIRATION OF A PERMANENT LICENSE

ARS 28-4405

A permanent license will expire when the licensee fails, neglects or refuses to pay the required fee for the ensuing year. If a licensee fails, neglects or refuses to pay the required fee for the ensuing year on or before license expiration, the fee must be deemed delinquent and penalty equal to the fee will be added thereto and collected, except for title service companies.

Renewal of any motor vehicle license type must be completed over ServiceArizona by accessing www.servicearizona.com and EZ Dealer Services. To establish a username and password, please contact the ServiceArizona Assistance Desk at 866-436-9533 or email at ezhelp@us.ibm.com. Renewals will not be accepted through the Dealer Licensing Unit.

Note – It is the motor vehicle dealer's responsibility to update all contact information through either ServiceArizona or the Dealer Licensing Unit.

QUESTIONS?

Please contact the Dealer Licensing Unit by e-mail at dealerlicensing@azdot.gov or call **602-712-7571**.

ELECTRONIC ACCESS REQUIREMENT

All licensees are required to have computer and Internet access. Electronic access is **required** to accomplish various business functions related to your license to include renewing licenses and plates, issuing TRP's, 30-Day General Use permits and corresponding with MVD. Please e-mail the Dealer Licensing Unit to obtain current technical specifications.

The following information is provided as a courtesy, and does not represent all agencies through which you must or may conduct business.

TITLE AND REGISTRATION

For questions regarding title and registration, contact: Phoenix 602-255-0072, Tucson 520-629-9808, elsewhere in Arizona 800-251-5866

SELLING ON A NON-CASH BASIS

Dealers selling on a non-cash basis may be required to obtain a motor vehicle sales license from the State Banking Department. For more information call:

Arizona Department of Financial Institutions
Phoenix: 602-255-4421 www.azdfi.gov

EMISSIONS

Arizona Department of Environmental Quality
Phoenix: 602-207-4300, Tucson: 520-628-5651
www.azdeq.gov

STATE SALES TAX

Arizona Department of Revenue
Phoenix 602-255-3381, elsewhere 800-352-4090
www.azdor.gov



LICENSING INFORMATION

for a
Franchised Motor Vehicle Dealer
Wholesale Auto Auction Dealer
Wholesale Motor Vehicle Dealer
Used Motor Vehicle Dealer
Automotive Recycler
Broker
Title Service Company

**Thank you
 for considering the
 State of Arizona in which to
 open your new business.**

Mail Drop 552M
 Dealer Licensing
 Motor Vehicle Division
 PO Box 2100
 Phoenix AZ 85001-2100

e-mail: dealerlicensing@azdot.gov
 602-712-7571