

**Final Rule**

LSA Document #13-566(F)

**DIGEST**

Adds [75 IAC 6](#) to establish and implement the licensing and plate process and requirements for auto dealer services. Repeals [75 IAC 2](#) and [75 IAC 4](#). Effective 30 days after filing with the Publisher.

[75 IAC 2](#); [75 IAC 4](#); [75 IAC 6](#)

SECTION 1. [75 IAC 6](#) IS ADDED TO READ AS FOLLOWS:

**ARTICLE 6. AUTO DEALER SERVICES**

**Rule 1. Definitions**

**[75 IAC 6-1-1](#) Applicability**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 1. The definitions in this rule, [IC 9-13](#), and [IC 9-32](#) apply throughout this article.**

(Secretary of State; [75 IAC 6-1-1](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-2](#) "Certificate of origin" or "manufacturer's statement of origin" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 2. "Certificate of origin" or "manufacturer's statement of origin" refers to the original ownership document for a vehicle issued by a manufacturer and provided to the initial purchaser of that vehicle so as to begin the chain of ownership of that vehicle.**

(Secretary of State; [75 IAC 6-1-2](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-3](#) "Consignee" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 3. "Consignee" means a dealer who receives a vehicle for the purpose of offering the vehicle for sale but title to which is held by another person.**

(Secretary of State; [75 IAC 6-1-3](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-4](#) "Consignment sales" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 4. "Consignment sales" refers to a sale in which the dealer sells or offers for sale, for compensation or not, a vehicle that is not titled or assigned to the dealer.**

(Secretary of State; [75 IAC 6-1-4](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-5](#) "Consignor" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 5. "Consignor" means the titled or assigned owner of a vehicle who cosigns a vehicle to a dealer.**

(Secretary of State; [75 IAC 6-1-5](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-6](#) "Designee" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 6-6-5](#); [IC 9-13-2](#); [IC 9-32-6-9](#)

**Sec. 6. "Designee" refers to any person, including an employee, to which a dealer or manufacturer has granted the use of a vehicle, under [IC 9-32-6-9](#), in the dealer's or manufacturer's inventory displaying a dealer-new, dealer-used, or manufacturer registration plate.**

(Secretary of State; [75 IAC 6-1-6](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-7](#) "License year" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32-11-12](#)

**Sec. 7. "License year" refers to a twelve (12) month period commencing and ending in accordance with [IC 9-32-11-12](#).**

(Secretary of State; [75 IAC 6-1-7](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-8](#) "Motor vehicle industry sponsored trade show" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 8. "Motor vehicle industry sponsored trade show" means the exhibition of vehicles by a motor vehicle trade association to provide the general public the opportunity to review and inspect vehicles at a single location. All trade association members must be invited to participate in the trade show.**

(Secretary of State; [75 IAC 6-1-8](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-9](#) "Motor vehicle trade association" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 9. "Motor vehicle trade association" refers to a:**

**(1) statewide association of licensed dealers with a membership greater than one hundred (100) dealers; or**

**(2) local association of licensed dealers with a membership of at least eighty percent (80%) of the dealers in the local area.**

(Secretary of State; [75 IAC 6-1-9](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-1-10](#) "New or used motorcycle dealer" defined**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

**Sec. 10. "New or used motorcycle dealer" means a person who:**

**(1) is properly licensed as a dealer under [IC 9-32](#); and**

**(2) sells over fifty percent (50%) of total unit sales as new or used motorcycles.**

(Secretary of State; [75 IAC 6-1-10](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

### [75 IAC 6-1-11](#) "Primary business" defined

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

Sec. 11. "Primary business" means the business activity that generates more than fifty percent (50%) of the gross revenue of the business or enterprise.

(Secretary of State; [75 IAC 6-1-11](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

## Rule 2. Licensing

### [75 IAC 6-2-1](#) Certificate of origin for converted vehicles

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-17](#); [IC 9-18](#); [IC 9-32](#)

#### Sec. 1. A licensed:

- (1) dealer;
- (2) manufacturer;
- (3) converter manufacturer; or
- (4) transfer dealer;

who converts any type of vehicle, on which a certificate of origin has already been issued, into another type of motor vehicle on which the manufacturer, converter manufacturer, dealer, or transfer dealer issues a second certificate of origin must provide both the initial certificate of origin and the second certificate of origin upon transfer of the vehicle.

(Secretary of State; [75 IAC 6-2-1](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

### [75 IAC 6-2-2](#) Dealer license requirements

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32-11-14](#)

Sec. 2. Under [IC 9-32](#), dealers designated dealer-new, dealer-used, motorcycle dealer-new, and motorcycle dealer-used shall meet the following requirements:

- (1) A dealer must have a license issued by the secretary of state in order to receive dealer plates.
- (2) The fee from [IC 9-29-17](#) is due with the application and is nonrefundable.
- (3) Only one (1) dealer shall be licensed from the same address or established place of business.
- (4) In addition to the requirements outlined in [IC 9-32](#), a dealer must meet the following minimum requirements:

#### (A) The dealer must provide a:

- (i) federal identification number; and
- (ii) retail merchant's certificate number.

#### (B) The dealer must, for the entire licensing period, have an established place of business with an Indiana address that is not:

- (i) an Indiana post office box address;
- (ii) a location that functions like a mailbox box facility; or
- (iii) a location that only provides ministerial services by a contract employee.

#### (C) Dealer licenses and dealer plates shall be mailed to the business address only.

#### (D) The established place of business may not house a secondary business unless that business is closely related to the sale of motor vehicles and this secondary business does not provide in excess of fifty percent (50%) of the dealer's gross income. Multiple business locations such as strip office malls, garages, or residential properties shall be accepted if:

- (i) a separate exterior entrance is maintained;
- (ii) a separate address is maintained, and the business location is not a part of or attached to a residential dwelling;

- (iii) local zoning requirements are met;
- (iv) a distinct impression of separate businesses is given to the general public, which may include distinguishable parking lot space properly marked for display of a minimum of ten (10) vehicles; and
- (v) all other location and office requirements are met.

(E) The dealer's established place of business shall:

- (i) be in Indiana;
- (ii) be permanent, enclosed building or structure that is not a residence, tent, temporary stand, or mobile trailer not permanently affixed;
- (iii) be accessible to the public;
- (iv) have at least a space of one thousand three hundred (1,300) square feet and be able to accommodate the display of a minimum of ten (10) vehicles of the kind and type that the dealer is licensed to sell and space for customer parking;
- (v) meet all local zoning requirements;
- (vi) be well lit during hours of operation; and
- (vii) have and display customer parking areas adequately surfaced with asphalt, concrete, rock, or substance that will not change with weather conditions.

(F) The dealer's office shall be:

- (i) housed at the dealer's established place of business;
- (ii) at least one hundred (100) square feet in size;
- (iii) equipped with office furniture such as a desk, chairs, and filing cabinets;
- (iv) served with utilities such as:
  - (AA) electricity;
  - (BB) lighting;
  - (CC) heat;
  - (DD) operational plumbing; and
  - (EE) a business telephone; and
- (v) reflective of functional use and operation of the license.

(G) The dealer must provide garage liability insurance for the established place of business under [IC 9-32-11-14](#).

(H) The dealer must provide photographs of the established place of business with the initial application for dealer license. These photographs must include, but are not limited to, the major:

- (i) sales and storage lot;
- (ii) exterior advertising sign;
- (iii) display and office building; and
- (iv) interior of office building.

The photographs must not be less than three (3) inches by five (5) inches in size. The photographs will be required to be updated if the dealership is moved or if its physical facilities are substantially altered or modified. Digital photographs must be unaltered and verifiable.

(I) The dealer must be in good standing with the:

- (i) bureau of motor vehicles;
- (ii) department of state revenue;
- (iii) state police department; and
- (iv) secretary of state.

(J) The dealer must provide, with the initial licensing application, evidence of a franchise or contract agreement, if applicable, showing a sales arrangement with a manufacturer, converter manufacturer, or distributor.

(K) The dealer must maintain, at the established place of business, a conspicuous, permanent sign identifying the dealer by the name in which the dealer is licensed and the dealership's hours of operation.

(L) The dealer's established place of business must be accessible to the public for a minimum of thirty (30) hours each week during normal business hours. An exemption for this requirement may be given at the secretary of state's discretion if the dealer is in compliance with other parts of this section. For the purpose of this section, "accessible" means the place of business must be manned:

- (i) at least thirty (30) hours each week; or
- (ii) at least twenty (20) hours each week and a telephone answering, paging, or mobile service offered during the remaining ten (10) hours each week, the number for which is identified on the business sign.

(Secretary of State; [75 IAC 6-2-2](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

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**75 IAC 6-2-3 Issuance of off-site sales licenses; general conditions and minimum requirements**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32](#); [IC 24-4-6](#)

**Sec. 3. (a)** An off-site license may be issued to a licensed dealer, manufacturer, automobile auctioneer, or transfer dealer for the purpose of conducting a vehicle event at a location other than the applicant's established place of business.

(b) The fee from [IC 9-29-17](#) is due with the application and is nonrefundable.

(c) The temporary location must:

- (1) be in a well-defined location such as a building, tent, or open parking area that is separate and distinct from other business locations;
- (2) set up to include an appropriate area for the closing of a sale if a sale is closed at the off-site location; and
- (3) meet all local ordinances and zoning requirements.

(d) The application must:

- (1) be received at least ten (10) days prior to the event;
- (2) contain the exact street address of the proposed event location along with a brief description of the location;
- (3) include the applicant's established place of business;
- (4) contain the applicant's dealer license number;
- (5) include the name, address, and telephone number of the:
  - (A) owner if sole proprietorship;
  - (B) partners if partnership; or
  - (C) officers if corporation;
- (6) include the name and telephone number for a contact person if different from the people listed in subdivision (5) to clarify information on the application if needed; and
- (7) contain the dates of the proposed event.

(e) Off-site vehicle sales, under this section, may not be conducted on Sunday pursuant to [IC 24-4-6](#).

(f) Motor vehicle industry sponsored trade shows are exempted from the provisions of this section, but the sponsor must notify the secretary of state, in writing, of the scheduling of a show and its participants at least thirty (30) days prior to a show.

(Secretary of State; [75 IAC 6-2-3](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**75 IAC 6-2-4 Manufacturer license requirements**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32-11-14](#)

**Sec. 4. (a)** Manufacturers, converter manufacturers, factory branches, factory representatives, distributors, or distributor representatives must have a license issued by the secretary of state under [IC 9-32](#).

(b) Manufacturers, converter manufacturers, factory branches, factory representatives, distributors, or distributor representatives, though conducting business within Indiana, are not required to have an established place of business.

(c) The license fee from [IC 9-29-17](#) is due with the application and is nonrefundable.

(d) In addition to the requirements outlined in [IC 9-32](#), a manufacturer must meet the following minimum requirements:

- (1) The applicant must provide a:
  - (A) federal identification number; and
  - (B) retail merchant's certificate number.
- (2) The applicant must provide, if the applicant has an established place of business, garage liability insurance as prescribed in [IC 9-32-11-14](#). The applicant must provide, if the applicant does not have an established place of business, business liability insurance in an amount approved by the secretary of state.
- (3) The applicant must be in good standing with the:
  - (A) bureau of motor vehicles;
  - (B) department of state revenue;
  - (C) state police department; and
  - (D) secretary of state.
- (4) Unless conflicting with the provisions of this section all rules that the secretary of state finds applicable governing dealers shall apply to manufacturers.

(Secretary of State; [75 IAC 6-2-4](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### [75 IAC 6-2-5](#) Transfer dealer license requirements

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32-11-14](#)

Sec. 5. (a) Transfer dealers must be properly licensed by the secretary of state under [IC 9-32](#).

(b) The license fee from [IC 9-29-17](#) is due with the application and is nonrefundable.

(c) A transfer dealer license is to be utilized by the following parties:

- (1) Financial institutions dealing in repossessed vehicles.
- (2) Insurance companies dealing in repossessed or salvaged vehicles.
- (3) Any other type of business meeting the requirements of a transfer dealer as outlined in [IC 9-32](#) that, because of the nature of its business, has the need to transfer ownership of twelve (12) or more vehicles within any twelve (12) month period.

(d) A transfer dealer shall do the following:

- (1) Furnish a:
  - (A) federal identification number; and
  - (B) retail merchant's certificate number.
- (2) The transfer dealer must be in good standing with the:
  - (A) bureau of motor vehicles;
  - (B) department of state revenue;
  - (C) state police department; and
  - (D) secretary of state.
- (3) The transfer dealer must furnish proof of coverage by garage liability insurance under [IC 9-32-11-14](#).
- (4) Provide a statement delineating the type and extent of the dealer's business.

(e) Unless conflicting with the provisions of this section, all rules that the secretary of state finds applicable governing dealers shall apply to transfer dealers.

(Secretary of State; [75 IAC 6-2-5](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### [75 IAC 6-2-6](#) Wholesale dealer license requirements

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32-11-14](#)

Sec. 6. (a) Wholesale dealers must be licensed by the secretary of state under [IC 9-32](#).

(b) The license fee from [IC 9-29-17](#) is due with the application and is nonrefundable.

(c) Wholesale dealers must be properly licensed in order to receive wholesale dealer plates.

(d) In addition to the requirements outlined in [IC 9-32](#), a wholesale dealer must meet the following minimum requirements:

(1) The wholesale dealer must provide a:

- (A) federal identification number; and
- (B) retail merchant's certificate number.

(2) The wholesale dealer must be covered by business liability insurance under [IC 9-32-11-14](#).

(3) The wholesale dealer must be in good standing with the:

- (A) bureau of motor vehicles;
- (B) department of state revenue;
- (C) state police; and
- (D) secretary of state.

(4) The wholesale dealer must, for the entire licensing period, have an established place of business with an Indiana address that is not:

- (A) an Indiana post office box address;
- (B) a location that functions like a mailbox box facility; or
- (C) a location that only provides ministerial services by a contract employee.

(5) Wholesale dealer licenses and wholesale dealer plates shall be mailed to the business address only.

(6) Only one (1) wholesale dealer can be licensed from the sale address or established place of business.

(7) The wholesale dealer's office shall:

- (A) be accessible to other dealers, the secretary of state, and the public as necessary;
- (B) be at least one hundred (100) square feet in size;
- (C) be equipped with office furniture such as a desk, chairs, and filing cabinets;
- (D) be served with utilities such as:
  - (i) electricity;
  - (ii) lighting;
  - (iii) heat;
  - (iv) operational plumbing; and
  - (v) a business telephone;
- (E) be reflective of functional use and operation of the license; and
- (F) if housed in a multi-office building, have exterior signage on the office door and within the curtilage of the building. Exterior signage requirements may be modified if in conflict with local zoning ordinances.

(8) The wholesale dealer must provide photographs of the established place of business with the initial application for wholesale dealer license. These photographs must include, but are not limited to, following:

- (A) Office space.
- (B) Exterior advertising sign.

The photographs must not be less than three (3) inches by five (5) inches in size. The photographs will be required to be updated if the wholesale dealer is moved or if its physical location is substantially altered or modified. Digital photographs must be unaltered and verifiable.

(9) Wholesale dealer operations must be conducted from the licensed location with the exception of attendance at automobile auctions or other work that must be conducted in person or face-to-face outside of the office. For purposes of this section, wholesale dealer operations do not include ministerial tasks, mail forwarding, telephone answering arrangements, and similar tasks not constituting substantive business functions.

(10) Each wholesale dealer must submit to an investigation at the discretion of the secretary of state within one hundred twenty (120) days following issuance of the wholesale dealer license. Each wholesale dealer will be contacted at the address given on the license application.

(11) A wholesale dealer must sell a minimum of one hundred twenty (120) vehicles per license year. The secretary of state may modify this requirement if the dealer is otherwise in compliance with all other applicable laws and administrative rules. Any modification shall be after submission and review of the wholesale dealer's current business plan and operation.

(12) A wholesale dealer may not sell vehicles to the general public.



(e) Unless conflicting with the provision of this section, all rules that the secretary of state finds applicable governing dealers shall apply to wholesale dealers.

(Secretary of State; [75 IAC 6-2-6](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### **[75 IAC 6-2-7](#) Automobile auctioneer license requirements**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32-11-14](#)

Sec. 7. (a) Automobile auctioneers must be properly licensed by the secretary of state under [IC 9-32](#).

(b) The license fee from [IC 9-29-17](#) is due with the application and is nonrefundable.

(c) The following are minimum requirements for licensing automobile auctioneers:

(1) An applicant must furnish a:

(A) federal identification number; and

(B) retail merchant's certificate number.

(2) An applicant must furnish proof of coverage by liability insurance under [IC 9-32-11-14](#).

(3) An applicant must be in good standing with the:

(A) bureau of motor vehicles;

(B) department of state revenue;

(C) state police department; and

(D) secretary of state.

(4) Unless conflicting with the provisions of this section, all rules that the secretary of state finds applicable governing dealers shall apply to automobile auctioneers.

(Secretary of State; [75 IAC 6-2-7](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### **[75 IAC 6-2-8](#) Consignment sales**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2-15](#); [IC 9-32](#)

Sec. 8. (a) As used in this section, "consignment sales lot" means a business that conducts twelve (12) or more (retail or wholesale) consignment sales per year for which ownership is never transferred to a broker as defined in [IC 9-13-2-15](#).

(b) A consignor who consigns a vehicle to a consignee to be offered for sale and sold by the consignee on behalf of the consignor to a third party purchaser must provide the consignee with either the title to the vehicle along with a power of attorney designating the consignee as the agent of the consignor or a duly executed consignment agreement between the consignor and the consignee. The consignor must be identified to the buyer by the consignee.

(c) A consignment agreement for consignment sales must contain, but is not limited to, the following information:

(1) The name and current address of the vehicle's titled owner and person having possession of the title.

(2) The name and current address of any party holding a lien on the vehicle.

(3) The name and current address of the party to which the vehicle was consigned for sale.

(4) A description of the vehicle, including the vehicle's make, model, color, and manufacturer's vehicle identification number.

(5) A statement showing that the consignor has appointed the consignee as an agent for the purpose of offering the vehicle for sale.

(6) Any sales conditions that must be met by the consignee.

(d) Consignment arrangements do not apply to a licensed dealer's inventory. Consignment agreements must be completed for each vehicle offered for sale on the consignment sales lot regardless



of whether or not the consignor has provided a title. Copies of the consignment agreement must be maintained continuously for a period of three (3) years.

(e) The vehicle should be plated by the consignor and insured by the consignor for the purpose of demonstration of the vehicle. The consignee is not eligible for interim plates under [75 IAC 6-3](#).

(f) The consignment sales lot must meet the requirements of a dealer's location, office, and zoning provisions.

(Secretary of State; [75 IAC 6-2-8](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### **[75 IAC 6-2-9](#) Denial, suspension, or revocation of dealer license; hearing**

Authority: [IC 9-32-3-1](#)

Affected: [IC 4-21.5-3](#); [IC 4-21.5-5](#); [IC 9-13-2](#); [IC 9-32](#)

Sec. 9. (a) Application for a dealer license under [IC 9-32](#) shall be as follows:

- (1) A person may file an application for a dealer license and dealer plates with the secretary of state.
- (2) The secretary of state shall investigate the information submitted with the application. Based upon the investigation, the secretary of state shall approve or deny the application.
- (3) If the application is approved, the secretary of state shall assign the applicant to the proper classification of dealer plates and issue the plates under [75 IAC 6-3](#) and [IC 9-32-6-2](#).
- (4) If the application is denied or if the applicant does not agree with the secretary of state's classification, the request for redetermination procedure shall be as follows:
  - (A) Applicant has thirty (30) days to request a hearing.
  - (B) The secretary of state has fifteen (15) days from the date of request of the hearing to schedule a hearing.
  - (C) The hearing shall be conducted in accordance with [IC 4-21.5-3](#). Any further review of the determination by the secretary of state shall be afforded under [IC 4-21.5-5](#) and [IC 9-32-16](#).

(b) A dealer license may be suspended or revoked if the secretary of state determines that the dealer has violated federal or state law, including this article and [IC 9-32](#), relating to the sale, distribution, financing, or insuring of motor vehicles. The dealer is also subject to all other penalties under [IC 9-32-17](#).

(c) Any further review of the determination by the secretary of state shall be afforded under [IC 4-21.5-5](#) and [IC 9-32-16](#).

(Secretary of State; [75 IAC 6-2-9](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### **[75 IAC 6-2-10](#) Operation without a license; cease and desist order**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-32](#)

Sec. 10. A business or person engaged in the business activities as identified in [IC 9-32](#) must be properly licensed to carry out the business activities and functions. Failure to obtain a license or having a license suspended or revoked by the secretary of state shall be cause for an order to cease and desist all business activities to be issued by the secretary of state. The secretary of state shall notify the state police department of an order issued to cease and desist business activities.

(Secretary of State; [75 IAC 6-2-10](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### **[75 IAC 6-2-11](#) Dealer licensing fees; procedure for handling**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-29-17](#); [IC 9-32](#)

Sec. 11. The secretary of state shall charge a fee of twenty dollars (\$20) or five percent (5%) of the face

amount of the check, whichever is greater, but not to exceed two hundred fifty dollars (\$250) as a handling charge for returned checks.

(Secretary of State; [75 IAC 6-2-11](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

### Rule 3. Plates

#### [75 IAC 6-3-1](#) Classification of dealer plates

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32-6](#)

Sec. 1. (a) In addition to the dealer-new, dealer-used, wholesale, and manufacturer plates authorized by [IC 9-32-6](#), the secretary of state authorizes the following classifications of metal dealer registration plates:

- (1) Motorcycle dealer-new.
- (2) Motorcycle dealer-used.
- (3) Transfer dealer.
- (4) Antique car museum dealer.
- (5) Dealer promotional.
- (6) Research and development.

(b) The following dealers properly licensed under [IC 9-32](#) are eligible to apply for dealer-new or dealer-used plates:

- (1) Mobile home dealers.
- (2) Recreational vehicle dealers.
- (3) Trailer dealers.

(c) Automobile auctioneers are eligible for dealer-used plates.

(Secretary of State; [75 IAC 6-3-1](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### [75 IAC 6-3-2](#) Dealer plates; restrictions on use

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32-6-11](#)

Sec. 2. (a) Dealer plates may be issued to a person properly licensed under [IC 9-32](#).

(b) In addition to the restrictions established by [IC 9-32](#), dealer plates issued to dealer-new, dealer-used, motorcycle dealer-new, and motorcycle dealer-used are subject to the following restrictions:

- (1) Dealer plates under this section shall only be affixed upon vehicles in the dealer's inventory.
- (2) Dealer plates under this section shall not be used on vehicles required to be registered or on vehicles for which dealers charge and receive compensation from individuals other than their employees. Vehicles required to be registered include:
  - (A) tow trucks;
  - (B) delivery trucks;
  - (C) rental or lease vehicles; or
  - (D) parts and service vehicles, which includes vehicles used to pick up or deliver parts or supplies.
- (3) Dealer plates may not be used on vehicles leased or rented to or by the dealer.
- (4) Dealer plates may be used for up to ten (10) days within the state of Indiana on vehicles that are hauling a load provided the movement is for demonstration purposes to effect a sale of the demonstrated vehicle if the dealer has notified and been granted approval by the state police department.
- (5) Dealer plates under this section may be used by a prospective buyer or service customer on a vehicle in the dealer's inventory unattended by any agent or representative of the dealer for a period not to exceed ten (10) days.
- (6) Following the sale and delivery of a vehicle from the dealer's inventory, the metal dealer plate shall

not be used on that vehicle. An interim registration plate may be issued to the purchaser by the dealer under [IC 9-32-6-11](#) for a period expiring thirty-one (31) days from the date of delivery or until regular registration plates have been obtained, whichever event occurs first.

(7) The dealer and the representative of the dealer may, at the dealer's discretion, use the dealer registration plates issued to the dealership for personal use on vehicles in the dealer's inventory.

(8) Dealer plates may not be used to circumvent the registration of individual motor vehicles as required by law or the payment of sales tax or motor vehicle excise taxes on those vehicles.

(9) Dealer plates shall not be:

- (A) loaned;
- (B) leased;
- (C) sold;
- (D) transferred;
- (E) copied;
- (F) altered; or
- (G) reproduced.

(10) A vehicle bearing a dealer plate, except when the vehicle is being transported to the dealer's place of business from a manufacturer, must have:

- (A) in the case of a new vehicle, a monroney sticker attached to the vehicle; or
- (B) in the case of a used vehicle, a Federal Trade Commission buyer's guide sticker attached to the vehicle.

(11) Motorcycle dealer plates may not be used on any other type of motor vehicle other than a motorcycle even if that vehicle is held in the inventory of the dealer.

(12) Any motorcycle dealer who maintains for sale an inventory of vehicles other than motorcycles may apply for dealer-used plates for use in conjunction with the sale of those vehicles.

(Secretary of State; [75 IAC 6-3-2](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

### [75 IAC 6-3-3](#) Manufacturer plates; restrictions on use

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-25-4-5](#); [IC 9-29-17](#); [IC 9-32-6](#)

Sec. 3. (a) Persons properly licensed under [IC 9-32](#) as a:

- (1) manufacturer;
- (2) converter manufacturer;
- (3) factory representative;
- (4) factory branch;
- (5) distributor; or
- (6) distributor representative;

shall be eligible to apply for manufacturer plates.

(b) In addition to the restrictions established by [IC 9-32-6](#), manufacturer plates are subject to the following restrictions:

(1) If the:

- (A) manufacturer;
- (B) converter manufacturer;
- (C) factory representative;
- (D) factory branch;
- (E) distributor; or
- (F) distributor representative;

desires to obtain manufacturer plates and does not have an established place of business, then the applicant must show that the vehicles to be plated and utilized on the public highways have insurance coverage in the same amount as required under [IC 9-25-4-5](#).

(2) Manufacturer plates under this section shall only be affixed upon vehicles in the manufacturer's inventory.

(3) Manufacturer plates under this section shall not be used on vehicles required to be registered or upon any vehicle for which the manufacturer received compensation from individuals other than the manufacturer's employees.

(4) The manufacturer, and the representative of the manufacturer designated by the manufacturer, may use the manufacturer plates issued to the manufacturer for personal use on vehicles in the

manufacturer's inventory. A representative, for purposes of this subdivision, must be in a bona fide employment arrangement.

(5) Manufacturer plates may not be used to circumvent the registration of individual motor vehicles as required by law or the payment of sales tax or automobile excise taxes on those vehicles.

(6) Manufacturer plates shall not be:

- (A) loaned;
- (B) leased;
- (C) sold;
- (D) transferred;
- (E) copied;
- (F) altered; or
- (G) reproduced.

(Secretary of State; [75 IAC 6-3-3](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### **[75 IAC 6-3-4](#) Transfer dealer plates; restrictions on use**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32](#)

Sec. 4. (a) Transfer dealer plates may be issued to a person properly licensed as a transfer dealer under [IC 9-32](#).

(b) Transfer dealer plates may be utilized by the following parties:

- (1) Financial institutions dealing in repossessed vehicles.
- (2) Insurance companies dealing in repossessed or salvaged motor vehicles.
- (3) Any other type of business meeting the requirements of a transfer dealer as outlined in [IC 9-32](#) that, because of the nature of its business, has the need to transfer ownership of twelve (12) or more vehicles within any twelve (12) month period.

(c) Transfer dealer plates may be placed on vehicles owned by the transfer dealer for a period not to exceed ten (10) days for:

- (1) the purpose of acquisition of vehicles;
- (2) the purpose of previously sold vehicles; or
- (3) delivery of vehicles following sale.

(d) A transfer dealer plate may be placed on any vehicle owned by the transfer dealer for demonstration of the vehicle to a potential customer for a period not to exceed ten (10) days.

(e) Transfer dealer plates may be placed on vehicles not owned by the transfer dealer but in the dealer's rightful possession for a period not to exceed ten (10) days for the purpose of performing mechanical, body, or maintenance work on the vehicles.

(f) A transfer dealer plate may not be placed on any vehicle, even a vehicle in the inventory of the dealer, for the personal use of a transfer dealer or the transfer dealer's employees.

(g) Transfer dealer plates shall not be:

- (1) loaned;
- (2) leased;
- (3) sold;
- (4) transferred;
- (5) copied;
- (6) altered; or
- (7) reproduced.

(Secretary of State; [75 IAC 6-3-4](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### **[75 IAC 6-3-5](#) Wholesale dealer plates; restrictions on use**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-29-17](#); [IC 9-32](#)

Sec. 5. (a) Wholesale dealer plates may be issued to a person properly licensed as a wholesale dealer under [IC 9-32](#).

(b) In addition to the restrictions established by [IC 9-32](#), wholesale dealer plates issued to wholesale dealers are subject to the following restrictions:

- (1) Wholesale dealer plates shall only be issued to a wholesale dealer who conducts wholesale dealer operations from the licensed business location in Indiana.
- (2) Wholesale dealer plates shall not be used for personal use.
- (3) Wholesale dealer plates shall not be used to circumvent the registration of individual motor vehicles as required by law or the payment of sale tax on motor vehicle excise tax on those vehicles.
- (4) Wholesale dealer plates shall not be:
  - (A) loaned;
  - (B) leased;
  - (C) sold;
  - (D) transferred;
  - (E) copied;
  - (F) altered; or
  - (G) reproduced.

(Secretary of State; [75 IAC 6-3-5](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

#### [75 IAC 6-3-6](#) Research and development plates; restrictions on use

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-13-2](#); [IC 9-32](#)

Sec. 6. (a) Research and development plates may be issued to a manufacturer of a vehicle subcomponent system who is properly licensed under [IC 9-32](#).

(b) Research and development plates may be placed on vehicles in the manufacturer's inventory for:

- (1) the purpose of testing a vehicle's subcomponent system;
- (2) the purpose of studying a vehicle's subcomponent system; or
- (3) transporting a vehicle to a testing facility.

(c) Application for research and development plates must include the following:

- (1) The manufacturer license number.
- (2) An explanation of the use for the research and development plate.
- (3) Proof of manufacturing a vehicle subcomponent system.

(d) Research and development plates under this section shall not be used on vehicles required to be registered or upon any vehicle for which the manufacturer received compensation from individuals other than the manufacturer's employees.

(e) Research and development plates may not be used to circumvent the registration of individual motor vehicles as required by law or the payment of sales tax or automobile excise taxes on those vehicles.

(f) Research and development plates shall not be:

- (1) loaned;
- (2) leased;
- (3) sold;
- (4) transferred;
- (5) copied;
- (6) altered; or
- (7) reproduced.

(Secretary of State; [75 IAC 6-3-6](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-3-7](#) Number of plates issued**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-29-17](#); [IC 9-32](#)

Sec. 7. (a) The secretary of state retains the discretion to determine or limit the number of dealer plates, manufacturer plates, and wholesale dealer plates issued to any licensed location or licensee.

(b) The secretary of state may take the following formula into consideration when issuing dealer plates to any licensed location or licensee:

STEP ONE: Determine the total number of vehicles (both retail and wholesale) sold, or projected sold, by the applicant in a license year.

STEP TWO: Determine the number of licensed months the applicant was in business during the license year.

STEP THREE: Divide the number in STEP ONE by the number in STEP TWO.

For example, a total annual sales of one hundred twenty (120) divided by twelve (12) months equals ten (10) plates.

(c) The secretary of state may take the following formula into consideration when issuing manufacturer plates to any licensed location or licensee:

STEP ONE: Determine the total number of vehicles evaluated or tested under any type of evaluation or testing program or under the control of the manufacturer for which property taxes were assessed.

STEP TWO: Determine the number of licensed months the manufacturer was in business during the license year.

STEP THREE: Divide the number in STEP ONE by the number in STEP TWO.

For example, a total evaluated or tested vehicles per year of one thousand two hundred (1,200) divided by twelve (12) equals one hundred (100) plates.

(d) A manufacturer applying for manufacturer plates under subsection (d) must file a report with the secretary of state each year stating the ratio of vehicles tested per vehicles manufactured as a condition of approval of the application. The report of the ratio must include the following:

(1) The total number of vehicles manufactured per year.

(2) The total number of vehicles evaluated or tested per year.

(3) The number of vehicles for which property taxes were assessed.

(4) A detailed listing of how the plates are to be distributed to any of its licensed factory branches or divisions.

A report of product evaluation program identifying all product evaluation vehicles, designees, and manufacturer plate assignments must be filed by the manufacturer or its subsidiary division on a quarterly basis. Manufacturer plates issued under subsection (d) shall be distributed to its subsidiary divisions or factory branches as indicated on the report of ratio.

(Secretary of State; [75 IAC 6-3-7](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

**[75 IAC 6-3-8](#) Interim plates; restrictions on use**

Authority: [IC 9-32-3-1](#)

Affected: [IC 9-32-4](#); [IC 9-32-6-11](#)

Sec. 8. (a) The secretary of state retains the discretion to determine the number of interim plates available to the dealer for issuance based upon, but not limited to, the:

(1) number of vehicles sold; or

(2) dealer's or manufacturer's projected sales.

(b) Requirements for the use of interim plates shall be as follows:

(1) Under [IC 9-32-6-11](#), interim plates may be utilized only by the operator of a motor vehicle for a period not to exceed thirty-one (31) days after the date of sale.

(2) Only one (1) interim plate may be issued by a dealer to the purchaser of a motor vehicle. No additional interim plates may be issued for the motor vehicle for any reason.

(3) Interim plates may not be utilized on the following vehicles:

(A) A vehicle owned or in the inventory of a licensed dealer.

(B) Vehicles sold on consignment by a dealer.

(4) The dealer must provide ownership documents, including title or title affidavit, as prescribed in [IC 9-32-4](#), to the purchaser at the time the interim plate is issued.

(5) Interim plates may not be utilized on vehicles sold to dealers at automobile auctions.

(c) Requirements for the interim plate log shall be as follows:

(1) All dealers utilizing interim plates must maintain a log recording the issuance of each plate.

(2) The interim plate log shall include, but is not limited to, the following:

(A) An interim plate control number by control number sequence.

(B) The name and address of the party to whom the interim plate was issued.

(C) The make, model, and year of the vehicle to which the plate is to be affixed.

(D) The manufacturer's vehicle identification number.

(E) The date of issuance of the interim plate.

(F) Comments in a comments section as necessary.

(3) The interim plate log shall be maintained continuously for a period of three (3) years.

(Secretary of State; [75 IAC 6-3-8](#); filed Aug 15, 2014, 9:57 a.m.: [20140910-IR-075130566FRA](#))

SECTION 2. THE FOLLOWING ARE REPEALED: [75 IAC 2](#); [75 IAC 4](#).

LSA Document #13-566(F)

Notice of Intent: [20131225-IR-075130566NIA](#)

Proposed Rule: [20140423-IR-075130566PRA](#)

Hearing Held: June 27, 2014

Approved by Attorney General: August 5, 2014

Approved by Governor: August 13, 2014

Filed with Publisher: August 15, 2014, 9:57 a.m.

Documents Incorporated by Reference: None Received by Publisher

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Posted: 09/10/2014 by Legislative Services Agency

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