

ARTICLE 3.5. DEALER PLATES AND LICENSING

Rule 1. Definitions

140 IAC 3.5-1-1 Applicability

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 1. The definitions in this rule apply throughout this article. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-1; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-2 "Automobile auctioneer" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-7; IC 9-23

Sec. 2. "Automobile auctioneer" has the meaning set forth in IC 9-13-2-7. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-2; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-3 "Automotive salvage rebuilder" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-9; IC 9-23

Sec. 3. "Automotive salvage rebuilder" has the meaning set forth in IC 9-13-2-9. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-3; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-4 "Automotive salvage recycler" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-10; IC 9-23

Sec. 4. "Automotive salvage recycler" has the meaning set forth in IC 9-13-2-10. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-4; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-5 "Broker" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-15; IC 9-23

Sec. 5. "Broker" has the meaning set forth in IC 9-13-2-15. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-5; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-6 "Certificate of origin" or "manufacturer's state of origin" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 6. "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. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-6; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-7 "Commissioner" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-33; IC 9-23

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Sec. 7. "Commissioner" has the meaning set forth in IC 9-13-2-33. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-7; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-8 "Consignee" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 8. "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. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-8; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-9 "Consignment sales" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 9. "Consignment sales" refers to a sale in which the dealer sells or offers for sale, for compensation or not, a vehicle which is not titled or assigned to the dealer. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-9; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-10 "Consignor" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 10. "Consignor" means the titled or assigned owner of a vehicle who consigns a vehicle to a dealer. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-10; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-11 "Converter manufacturer" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-37; IC 9-23

Sec. 11. "Converter manufacturer" has the meaning set forth in IC 9-13-2-37. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-11; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-12 "Dealer" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-42; IC 9-18; IC 9-23

Sec. 12. "Dealer" has the meaning set forth in IC 9-13-2-42. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-12; filed Jan 5, 1994, 5:00 p.m.: 17 IR 970; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-13 "Dealer plate" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26; IC 9-23

Sec. 13. "Dealer plate" means a classification of metal registration plates issued by the bureau of motor vehicles to a licensed dealer, manufacturer, converter manufacturer, distributor, transfer dealer, wholesale dealer, automobile auctioneer, or broker. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-13; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-14 “Designee” defined

Authority: IC 9-14-2-2; IC 9-18-26-8

Affected: IC 6-6-5; IC 9-13-2; IC 9-18-26-8; IC 9-23

Sec. 14. “Designee” refers to any person, including an employee, to which a dealer or manufacturer has granted the use of a vehicle, under IC 9-18-26-8, in the dealer's or manufacturer's inventory displaying a dealer-new, dealer-used, or manufacturer registration plate. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-14; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-15 “Established place of business” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-50; IC 9-23

Sec. 15. “Established place of business” has the meaning set forth in IC 9-13-2-50 and outlined in 140 IAC 3.5-2. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-15; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-16 “License year” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23-2-8

Sec. 16. “License year” refers to a twelve (12) month period commencing and ending in accordance with IC 9-23-2-8. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-16; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-17 “Manufacturer” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-97; IC 9-23

Sec. 17. “Manufacturer” has the meaning set forth in IC 9-13-2-97. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-17; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-18 “Mobile home” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 18. “Mobile home” means a movable or portable dwelling without motive power constructed to be towed on its own chassis and capable of being connected to utilities for human occupancy. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-18; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-19 “Mobile home dealer” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 19. “Mobile home dealer” means a person who is properly licensed as a dealer under IC 9-23 and who sells over fifty percent (50%) of total unit sales as mobile homes. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-19; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-20 “Motor vehicle industry sponsored trade show” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 20. "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. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-20; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-21 "Motor vehicle trade association" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 21. "Motor vehicle trade association" refers to:

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

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

(Bureau of Motor Vehicles; 140 IAC 3.5-1-21; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)

140 IAC 3.5-1-22 "New or used motorcycle dealer" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 22. "New or used motorcycle dealer" means a person who is properly licensed as a dealer under IC 9-23 and who sells over fifty percent (50%) of total unit sales as new or used motorcycles. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-22; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-23 "Place of business" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 23. "Place of business" means the business location of a transfer dealer. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-23; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-24 "Primary business" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 24. "Primary business" means the business activity which generates more than fifty percent (50%) of the gross revenue of the business or enterprise. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-24; filed Jan 5, 1994, 5:00 p.m.: 17 IR 971; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-25 "Recreational vehicle" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-150; IC 9-23

Sec. 25. "Recreational vehicle" has the meaning set forth in IC 9-13-2-150. *(Bureau of Motor Vehicles; 140 IAC 3.5-1-25; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-1-26 "Recreational vehicle dealer" defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 26. "Recreational vehicle dealer" means a person who is properly licensed as a dealer under IC 9-23 and who sells over

fifty percent (50%) of total unit sales as recreational vehicles. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-26; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-27 “Set of plates” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26; IC 9-23

Sec. 27. “Set of plates” means the first two (2) dealer or manufacturer plates issued by a licensed dealer or manufacturer. Issuances commencing with the third plate shall not be referred to as sets. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-27; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-28 “Trailer” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-184; IC 9-18; IC 9-23

Sec. 28. “Trailer” has the meaning set forth in IC 9-13-2-184. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-28; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-29 “Trailer dealer” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23

Sec. 29. “Trailer dealer” means a person who is properly licensed as a dealer under IC 9-23 and who sells over fifty percent (50%) of total unit sales as trailers. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-29; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-30 “Transfer dealer” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-185; IC 9-23

Sec. 30. “Transfer dealer” has the meaning set forth in IC 9-13-2-185. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-30; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-1-31 “Wholesale dealer” defined

Authority: IC 9-14-2-2

Affected: IC 9-13-2-199; IC 9-23

Sec. 31. “Wholesale dealer” has the meaning set forth in IC 9-13-2-199. (*Bureau of Motor Vehicles; 140 IAC 3.5-1-31; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

Rule 2. Application of Article

140 IAC 3.5-2-1 Issuance and use of dealer plates

Authority: IC 9-14-2-2

Affected: IC 9-18-26; IC 9-23; IC 9-29

Sec. 1. Dealer plates may be issued to a person properly licensed under IC 9-23. The dealer plates issued, however, may be affixed only to vehicles primarily used or stored at an address within Indiana. (*Bureau of Motor Vehicles; 140 IAC 3.5-2-1; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-2-2 Certificates of origin for converted vehicles

Authority: IC 9-14-2-2

Affected: IC 9-17; IC 9-18; IC 9-23

Sec. 2. A licensed dealer, manufacturer, converter manufacturer, or 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. (*Bureau of Motor Vehicles; 140 IAC 3.5-2-2; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-2-3 Classification of dealer plates

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26; IC 9-23; IC 9-29

Sec. 3. (a) In addition to the dealer-new, dealer-used, and manufacturer plates authorized by IC 9-18-26, the following classifications of dealer plates are authorized:

(1) Motorcycle dealer-new.

(2) Motorcycle dealer-used.

(3) Transfer dealer.

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

(1) Automobile salvage rebuilder.

(2) Automotive salvage recycler.

(3) Financial institutions dealing in repossessed vehicles.

(4) Insurance companies dealing in repossessed or salvaged motor vehicles.

(5) Any other type of business meeting the requirements of a transfer dealer as outlined in section 9 of this rule which, because of the nature of its business, has the need to transfer ownership of twelve (12) or more vehicles retail within any twelve (12) month period.

(c) A person properly licensed as a dealer under IC 9-23 is eligible to apply for dealer-new or dealer-used plates, including the following:

(1) Mobile home dealers.

(2) Recreational vehicle dealers.

(3) Trailer dealers.

(4) Wholesale dealers.

(d) Motorcycle dealers are eligible to apply for motorcycle dealer-new or motorcycle dealer-used plates.

(e) Persons licensed as a manufacturer, converter manufacturer, factory representative, factory branch, distributor, distributor representative, or distributor branch shall be eligible to apply for manufacturer plates. (*Bureau of Motor Vehicles; 140 IAC 3.5-2-3; filed Jan 5, 1994, 5:00 p.m.: 17 IR 972; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-2-4 Dealer license requirements

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26; IC 9-23-2-10

Sec. 4. Under IC 9-23, 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 commissioner in order to receive dealer plates.

(2) An application for a new dealer license and dealer plates may be submitted any time prior to December 15 for the current license year. A dealer license renewal application may be submitted thirty (30) days prior to the license expiration date.

(3) An applicant who applies for a license after December 15 shall be eligible to be licensed for the following year.

(4) Only one (1) dealer can be licensed from the same address or established place of business.

(5) In addition to the requirements outlined in IC 9-23, a dealer must meet the following minimum requirements:

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- (A) The dealer must provide a federal identification number and a retail merchant's certificate number.
- (B) The dealer must, for the entire licensing period, have an established place of business with an Indiana address other than an Indiana post office box address. Dealer licenses and dealer plates shall be mailed to the business address only. 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 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; and
 - (v) all other location and office requirements are met.
- (C) The dealer's established place of business shall:
- (i) be accessible to the public;
 - (ii) 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 which the dealer is licensed to sell and space for customer parking;
 - (iii) meet all local zoning requirements;
 - (iv) be well lit during hours of operation; and
 - (v) have display and customer parking areas adequately surfaced with asphalt, concrete, rock, or substance which will not change with weather conditions.
- (D) 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; and
 - (iv) served with utilities such as electricity, lighting, heat, and a business telephone.
- (E) The dealer must provide garage liability insurance for the established place of business under IC 9-23-2-10.
- (F) 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; and
 - (iii) display and 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.
- (G) The dealer must be in good standing with the bureau of motor vehicles, the department of revenue, and the state police department.
- (H) 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.
- (I) 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.
- (J) 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. For the purpose of this rule, "accessible" means the place of business must be:
- (i) manned at least thirty (30) hours each week;
 - (ii) manned 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; or
 - (iii) opened by appointment at least thirty (30) hours each week by maintaining a manned telephone or mobile telephone service for a minimum of ten (10) hours each week and a telephone answering, paging, or mobile service offered during remaining twenty (20) hours each week, the number for which is identified on the business sign.

(Bureau of Motor Vehicles; 140 IAC 3.5-2-4; filed Jan 5, 1994, 5:00 p.m.: 17 IR 973; readopted filed Oct 17, 2001, 4:50 p.m.: 25

IR 912)

140 IAC 3.5-2-5 Issuance of off-site sales licenses; general conditions and minimum requirements

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-23; IC 24-4-6

Sec. 5. (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 temporary location must:

- (1) be in a well defined location such as a building, tent, or open parking area which 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.

(c) The application must:

- (1) be received at least sixty (60) days prior to the event;
- (2) contain the exact 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) contain the applicant's retail merchant's certificate number;
- (6) include name, address, and telephone number of:
 - (A) the owner if sole proprietorship;
 - (B) the partners if partnership; or
 - (C) the officers if corporation; and
- (7) contain the dates of the proposed event.

(d) The commissioner may approve the application and issue a license or deny the application within forty-five (45) days of the receipt of the application.

(e) Vehicle sales may not be conducted on Sunday under this rule pursuant to IC 24-4-6.

(f) Motor vehicle industry sponsored trade shows are exempted from the provisions of this rule, but the sponsor must notify the commissioner, in writing, of the scheduling of a show and its participants at least thirty (30) days prior to a show. (*Bureau of Motor Vehicles; 140 IAC 3.5-2-5; filed Jan 5, 1994, 5:00 p.m.: 17 IR 974; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-2-6 Dealer plates; restrictions on use

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26-10; IC 9-23

Sec. 6. In addition to the restrictions established by IC 9-23, 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 being held for sale in the usual and customary conduct of the dealer's business of buying and selling vehicles.
- (2) Use of the plates shall be for the direct and incidental use in the usual and customary conduct and operation of the business of the dealer.
- (3) 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.

A vehicle used to pick up or deliver parts or supplies is a service or parts vehicle.

(4) Dealer plates may not be used on vehicles leased or rented to or by the dealer.

(5) Dealer plates may be used for up to ten (10) days within the state of Indiana on vehicles which are hauling a load provided

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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.

(6) 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.

(7) 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 9-18-26-10 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.

(8) The dealer, and the dealer's designees, may use the dealer registration plates issued to the dealership for personal use on vehicles in the dealer's inventory. Under this subdivision, an employee must be in a bona fide employment arrangement.

(9) 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.

(10) For a dealer to loan, lease, or sell any dealer plate issued to the dealership to anyone not authorized to use that dealer's plates or to any party who has or could obtain any classification of dealer plates as a result of the nature of that party's business, is a violation of this article.

(11) 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.

(12) 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.

(13) 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.

(Bureau of Motor Vehicles; 140 IAC 3.5-2-6; filed Jan 5, 1994, 5:00 p.m.: 17 IR 974; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)

140 IAC 3.5-2-7 Manufacturer license requirements

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26; IC 9-18-27; IC 9-23-2-10

Sec. 7. (a) Manufacturers, converter manufacturers, factory branches, factory representatives, distributors, distributor branches, or distributor representatives must have a license issued by the commissioner under IC 9-23 in order to receive manufacturer plates.

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

(c) Application for manufacturer license and manufacturer plates may be made after December 15 or two (2) months prior to the expiration month of each year for the following license year.

(d) An applicant who applied for a license after December 15 but before March 1 of the license year shall be eligible to be licensed for the following license year.

(e) In addition to the requirements outlined in IC 9-23, a manufacturer must meet the following minimum requirements:

(1) The applicant must provide a federal identification number and a 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 9-23-2-10. The applicant must provide, if the applicant does not have an established place of business, business liability insurance in an amount approved by the commissioner.

(3) The applicant must be in good standing with the bureau of motor vehicles, the department of revenue, and the state police department.

(4) Unless conflicting with the provisions of this section, all rules governing dealers apply to manufacturers.

(Bureau of Motor Vehicles; 140 IAC 3.5-2-7; filed Jan 5, 1994, 5:00 p.m.: 17 IR 975; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)

140 IAC 3.5-2-8 Manufacturer plates; restrictions on use

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26; IC 9-18-27; IC 9-23; IC 9-25-4-5

Sec. 8. In addition to the restrictions established by IC 9-18-26, manufacturer plates are subject to the following restrictions:
(1) If the manufacturer, converter manufacturer, factory representative, factory branch, distributor, distributor representative, or distributor branch 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 being held for sale in the usual and customary conduct of the manufacturer's business.

(3) Manufacturer plates shall be for the direct and incidental use in the usual and customary conduct and operation of the business of the manufacturer.

(4) Use in the usual and customary conduct and operation of the business shall be determined by the practice of all manufacturers in accordance with this article.

(5) 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.

(6) The manufacturer, and the manufacturer's designees, may use the manufacturer plates issued to the manufacturer for personal use on vehicles in the manufacturer's inventory. A designee, for purposes of this subdivision, must be in a bona fide employment arrangement.

(7) 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.

(8) For a manufacturer to loan, lease, or sell a manufacturer plate issued to the manufacturer to anyone not authorized to use that manufacturer's plates or to a party who has or could obtain any classification of dealer plates as a result of the nature of that party's business, is a violation of this rule.

(Bureau of Motor Vehicles; 140 IAC 3.5-2-8; filed Jan 5, 1994, 5:00 p.m.: 17 IR 975; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)

140 IAC 3.5-2-9 Transfer dealer license requirements

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18; IC 9-23-2-10

Sec. 9. (a) Transfer dealers must be properly licensed by the commissioner in order to receive transfer dealer plates.

(b) An application for a new transfer dealer license and transfer dealer plates may be submitted any time prior to December 15 for the current license year. A transfer dealer license renewal application may be submitted thirty (30) days prior to the license expiration date.

(c) An applicant who applies for a license under this section after December 15 shall be eligible to be licensed for the following year.

(d) A transfer dealer shall do the following:

(1) Furnish a federal identification number and a retail merchant's certificate number.

(2) Have a place of business which is devoted to the conduct of a business related to the sale of motor vehicles. The place of business must be a permanent, enclosed building or structure. The place of business shall not include a residence, tent, temporary stand, or permanent quarters temporarily occupied. Parking or storage of a minimum of ten (10) motor vehicles must be provided.

(3) Furnish photographs of the place of business with the initial application for a transfer dealer license. These photographs must include, but are not limited to, the major sales, storage, and office space utilized by the transfer dealer. The photographs must be not less than three (3) inches by five (5) inches in size. The photographs must be updated if the dealership is moved or if its physical facilities are substantially altered or modified.

(4) The transfer dealer must be in good standing with the bureau of motor vehicles, the department of revenue, and the state police department.

(5) Furnish proof of coverage by garage liability insurance under IC 9-23-2-10 if the dealer has an established place of business. The transfer dealer must be covered by business liability insurance if the dealer has a place of business.

(6) 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 commissioner finds applicable governing dealers shall apply to transfer dealers. (*Bureau of Motor Vehicles; 140 IAC 3.5-2-9; filed Jan 5, 1994, 5:00 p.m.: 17 IR 976; readopted filed Oct 17, 2001, 4:50 p.m.: 25 IR 913*)

140 IAC 3.5-2-10 Transfer dealer plates; restrictions on use

Authority: IC 9-14-2-2

Affected: IC 9-18-26; IC 9-23

Sec. 10. (a) 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.

(b) 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.

(c) 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.

(d) 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. (*Bureau of Motor Vehicles; 140 IAC 3.5-2-10; filed Jan 5, 1994, 5:00 p.m.: 17 IR 976; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-2-11 Wholesale dealer, auctioneer, and broker licenses

Authority: IC 9-14-2-2

Affected: IC 9-13-2; IC 9-18-26; IC 9-23

Sec. 11. (a) Wholesale dealers, automobile auctioneers, and brokers must be properly licensed by the commissioner in order to receive dealer plates.

(b) An application for a new wholesale dealer license and dealer plates may be submitted any time prior to December 15 for the current license year. A wholesale dealer, automobile auctioneer, or broker license renewal application may be submitted thirty (30) days prior to the license expiration date.

(c) Any applicant who applies for a license after December 15 is eligible to be licensed for the following year.

(d) The following are minimum requirements for licensing wholesale dealers, automobile auctioneers, and brokers:

- (1) An applicant must furnish a federal identification number and a retail merchant's certificate number.
- (2) An applicant must be covered by business liability insurance in an amount determined by the commissioner.
- (3) An applicant must be in good standing with the bureau of motor vehicles, the department of revenue, and the state police department.
- (4) Each applicant must submit to an investigation by the bureau of motor vehicles within one hundred twenty (120) days following the issuance of the wholesale dealer license. Business records must be presented to verify the number of monthly sales. Each applicant will be contacted at the address given on the license application. If the applicant is not available when the investigator calls, it will be the responsibility of the dealer to contact the bureau of motor vehicles to arrange for a subsequent visit. Dealer plates will not be renewed under this section until an investigation has been conducted.
- (5) The wholesale dealer must provide a permanent Indiana address at which the dealer may be contacted by the bureau of motor vehicles.
- (6) A wholesale dealer must sell a minimum of one hundred twenty (120) vehicles per year.
- (7) Unless conflicting with the provisions of this section, all rules that the commissioner finds applicable governing dealers shall apply to wholesale dealers, automobile auctioneers, and brokers.
- (8) A wholesale dealer, except a dealer licensed as an automobile auctioneer, may not sell vehicles to the general public.

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(Bureau of Motor Vehicles; 140 IAC 3.5-2-11; filed Jan 5, 1994, 5:00 p.m.: 17 IR 976; readopted filed Oct 17, 2001, 4:50 p.m.: 25 IR 914)

140 IAC 3.5-2-12 Number of dealer, manufacturer, or interim plates

Authority: IC 9-14-2-2

Affected: IC 9-18-26; IC 9-23; IC 9-29

Sec. 12. (a) The maximum number of dealer plates issued under this section is determined under STEP THREE of the following formula:

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.

(b) The maximum number of manufacturer plates issued under this section is determined under STEP THREE of the following formula:

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.

(c) A manufacturer applying for manufacturer plates under subsection (b) must file a report with the bureau of motor vehicles 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 (b) shall be distributed to its subsidiary divisions or factory branches as indicated on the report of ratio.

(d) The commissioner may limit the number of plates issued to any licensed location or licensee.

(e) The commissioner may determine the number of interim plates issued based upon:

(1) the number of vehicles sold; or

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

(Bureau of Motor Vehicles; 140 IAC 3.5-2-12; filed Jan 5, 1994, 5:00 p.m.: 17 IR 977; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)

140 IAC 3.5-2-13 Number of vehicles sold by dealer or transfer dealer

Authority: IC 9-14-2-2

Affected: IC 9-18-26; IC 9-23

Sec. 13. (a) Dealers and transfer dealers, with the exception of wholesale dealers, financial institutions, and insurance companies, must sell a minimum of twelve (12) vehicles within a twelve (12) month period. For the purpose of determining the number of units sold or anticipated to be sold by a dealer, the licensing year shall be used.

(b) A wholesale dealer is subject to the requirement of selling one hundred twenty (120) vehicles within a twelve (12) month period. For the purpose of determining the number of units sold or anticipated to be sold by a wholesale dealer, the licensing year shall be used. *(Bureau of Motor Vehicles; 140 IAC 3.5-2-13; filed Jan 5, 1994, 5:00 p.m.: 17 IR 977; readopted filed Oct 17, 2001, 4:50 p.m.: 25 IR 914)*

140 IAC 3.5-2-14 Consignment sales

Authority: IC 9-14-2-2

Affected: IC 9-13-2-15; IC 9-13-2-105; IC 9-18-26-10; IC 9-23-2

Sec. 14. (a) As used in this section, "consignment sales lot" means a business which 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 section 15 of this rule.

(f) The consignment sales lot must meet the requirements of a dealer's location, office, and zoning provisions. (*Bureau of Motor Vehicles; 140 IAC 3.5-2-14; filed Jan 5, 1994, 5:00 p.m.: 17 IR 978; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229*)

140 IAC 3.5-2-15 Interim plates; restrictions on use

Authority: IC 9-14-2-2

Affected: IC 9-18-26-10; IC 9-23

Sec. 15. (a) Requirements for the use of interim plates shall be as follows:

- (1) Under IC 9-18-26-10, 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 delivery or until regular registration plates are obtained, whichever occurs first.
 - (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 a vehicle owned or in inventory of a licensed dealer.
 - (4) Interim plates may not be utilized on vehicles sold on consignment by a dealer.
 - (5) Interim plates assigned by the bureau of motor vehicles to any dealer may be given or sold to another registered dealer in good standing with the bureau of motor vehicles so long as the transfer, by interim plate control number, is recorded in each dealer's interim plate log.
 - (6) A registered dealer obtaining interim plates from another dealer must record those plates in the dealer's interim plate log by interim plate control number and name of transferring dealer.
 - (7) The dealer must provide an ownership document to the purchaser at the time of issuance of the interim plate.
 - (8) Interim plates may not be utilized on vehicles sold to dealers at automobile auctions unless the dealer is an out-of-state dealer without metal dealer plates from the dealer's state or is an Indiana license only dealer without metal dealer plates.
- (b) 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.

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(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.

(3) All interim plates not issued by the dealer must be retained in the dealer's possession at all times.

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

(c) Penalties shall be as follows:

(1) Any misuse of an interim plate may result in the limiting of the dealer's interim plate usage or suspension of the dealer's license.

(2) The dealer is subject to all criminal penalties provided by statute.

(Bureau of Motor Vehicles; 140 IAC 3.5-2-15; filed Jan 5, 1994, 5:00 p.m.: 17 IR 978; readopted filed Oct 17, 2001, 4:50 p.m.: 25 IR 914)

140 IAC 3.5-2-16 Denial, suspension, or revocation of dealer license and plate; hearing

Authority: IC 9-14-2-2

Affected: IC 4-21.5; IC 9-18-26-2; IC 9-23-2-14; IC 9-23-6

Sec. 16. (a) Application for a dealer license and dealer plates shall be as follows:

(1) A person may file an application for a dealer license and dealer plates with the commissioner.

(2) The commissioner shall investigate the information submitted with the application. Based upon the investigation, the commissioner shall approve or deny the application.

(3) If the application is approved, the commissioner shall assign the applicant to the proper classification of dealer plates and issue the plates under this rule and IC 9-18-26-2.

(4) If the application is denied or if the applicant does not agree with the commissioner's classification, the request for redetermination procedure shall be as follows:

(A) Within fifteen (15) days of the commissioner's determination of a party's application for dealer plates, that party, if aggrieved, may make written request to the bureau of motor vehicles for a redetermination specifically stating the grounds for which the redetermination is requested.

(B) As a result of the written request for redetermination, the commissioner shall afford the applicant the opportunity to present evidence at a hearing. The hearing will be conducted in accordance with IC 4-21.5. Any further review of the determination by the bureau of motor vehicles shall be afforded under IC 9-23-2-14(b).

(b) A dealer license or dealer plates, or both, may be suspended or revoked if the bureau of motor vehicles determines that the dealer has willfully violated federal or state law, including this rule, relating to the sale, distribution, financing, or insuring of motor vehicles. The bureau of motor vehicles may place the dealer on probation. The dealer is also subject to all other penalties under IC 9-23-6.

(c) The bureau of motor vehicles shall notify the dealer of specific charges and schedule a hearing under IC 4-21.5 before the bureau of motor vehicles suspends or revokes a dealer license or dealer plates or places the dealer on probation.

(d) Any further review of the determination by the bureau of motor vehicles shall be afforded under IC 9-23-2-14(b). *(Bureau of Motor Vehicles; 140 IAC 3.5-2-16; filed Jan 5, 1994, 5:00 p.m.: 17 IR 979; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-2-17 Operation without license; cease and desist order

Authority: IC 9-14-2-2

Affected: IC 9-23

Sec. 17. A business engaged in the business activities as identified in IC 9-23 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 bureau of motor vehicles shall be cause for an order to cease and desist all business activities to be issued by the bureau of motor vehicles. The bureau of motor vehicles shall notify the state police department of an order issued to cease and desist business activities. *(Bureau of Motor Vehicles; 140 IAC 3.5-2-17; filed Jan 5, 1994, 5:00 p.m.: 17 IR 979; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

140 IAC 3.5-2-18 Dealer licensing fees; procedures for handling

Authority: IC 9-14-2-2

Affected: IC 9-23; IC 9-29

Sec. 18. (a) The bureau of motor vehicles 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.

(b) If additional dealer plates are not approved after investigation, there will be no refund for issued temporary dealer permits. *(Bureau of Motor Vehicles; 140 IAC 3.5-2-18; filed Jan 5, 1994, 5:00 p.m.: 17 IR 979; readopted filed Jul 30, 2001, 10:26 a.m.: 24 IR 4229)*

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