Contact Information

Auto Dealer Services Division
302 W. Washington Street, E-018
Indianapolis, IN 46204

Telephone: (317)234-7190
Facsimile: (317) 233-1915
www.in.gov/sos/dealer

Please note that the Auto Dealer Services Division does not handle the titling or registration of vehicles. If you have questions specific to titling or registration, please contact the Bureau of Motor Vehicles.

Bureau of Motor Vehicles Dealer Website:
http://www.in.gov/bmv/2666.htm

For specific tax-related questions, please contact the Department of Revenue.

Department of Revenue Dealer Website:
http://www.in.gov/dor/3781.htm

Disclaimer: This document is not intended to provide legal advice. It is intended solely to provide guidance and shall be used in conjunction with applicable rules and laws. It does not replace or add to applicable rules and laws, and if it conflicts with these rules or laws, the rules and laws shall control.
Who Must be Licensed?

A person who sells, offers for sale, or advertises for sale twelve (12) or more motor vehicles, or six (6) or more watercraft, within a twelve (12) month period must hold a valid dealer license issued by the Secretary of State.

Indiana law prohibits a person (other than a licensed dealer or distributor, or an employee thereof) from arranging, or offering to arrange, a transaction involving the sale of a new or used motor vehicle for a fee, commission, or other valuable consideration. This activity is called brokering.

Offsite Sales
A dealer may not sell or offer to sell a vehicle away from their licensed established place of business unless the dealer has obtained an offsite sales permit from the Auto Dealer Services Division. An application for an offsite sales permit must be submitted no later than ten (10) business days or two (2) calendar weeks before the offsite sale is to take place. State Form 55938 (Application for Offsite Sale Permit) is available on our website.

Audits
Dealers are subject to an audit at any time during the dealer’s posted business hours. Generally, examiners will alert dealers of an upcoming audit, but this is not required. A dealer is required to appear for an audit and allow an examiner to conduct the audit. Any records required to be maintained by the dealer must be presented to the examiner on demand. The Auto Dealer Services Division’s audit worksheets are available on our website.

Information Changes
If a dealer changes their business name or location, they must notify the Auto Dealer Services Division within ten (10) days of the change. To notify the Auto Dealer Services Division, the dealer must complete State Form 55964 (Request for Change of Business Name) and/or State Form 55965 (Request for Change of Address) and submit the applicable fee.

Ceasing Business Operations
A dealer is required to notify the Auto Dealer Services Division in writing if the dealer ceases business activity at their licensed location. All owners, officers, and/or partners named on the license must sign the document affirming that the business activity will cease. The dealer must return all dealer license plates to the Auto Dealer Services Division not later than ten (10) days after the date the business activity will cease. State Form 55905 (Ceasing Business Operations) is available on our website. Other changes: Amendment to Owner, Officer, Partner (State Form 55954)
General License Requirements

The following are required to obtain a dealer license:

- Established place of business meeting the requirements set out in Indiana law and administrative rules (IC 9-13-2; IC 9-32; 75 IAC 6).
- If the applicant does not own the established place of business from which they operate, they must include a copy of the written lease.
- Permanent exterior sign.
- Liability insurance or garage liability insurance meeting the minimum required by Indiana law (IC 9-32-11-14).
- $25,000 surety bond, which must be maintained during the life of the license, and be in favor of the state.
- Zoning Approval.
- Retail Merchant Certificate.
- Federal Tax Identification Number.
- Copy of franchise agreement(s), if applying to become a new vehicle dealer.
- Submit to a national criminal background check.
- If a corporation, limited liability company, limited partnership, or limited liability partnership, a Certificate of Existence and Certificate of Assumed Name, if applicable.
- Be in good standing with the Secretary of State Office, Bureau of Motor Vehicles, state police department, and Department of Revenue.
- Payment of the application fee.

Dealer requirements can be found at Indiana Code 9-32 and Title 75 of the Indiana Administrative Code.

Interim License Plates

A dealer may only access interim license plates (other than watercraft and motorcycle) through the Secretary of State’s Plates on Demand Program. A dealer may issue only one (1) interim license plate to a vehicle following the sale of the vehicle. An interim license plate shall not be used on vehicles owned by or held in the inventory of a dealer, or vehicles sold on consignment.

If an interim license plate is printed in error, or the information entered for the issuance of the interim license plate was incorrect, the dealer must “void” the plate and keep it in the deal jacket for that sale. The dealer may then print a corrected interim license plate for the purchaser. A comment should be entered in Plates on Demand explaining why a second interim license plate was printed for the vehicle.

It is a violation of Indiana law to issue an altered interim license plate, issue an interim license plate containing false or fictitious information, or create, issue, display, or use an interim license plate or a reproduction of an interim license plate not issued by the Secretary of State.

The Plates on Demand system maintains records related to the issuance of interim license plates, except for motorcycle and watercraft interim license plates. Dealers issuing motorcycle and/or watercraft interim license plates must maintain an interim plate log and this log must be made available to the Auto Dealer Services Division on demand.

Title Delivery

A dealer must deliver title at the time of the sale. If a dealer is not able to deliver title at the time of the sale, the dealer must complete and issue a 31-day affidavit to the purchaser of the vehicle and the dealer must deliver title within 31 days of the date of sale. The dealer must always maintain proof of title delivery with the deal jacket for the sale. If a dealer fails to timely deliver title, the dealer is subject to a statutory fine per violation. If there is an obligation secured by a vehicle, the dealer must make payment to a third party to satisfy the obligation within ten (10) days after the date of sale. State Form 46633 (Affidavit – Dealer) is available on our website.
Be Familiar with Dealer Responsibilities and Requirements

The most common questions and issues relate to the following topics; however, this is not an exhaustive list of requirements and responsibilities. It is the responsibility of a dealer to be familiar with all of the relevant laws and regulations applicable to their license and business.

Dealer License Plates
A dealer license plate may be used only on motor vehicles in the:

- Dealer’s inventory being held for sale,
- Usual operation of the dealer’s business,
- Movement of the dealer’s inventory, or
- Inventory of a dealer that is unattended by the dealer or dealer’s agent for a maximum of ten (10) days by a prospective buyer or service customer.

Dealer license plates must be primarily used and stored at an address within Indiana, or displayed on a vehicle being transported for purposes of sale by a licensed Indiana dealer.

Dealer license plates shall not be loaned, leased, sold, transferred, copied, altered, or reproduced.

Deal Jackets and Record Keeping
A dealer is required to make all records available to examiners at the examiner’s request. Also, dealers are required to retain records for a period of five (5) years; however, the records must be kept at their established place of business in Indiana for a period of two (2) years. After that, the records may be moved offsite for the remainder of the five (5) year period.

Disclosures
A dealer may not sell, exchange, or transfer a rebuilt vehicle without disclosing in writing to the purchaser, customer, or transferee the fact that the vehicle is a rebuilt vehicle before consummating the sale, exchange, or transfer. State Form 55974 (Rebuilt Vehicle Disclosure Form) is available on our website.

A person, once licensed, must maintain the following:

- Established place of business meeting the requirements set out in law and administrative rules.
- Permanent exterior sign.
- Retail Merchant Certificate.
- Federal Tax Identification Number.
- Good standing with the Secretary of State Office, Bureau of Motor Vehicles, state police department, and Department of Revenue.
- Minimum hours of operation (30 hours per week, 10 of which may be handled by a telephone answering, paging, or mobile service).
- Compliance with federal, state, and local laws.
- If a new dealer, a franchise agreement.
- $25,000 surety bond.
- Liability insurance in the minimum amounts required by law.