

COMMONWEALTH OF KENTUCKY

Motor Vehicle Commission

Frankfort, Kentucky 40601

Dear Applicant:

The enclosed is furnished in response to your request for an application for a motor vehicle dealer's license. It is essential that the instructions contained in this letter and in the application form be followed in detail in order to insure timely processing of your application. *All applications must be typewritten or legibly printed.* Incomplete applications will be returned to applicant.

Item #1 – Refers to the type of license required. (See attached definitions of licenses). A dealer may require more than one license depending upon the scope of his/her business. For example, a franchised new motor vehicle dealer who also leases vehicles would place a mark in the bracket next to “New Motor Vehicle Dealer” and in the bracket next to “Motor Vehicle Leasing Dealer”. The fee in this case would be two hundred (\$200) dollars.

- A dealer who sells an operable, road-worthy used motor vehicle, which is on a regular or rebuilt title, must have a “Used” or “Wholesale” motor vehicle dealer license. If that dealer also dismantles, salvages, or recycles salvage vehicles for the purpose of harvesting used parts, components, assemblies, and recyclable materials for resale, reuse, or reclamation, he/she must also have the “Restricted/Automotive Recycling Dealer” license, in addition to the other license(s).

- A dealer who sells vehicles with regular or rebuilt titles, and who also dismantles, salvages, or recycles salvage vehicles for the purpose of harvesting used parts, components, assemblies, and recyclable materials for resale, reuse, or reclamation, must have both endorsements on the license, if he/she carries on both activities at the same location. If he/she sells motor vehicles from one lot and recycles vehicles to harvest parts at another, a separate license must be obtained for each location.

Item #2 – Revenue Cabinet sales tax permit number may be obtained by visiting 200 Fair Oaks, Frankfort, or by writing the Revenue Cabinet. The telephone number for that office is (502) 564-3306.

Item #3 – The trade name under which the dealership will be operated must incorporate the words “used cars,” “auto sales,” “auto mart,” “motor sales,” or other similar wording which clearly identifies the business as a motor vehicle sales business. This trade name must be the exact wording as that listed in the dealership sign (retail only) and on your insurance filing. It is much simpler for you to operate under your own name (such as John B. Jones Auto Sales). However, if you wish to use an assumed name you must provide the following: (A) Sole proprietor applicants wishing to operate under an assumed name must submit a certified copy of an assumed name certificate (the certification is performed by the county clerk and the form is included in this application package pg. 7), (B) All corporations and partnerships wishing to operate under an assumed name must file an assumed name certificate with the Office of the Secretary of State and with the County Clerk and furnish a copy with your application to this office along with Articles of Incorporation; (the telephone number of the Office of the Secretary of State is (502) 564-3490). The form to be used is pg. 7A.

Item #4 – List the name(s) and percentage(s) of ownership of each owner, partner or corporate officer.

Item #5 – The address of the established place of business must identify the exact location of the business and must also have a mail drop. “Established place of business”, as defined in Chapter 190 of the Kentucky Revised Statutes means: “a permanent, enclosed, commercial building located within this state easily accessible and open to the public at all reasonable times, and at which the business of a vehicle dealer, including the display and repair of vehicles, may be lawfully carried on in accordance with the terms of all applicable building codes, zoning and other land use regulatory ordinances.”

Item #6, #7, #8, #9, #10 – Self-Explanatory.

Page 2 – *Financial Statement.* Complete the financial statement in detail, as accurately and as completely as possible. Improperly completed statements will cause a delay in approving the license or may lead to a bond requirement. Listing liabilities is as important as listing assets. If there are no liabilities, put a statement to that effect on the financial statement. In addition to the financial statement, the applicant may be required to post a bond in any amount not less than fifteen thousand dollars (\$15,000.00).

Page 3 – Make sure photos submitted are in color and of good quality. Wholesale applicants may omit the photo number one.

Page 4, 5 – The Personal Data Form and Waiver Release Form may be reproduced if required for additional partners or corporate officers.

Page 6, 7, 8, 9 – Self-Explanatory.

Page 10 – Only those applicants for the Restricted/Automotive Recycling Dealer license need provide the information specified on this page.

The insurance form furnished with this application, is for your convenience. **Your insurance need not be in effect prior to approval of your application.**

Additionally, license fees will not be collected prior to approval of your application.

Two blank salesperson forms are enclosed for your convenience. Each dealer is required to have at least one licensed salesperson, regardless if it is the owner or another person. The salesperson license should be typed and returned with your application package. **However, do not remit the fees until requested to do so by this office.**

SEPARATION OF FACILITIES – If you or any other person conducts another business from the location for which the dealer license is issued or applied for, your display lot/customer parking area must be separate and apart from what is used for the other business(es). Your office need not be a separate walled enclosure, but it must be a separate defined area with office furnishings. If there is any question about separation, the Commission may require a physical barrier to be installed between the different businesses.

SUPPLEMENTAL LOT APPLICATIONS – *For New Vehicle Dealers only, when applying for a used car sales lot which is not immediately adjacent to the main dealership, if you are applying for a Supplemental Lot License, you NEED NOT fill out pg. 4, 4a, 5 or 5a of the application.*

A dealer who operates at more than one location must have a dealer license for each location. This includes separate building franchises.

Upon completion of the application, mail to this office with a processing fee of forty dollars (\$40.00); in addition, enclose another fee of ten dollars (\$10.00) for each owner, partner or corporate officer listed on page one of the application. Make all checks out to “Kentucky State Treasurer”. Each application will be reviewed to determine completeness. The Motor Vehicle Commission meets once a month and applicants will be notified by mail of the Commission’s decision.

Sincerely,

Motor Vehicle Commission
105 Sea Hero Rd.
Frankfort, Kentucky 40601
(502) 573-1000

NOTE: Your application must be received at least ten (10) working days prior to the Commission Meeting at which it is to be considered. The Commission meets the second Friday of each month, but may be changed due to holidays or bad weather. For an application cut off date please call our office.

The Kentucky Motor Vehicle Commission does not discriminate on the basis of race, color, national origin, sex, age, religion or disability and provides, upon request, reasonable accommodation including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in all services, program and activities.

Definitions

1. **New motor vehicle dealer** means a vehicle dealer who holds a valid sales and service agreement, franchise, or contract, granted by the manufacturer, distributor, or wholesaler for the sale of manufacturer's new motor vehicles.
2. **Used motor vehicle dealer** means any person engaged in the business of selling at retail, displaying, offering for sale or dealing in used motor vehicles, but does not mean any person engaged in the business of dismantling, salvaging, or rebuilding motor vehicles by means of using parts.
3. **Motor vehicle leasing dealer** means any person engaged in the business of regularly making available, offering to make available, or arranging for another person to use a motor vehicle pursuant to a bailment, lease, or other contractual arrangement under which a charge is made for its use at a periodic rate for at least a monthly term, and title to the motor vehicle is in the name of a person other than the user, but does not mean a manufacturer or its affiliate leasing to its employees or to dealers.
4. **Supplemental lot** - a supplemental lot license is required for each used car lot operated by a new motor vehicle dealer that is not immediately adjacent to the main dealership or branch.
5. **Wholesale motor vehicle dealer** means a dealer who sells to other licensed dealers only. Retail sales to the general public are prohibited.
6. **Motor vehicle auction dealer** means any person primarily engaged in the business of offering, negotiating, or attempting to negotiate a sales, purchase, or exchange of a motor vehicle through action.
7. **Automotive mobility vehicle dealer** is one who is engaged in the business of selling at retail, displaying offering for sale or otherwise dealing in new or used motor vehicles which are specially designed or permanently modified for use by aging or disabled persons.
8. **Motor vehicle salesperson** means any person who is employed as a salesperson by a motor vehicle dealer to sell motor vehicles, or who is employed as an auctioneer by a motor vehicle auction dealer to sell motor vehicles at auction.
9. **Assumed Name Certificate** - The certificate on page 7 is required of any sole proprietorship doing business under any name other than the one which uses the last name of the owner. Partnerships or corporations, use assumed name certificate on page 7A.
10. **Restricted/Automotive Recycling Dealer** means a motor vehicle dealer who exclusively sells, offers to sell, solicits or advertises specialized motor vehicles such as but not limited to, funeral coaches and emergency vehicles.
11. **Restricted/Automotive Recycling Dealer** means any person engaged in the business of dismantling, salvaging, or recycling salvage vehicles for the purpose of harvesting used parts, components, assemblies, and recyclable materials for resale, reuse, or reclamation.
12. **Motorcycle dealer** means a motor vehicle dealer who exclusively sells, offers to sell, solicits or advertises motorcycles. Motorcycle for resale, reuse, or reclamation.
13. **Established place of business** means a permanent, enclosed commercial building located within this state easily accessible and open to the public at all reasonable times, and at which the business of a motor vehicle dealer, including the display and repair of vehicles, may be lawfully carried on in accordance with the terms of all applicable building codes, zoning and other land use regulatory ordinances.