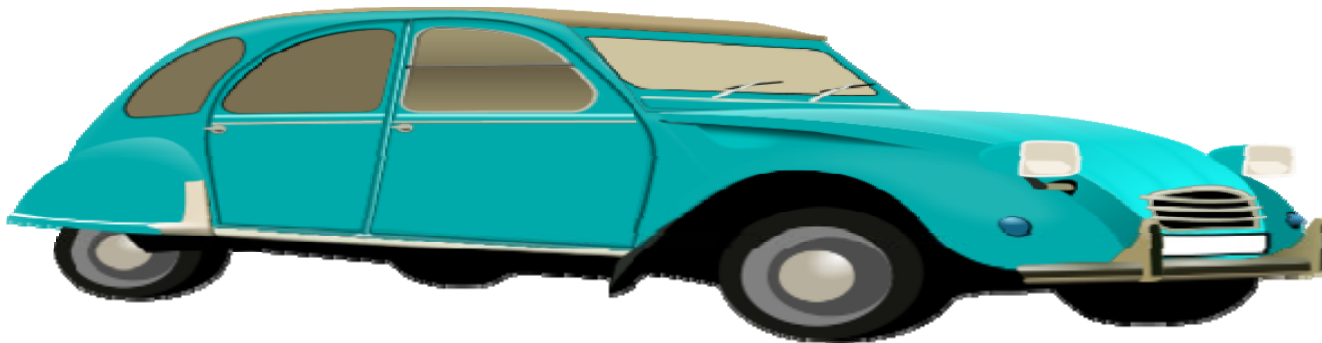


# VEHICLE DEALER ORIENTATION

## BASIC GUIDELINES FOR NEWLY LICENSED MOTOR VEHICLE DEALERS

By MVD Dealer Licensing Program  
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# CONGRATULATIONS!

- You have made the decision to become a licensed motor vehicle dealer and have submitted an application for the type of license for which you will be conducting business.
- Your license may be impacted by statute specific to its type



# WHAT ARE THE LICENSE TYPES?

NEW

USED

PUBLIC CONSIGNMENT AUCTION DEALER

WHOLESALE

WHOLESALE AUCTION DEALER

BROKER

MANUFACTURER

DISTRIBUTOR

AUTO RECYCLER





# WHAT DOES YOUR LICENSE TYPE ALLOW YOU TO DO?

## IF YOUR LICENSE TYPE IS...

- **NEW...** YOU CAN SELL NEW AND USED VEHICLES RETAIL, WHOLESAL AND ON CONSIGNMENT
- **USED...** YOU CAN SELL USED VEHICLES RETAIL, WHOLESAL AND ON CONSIGNMENT
- **PUBLIC CONSIGNMENT AUCTION DEALER...** YOU CAN SELL ON CONSIGNMENT ONLY and ONLY AT LIVE AUCTION
- **WHOLESALE...** YOU CAN SELL WHOLESALE **ONLY** TO OTHER LICENSED DEALERS
  - YOU MAY NOT ADVERTISE OR GIVE THE APPEARANCE OF SELLING OR OFFERING TO SELL RETAIL
    - NON-COMPLIANCE MAY RESULT IN CIVIL PENALTIES OF \$1,000 - \$3,000 PER SALE OR OFFER TO SELL AND LOSS OF LICENSE
  - YOU MUST TITLE ALL VEHICLES IN NAME OF WHOLESALE LICENSE BEFORE TRANSFERRING TITLE

# WHAT DOES YOUR LICENSE TYPE ALLOW YOU TO DO? (continued)



- **WHOLESALE AUCTION DEALER...** YOU CAN ACT AS A CLEARING HOUSE FOR THE WHOLESALE SALE OF VEHICLES FROM LICENSED DEALER TO LICENSED DEALER
- **BROKER...** YOU CAN ACT AS A LOCATER SERVICE TO FIND A SPECIFIC VEHICLE FOR YOUR CUSTOMER; YOU MAY NOT OWN THE VEHICLES YOU SELL NOR CAN YOU HAVE A AGREEMENT WITH A DEALER TO GUIDE YOUR CUSTOMERS TO HIM; YOU MAY NOT SELL OR TAKE VEHICLES ON CONSIGNMENT
- **MANUFACTURER/DISTRIBUTOR...** YOU CAN FRANCHISE LICENSED DEALERS TO SELL YOUR PRODUCT ; YOU MAY NOT SELL DIRECT TO THE CONSUMER
- **AUTO RECYCLER ...** YOU CAN BUY VEHICLES FOR THE PURPOSE OF DISMANTLING AND SELLING THE PARTS AND ACCESSORIES

# FIRST THINGS FIRST



- DISPLAY YOUR NEW MOTOR VEHICLE DEALER LICENSE IN A CONSPICUOUS PLACE IN YOUR NEW LICENSED BUSINESS LOCATION
- REGISTER WITH SERVICE ARIZONA BY EMAIL AT [ezhelp@us.ibm.com](mailto:ezhelp@us.ibm.com) OR BY PHONE AT 1-866-436-9533 FOR ACCESS TO THE SERVICE ARIZONA DEALER SUITE OF SERVICES
  - FOR RENEWAL OF DEALER LICENSE
  - TRP AND PERMIT ISSUANCE AS APPLICABLE
  - ACCESS TO OTHER DEALER APPLICATIONS AS APPLICABLE TO YOUR LICENSE TYPE

# FIRST THINGS FIRST continued...

- MARK YOUR CALENDAR TO PAY YOUR ANNUAL RENEWAL FEES BY THE DATE INDICATED ON YOUR LICENSE FOR ANNUAL RENEWAL
  - FAILURE TO RENEW TIMELY WILL RESULT IN PENALTIES BEING ASSESSED ON LICENSE AND PLATE FEES





# THE BASICS

ARIZONA REVISED STATUTE, TITLE 28, CHAPTER 10 GOVERNS THE MOTOR VEHICLE DEALER INDUSTRY...

## **AS A LICENSED VEHICLE DEALER YOU ARE REQUIRED TO:**

- SELL ONLY FROM YOUR LICENSED PLACE OF BUSINESS
  - YOU MAY APPLY FOR AN OFF PREMISES PERMIT FOR A SPECIAL EVENT OR SALE
- NOTIFY DEALER LICENSING WHEN YOU:
  - CHANGE YOUR HOURS OF OPERATION
  - MAKE A CHANGE TO YOUR BUSINESS NAME
  - CHANGE YOUR LOCATION
  - ADD OR DELETE AN OWNER, OFFICER, AGENT OR MEMBER
  - GO OUT OF BUSINESS OR WISH TO CANCEL YOUR LICENSE



# THE BASICS CONTINUED...

- MAINTAIN RECORDS AT YOUR LICENSED PLACE OF BUSINESS
  - YOU MAY STORE RECORDS ELECTRONICALLY BUT MUST PRODUCE A LEGIBLE HARD COPY UPON DEMAND BY THE DIVISION
    - MUST HAVE CLEAR TITLE FOR EACH VEHICLE IN INVENTORY BEFORE OFFERING FOR SALE
      - INCLUDE CONSIGNMENT CONTRACT IN CASE OF PUBLIC CONSIGNMENT AUCTION DEALER
    - MUST MAINTAIN “DEAL JACKET” FOR EACH SALE
    - MUST MAINTAIN DEALER PLATE LOG



# DEALER PLATE USAGE



## ENSURE COMPLIANCE WITH DEALER PLATE USAGE

- A DEALER PLATE:

- IS ISSUED TO A SPECIFIC LICENSE AND CAN ONLY BE USED ON VEHICLES INVENTORIED UNDER THAT LICENSE AT THAT LOCATION (EACH LICENSE IS SPECIFIC TO LOCATION)
- CAN BE USED ON A VEHICLE OWNED BY A DEALERSHIP WHEN :
  - OPERATED BY AN OWNER, EMPLOYEE OR PROSPECTIVE BUYER
    - IN CONNECTION WITH THE DEALER'S BUSINESS

# DEALER PLATE USAGE CONTINUED...

- OPERATED AS PERSONAL USE TRANSPORTATION IF ASSIGNED TO A DEALER OR FULL TIME EMPLOYEE ON A FULL-TIME USE BASIS AND IF A RECORD OF THE ASSIGNMENT IS MADE AS SPECIFIED BY STATUTE
  - OPERATED BY A PROSPECTIVE BUYER FOR DEMONSTRATION PURPOSES (WITH APPLICABLE TIME LIMITATIONS)
  - OPERATED IN CONJUNCTION WITH A MANUFACTURER SERVICE PROGRAM FOR FRANCHISED DEALERS
  - OPERATED FOR PURPOSE OF ADDING EQUIPMENT, i.e. UNDERCOATING, SUN ROOF ETC.
- 
- **A DEALER PLATE MAY NOT BE USED:**
    - ON A WORK OR SERVICE VEHICLE
    - A LEASED OR RENTED VEHICLE OWNED BY THE DEALER
    - A VEHICLE THAT HAS BEEN SOLD
    - A LADEN VEHICLE



**ARS §28-4532.A-D**

# TRP AND PERMIT ISSUANCE

- **WHAT IS A TRP?**

- **A TRP IS A TEMPORARY REGISTRATION PLATE THAT:**

- CAN **ONLY** BE ISSUED TO THE PURCHASER OF A VEHICLE OWNED BY THE DEALERSHIP FROM WHICH IT IS ISSUED
- ALLOWS LEGAL USE OF THE VEHICLE PURCHASED UNTIL TITLE AND REGISTRATION ARE OBTAINED AND ISSUED FOR THAT VEHICLE
- REQUIRES THAT THE DEALER ACT AS THE BUYER'S AGENT TO APPLY FOR AND OBTAIN TITLE AND REGISTRATION FOR THE VEHICLE PURCHASED WITHIN 30 DAYS
- IS TEMPORARY AND EXPIRES 45 DAYS AFTER IT IS ISSUED



## ...30 DAY PERMIT

- A 30-DAY PERMIT CAN BE ISSUED BY A DEALER FOLLOWING THE EXPIRATION OF A TRP IN THE **RARE** INSTANCE IN WHICH THERE MAY BE A PROBLEM WITH OBTAINING THE PAPERWORK NECESSARY TO OBTAIN TITLE AND REGISTRATION.
  - NOTE: AT THIS POINT THE DEALER IS OUT OF COMPLIANCE WITH THE STATUTORY REQUIREMENT TO OBTAIN TITLE WITHIN 30 DAYS AND IS SUBJECT TO PENALTY FEES



# 90-DAY NON RESIDENT

- A 90-DAY NON RESIDENT PERMIT :
  - CAN BE ISSUED TO A NON-RESIDENT OF THE STATE OF ARIZONA
  - BUYER MUST PROVIDE PROOF OF RESIDENCE IN ANOTHER STATE AND COMPLETE A NON-RESIDENT AFFIDAVIT
  - ALLOWS THE NON-RESIDENT TO DRIVE THE NEWLY PURCHASED VEHICLE TO THE CUSTOMER'S STATE OF RESIDENCE
  - THE CUSTOMER WILL OBTAIN TITLE AND REGISTRATION IN HIS/HER STATE OF RESIDENCE AND PAY THE ASSOCIATED TAXES



# SUCCESS !!!



WELL DONE!!! YOU HAVE SUCCESSFULLY COMPLETED **“DEALER ORIENTATION”** – YOU NOW HAVE KEYS TO THE BASICS FOR COMPLIANCE WITH STATUTORY REGULATION FOR YOUR NEW MOTOR VEHICLE DEALER LICENSE. ONCE THE LICENSING PROCESS IS COMPLETE YOU WILL RECEIVE AN **INVOICE** VIA YOUR **BUSINESS EMAIL ADDRESS**...UPON RECEIPT OF PAYMENT YOUR **LICENSE WILL BE ISSUED BY EMAIL**. IF DEALER PLATES WERE PRE-ORDERED YOU WILL RECEIVE THEM VIA US MAIL.

WE WISH YOU EVERY SUCCESS AND ARE HERE TO SUPPORT YOU. THANK YOU FOR THE SERVICE YOU ARE PROVIDING TO THE RESIDENTS OF ARIZONA AS A MOTOR VEHICLE DEALER.



# QUESTIONS



## NEED ANSWERS? FOR ADDITIONAL RESOURCES

- CALL DEALER LICENSING AT 602-712-7571  
OPTION 7
- ACCESS THE DEALER TITLE CLERK MANUAL ON THE SERVICE ARIZONA DEALER SUITE OF SERVICES
- REVIEW ARIZONA REVISED STATUTE, TITLE 28 CHAPTER 10 AT **azleg.gov**
- CONTACT **ARIZONA INDEPENDENT AUTO DEALERS ASSOCIATION (AIADA)** FOR INFORMATION REGARDING COMPLIANCE CLASSES AT 602-246-1498