

NOTICE OF PROPOSED GUIDANCE DOCUMENT

Retail Dealer License Application Instructions

Pursuant to Wis. Stat. s. 227.112, the Wisconsin Department of Transportation is hereby seeking comment Retail Dealer License Application Instructions s. 218, a proposed guidance document.

PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION

Comments may be submitted to the Wisconsin Department of Transportation for 21 days by:

1. Department's website: <https://wisconsin.gov/Pages/dmv/dlr-agents/busnslcnse/retail-app-instr.aspx>

2. Mailing written comments to:
Division of Motor Vehicles
Wisconsin Department of Transportation
4822 Madison Yards Way
PO Box 7336
Madison, WI 53707-7336

WEBSITE LOCATION OF FINAL GUIDANCE DOCUMENT

The final version of this guidance document will be posted at wisconsin.gov to allow for ongoing comment.

AGENCY CONTACT

DOTDMVGuidanceDocs@DOT.WI.GOV



State of Wisconsin Department of Transportation

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Application instructions

[Retail dealer license](#)[Renew a current dealer license](#)[Change a current retail dealer license](#)[Off-premise sales](#)[Dealer registration plates](#)[Business licenses](#)

Retail dealer license application instructions

Print these instructions for easy reference while you complete each form. For a list of license requirements and links to download license application forms see [retail dealer license](#).

To get your license issued as soon as possible, make sure you complete all requested forms and include fees. Don't forget your phone number and mailing address—your license will be delayed if Wisconsin Department of Transportation (WisDOT) can't reach you.

You will need these dealer license application forms:

- Two copies of the Motor Vehicle Dealer Two Year License Application [MV2186](#)
- Entity/Owner Statement [MV2844](#)
- Business Facilities Statement [MV3180](#)
- Dealer Bond [MV2511](#) or Wisconsin Motor Vehicle Irrevocable Letter of Credit [MV1046](#)

- Salesperson/Representative License Application [MV2184](#)
- Motor Vehicle Dealer Service Agreement [MV2085](#)
- [Buyer's License Application](#) [MV2941](#) (optional)
- [Salvage Buyer Identification \(BID\) Card Application](#) [MV2651](#) (optional)

Motor vehicle dealer two year license application (MV2186)

1. Complete two copies of form ([MV2186](#)), pages 1 and 2.
2. Legal name means your legal business name as it will appear on your license certificate.
3. Trade name or DBA (Doing Business As) means a name your business is known by that is not your corporate or legal name. For example, Smith Automotive, Inc. DBA/John's Used Cars.
4. If you are incorporated or organized as a Limited Liability Corporation (LLC) in the state of Wisconsin, fill in the date of incorporation or organization under "Date Licensed in Wisconsin." (If you are incorporated or organized in another state or country, fill in the state or country your company is licensed in under "State of Incorporation or Organization.")
5. If you will be selling new vehicles, list the makes in the space provided and include a manufacturer's certificate of appointment (franchise agreement) for each make. You may submit your franchise agreement on WisDOT's Manufacturer/Importer/Distributor Certification of Dealer form ([MV2131](#)) or on a similar form provided by the manufacturer.
6. A branch sales location is a secondary location within the same municipality which has the facilities to operate independently from the main business location.
7. A subplot is a secondary location in the same municipality which lacks indoor display and service facilities. Only used vehicles may be sold from a subplot.
8. Answer all yes/no questions.
9. If you don't own and operate your own service facility, complete the Motor Vehicle Dealer Service Agreement form ([MV2085](#)).
10. If the business entity (sole proprietor, one of the partners in a partnership, corporation or LLC) doesn't own the business real estate, submit a copy of your lease.
11. A sales tax seller permit is required. To obtain one, contact the Department of Revenue at (608) 266-2776 or on their website under [sales and use tax](#).
12. Remember to sign and date the dealer license application.
13. Zoning and local permit approval must be signed on page two of the dealer license application. All applicants must have a local official complete Section A. If the business is located in a township, also have a county official complete Section B for county zoning approval.
14. Provide directions to your business if the address on the form doesn't include a street name and number.

Entity/owner statement (MV2844)

Complete one copy of the Entity/Owner Statement ([MV2844](#)) for each person named on the dealer license application as an owner; partner; corporate officer or shareholder of the corporation; association member; or LLC member or manager. Be sure to fill the form out completely and answer all questions. You may use the back of the form if additional space is needed.

Business facilities statement (MV3180)

Form [MV3180](#) - Fill out your business name and address. Check the box beside each item that applies to your location. Be sure to sign and date the bottom of the form.

\$50,000 surety bond or irrevocable letter of credit

A Dealer Bond form ([MV2511](#)) is the only acceptable bond form you may submit to show that you have secured a bond. If you will be submitting an irrevocable letter of credit instead of a bond, your bank may complete the WisDOT Wisconsin Motor Vehicle Irrevocable Letter of Credit form ([MV1046](#)), or they may reproduce the form on their bank letterhead. For a list of insurance companies accepting applications for bonds, see [Insurance companies that accept applications for bonds](#). The bond or letter of credit must be in force for the entire two-year license period. You'll need to keep the bond or letter of credit in force to renew your dealer license. If your bond or letter of credit expires or is canceled, WisDOT is required to suspend or revoke your dealer license unless a new bond or letter of credit is submitted on or before the date of expiration or cancellation.

Salesperson license application (MV2184)

Form [MV2184](#) - Anyone who will be making out or approving retail sale contracts must have a salesperson license. Each dealership must have at least one licensed salesperson. "Salesperson" includes sales representatives, sales managers and general managers. Salesperson license applicants who have not been licensed as a salesperson in the last five years must pass a written exam. The exams are given at any [DMV service center](#). If you need to take the exam, take your application form to the exam station. The \$8 license fee and \$5 exam fee will be collected by the examiner. Your exam results and application will be sent to WisDOT by the exam station. You can speed up the process by sending us a copy of your receipt from the exam station with your completed dealer license application packet. For more information on the salesperson license and exam see [salesperson license](#).

Buyer's License Application (MV2941)

Form [MV2941](#) - Motor vehicle dealers who employ or contract with individuals to buy motor vehicles held by wholesale auctions or other dealers on their behalf must apply for a [Buyer's License](#). Buyer's Licenses are optional; you are not required to have one as a condition of being a licensed dealer.

Salvage Buyer Identification (BID) Card Application (MV2651)

Motor vehicle dealers are eligible to have [Salvage Buyer identification \(BID\) cards](#) for themselves and their employees. BID cards are optional; you are not required to have one as a condition of being a licensed dealer. If you wish to bid on vehicles offered for sale at salvage pools, you will need a BID card to do so.

Motor vehicle dealer service agreement (MV2085)

Form [MV2085](#) - If you don't have your own service department, complete the service agreement form with a nearby service facility. Disregard this form if you do have your own service department.

Lease

If the business entity (sole proprietor, one partner in a partnership, corporation or LLC) doesn't own the business real estate, submit a copy of your lease. The lease must name the business entity as lessee (tenant) and it must be valid at least through the two-year licensing period.

Fees

See the Motor Vehicle Dealer Two Year License Application form [MV2186](#) for the correct fee amounts. You will need to write two checks--one payable to the Department of Financial Institutions for the dealer finance license and one payable to Registration Fee Trust for dealer and salesperson

licenses and plates. The minimum you are required to pay includes the dealer license, at least one salesperson license, and at least two dealer license plates. Additional plates are available at \$10 each.

Department of Financial Institutions

Motor vehicle dealer licensing law requires all motor vehicle and recreational vehicle dealers to pay a two-year fee of \$20 to the [Department of Financial Institutions](#) (DFI) for processing a dealer license. This fee is not refundable. If the dealership will have any involvement in originating finance transactions or consumer leases, whether you retain them or immediately assign them to a financial institution, the two-year fee is \$100 for a dealer finance license.

The dealer finance license allows you to originate installment contracts and/or consumer leases and carry an amount financed up to a total of \$100,000. If you do originate and carry sales finance contracts and/or consumer leases, you may want to contact DFI's Division of Banking to be sure you understand consumer credit and leasing laws. To get a copy of the laws or discuss any questions or problems you might have with the dealer finance license or consumer credit law, call DFI's Division of Banking at (608) 261-7578.

Before mailing your application materials

Check to be sure that:

- Two copies of the Motor Vehicle Dealer Two Year License Application form ([□ MV2186](#)) are completely filled in, signed and dated.
- The original \$50,000 Dealer Bond form ([□ MV2511](#)) or Wisconsin Motor Vehicle Irrevocable Letter of Credit form ([□ MV1046](#)) is enclosed.
- An Entity/Owner Statement ([□ MV2844](#)) is completed and enclosed for each individual with an ownership interest.
- The Business Facilities Statement ([□ MV3180](#)) is completed and enclosed.
- You've enclosed at least one completed Salesperson/Representative Application form ([□ MV2184](#)) OR a copy of the fee receipt if the exam was required. (The exam station will forward the salesperson application to WisDOT.)
- You completed and enclosed a Motor Vehicle Dealer Service Agreement ([□ MV2085](#)) if you don't own and operate your own service department.
- A copy of your lease is enclosed if the business entity (sole proprietor, partner, LLC or corporation) doesn't own the business real estate.
- Two fee checks are enclosed; one payable to the Department of Financial Institutions and one payable to Registration Fee Trust.

Mail to the WisDOT Dealer Section at the address below.

What happens next?

The WisDOT Dealer Section will review your application for completeness, and conduct any necessary background investigations. WisDOT will contact you by letter or phone if we need more information to complete your application.

As soon as the information is complete, you'll receive your dealer and salesperson licenses, dealer plates, and a video tape and resource guide to teach you about the rules and regulations for motor vehicle dealers.

A complete application packet means your license can be issued sooner. Your license will be

delayed if we have to return something to you or contact you for more information.

For more information:

- [Field investigation offices](#)
- [Retail dealer license](#)

If you have any questions, or need help completing the forms:

Email [Wisconsin DMV email service](#)

Contact Information

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