

## Instructions for New Vehicle Dealer License Application

Your license cannot be granted if there is another dealer currently licensed at the location, even if that dealer has abandoned the location. Only one license is permitted per location. To verify the status of a dealer previously at the location, you may phone (410) 787-2950.

All CS and LCS forms listed on this sheet should be included in this licensing package. Please call (410) 787-2950 if any of the forms are missing. For more information on state and local licensing requirements, visit the Business License Information System website! [www.blis.state.md.us](http://www.blis.state.md.us). COMAR Rules and Regulations are available at [www.dsd.state.md.us](http://www.dsd.state.md.us). Maryland Law is available online at [www.lawlib.state.md.us](http://www.lawlib.state.md.us)

- **Application (CS-42)** – Complete application. Answer all questions and submit with all other required documents.
- **Zoning (CS-53)** – Zoning approval form should be presented to the zoning board in county/city where your business is located.
- **Use and occupancy permit** – Is needed by those applicants using a trailer as an office and your local zoning board may require.
- **Surety Bond with power of attorney (CS-67A)** – See the bond form for dollar amount required. This amount is based on the number of vehicles sold/projected to be sold at primary and all additional locations licensed under the dealer license number. Bond must be in the full name of dealership, including any trading name and must show the full names of all officers, partners, or owners exactly as shown on the application.
- **Workers' Compensation** – If you have Workman's Compensation insurance, only information about the policy is required. The information must be recorded on the **Application for Vehicle Dealer's License** and on the **Insurance Information** form. If you are **exempted** from having to have Workman's Compensation coverage, then one of the following sets of documents must be submitted:
- **MD Criminal record check authorization (CS-11)** – Is needed for each owner or officer and anyone listed on the application as having a financial interest in the business. The form must include a legible copy of the driver's license and an original signature.
- **Out of state criminal record check** – If you live or have recently lived in another state, you must provide a criminal record from that state in addition to the Maryland record check.
- **Trader's license (copy)** – Obtained from the Circuit Court in the jurisdiction where your business is located.
- **Business registration form/letter** – From the Department of Assessments and Taxation – This form/letter verifies your registration to do business in the State of Maryland using the name(s) indicated on your application. Both corporate and trading names must be registered. Department of Assessments and Taxation is located at 301 W Preston Street, Baltimore MD 21201. Telephone numbers are 410-767-1330, 1331 or 1332.
- **Repair facility contract (CS-125)** – If you do not have repair facilities at the location where you will be licensed, you must provide a contract with a repair facility within 5 miles of your dealership.
- **Franchise approval from manufacturer** – If you will be selling new vehicles, you must provide verification of franchise agreements from each manufacturer. A manufacturer must also be licensed with the MVA in order to have its products sold by a dealer in the state of Maryland.
- **New vehicle certification form (LCS-22)** – This form defines certain relationships with manufacturers that cannot be licensed as dealers in Maryland.
- **Orientation form (LCS-48)** – Please let us know who will be attending the orientation seminar for your dealership.
- **Mail** your completed application packet to MVA, BL&CS, Rm 146  
6601 Ritchie Highway  
Glen Burnie MD 21062

**Incomplete applications or applications without required documents will not be accepted.**



**Application for Vehicle Dealer's License**

**Business Licensing & Consumer Services**  
(410)787-2950

**Type of Dealership**

- Used Car
- New Car
- Motorcycle
- Trailer over 15 feet
- Boat Trailer/Trailer < 15 ft
- Emergency Vehicle

**Type of Application**

- Renewal Application
- Original Application
- Additional Location
- Change of Address
- Change of Ownership

- Change of Officers
- Change of Name

**Type of Ownership**

- Corporation
- Partnership

- Close Corporation
- LLC
- Individual Owner

\_\_\_\_\_  
Dealer's Lic. #

\_\_\_\_\_  
Expiration Date

Company Name (include trade name) \_\_\_\_\_

Street Address \_\_\_\_\_

City \_\_\_\_\_ County \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Business Phone \_\_\_\_\_ Business Hours \_\_\_\_\_

Employer ID Number (FEIN) \_\_\_\_\_ Current Trader's License Number \_\_\_\_\_

Email Address \_\_\_\_\_

**List all owners, partners or officers of the corporation below. Indicate which receives the Gratis Salesman License.**

**Note: One Gratis Salesman's License is issued per dealer license fee paid.**

Name of Owner, Partner or Officer			Soc. Sec. No.		Position		Home Phone No.	
Street Address (Home)			City		State		Zip Code	
Height	Weight	Sex	Date of Birth	Driver's License Number		State		
Name of Owner, Partner or Officer			Soc. Sec. No.		Position		Home Phone No.	
Street Address (Home)			City		State		Zip Code	
Height	Weight	Sex	Date of Birth	Driver's License Number		State		
Name of Owner, Partner or Officer			Soc. Sec. No.		Position		Home Phone No.	
Street Address (Home)			City		State		Zip Code	
Height	Weight	Sex	Date of Birth	Driver's License Number		State		

**Other than those listed above, list all that have direct or indirect financial interest in this dealership. Please attach additional statements if more space is required.**

First, Middle, and Last Name			Soc. Sec. No.					
Street Address (Home)			City		State		Zip Code	
First, Middle, and Last Name			Soc. Sec. No.					
Street Address (Home)			City		State		Zip Code	

**List all places for storage**

**List makes of vehicles for which your dealership holds a franchise.**

**yes no**

1. Do you operate a repair facility at this location? If no, please attach a completed Service Shop Contract (FormCS-125).
2. Have you ever been licensed as a vehicle dealer or salesman, or a title service agent or representative in Maryland or any other state?  
If yes, Person licensed \_\_\_\_\_  
Name of Business \_\_\_\_\_ Type of License \_\_\_\_\_  
License number \_\_\_\_\_ State \_\_\_\_\_ Expiration \_\_\_\_\_  
Submit additional information on separate sheet.
3. Are any administrative actions, including suspension, revocation, refusal or fines pending against any license you have ever held? NOTE: This does not include your personal driver's license.  
If yes, Business \_\_\_\_\_ Licensee \_\_\_\_\_  
Type of license \_\_\_\_\_ License number \_\_\_\_\_  
State \_\_\_\_\_ Expiration \_\_\_\_\_ Date of action \_\_\_\_\_  
Explanation (submit additional sheets if needed) \_\_\_\_\_
4. Has any business license you have held in Maryland or any other state been suspended, revoked, or refused? NOTE: This does not include your personal driver's license.  
If yes, Business \_\_\_\_\_ Licensee \_\_\_\_\_  
Type of license \_\_\_\_\_ License number \_\_\_\_\_  
State \_\_\_\_\_ Expiration \_\_\_\_\_ Date of action \_\_\_\_\_  
Explanation (submit additional sheets if needed) \_\_\_\_\_
5. Have any of the owners, management personnel, or any other person who shall have a financial interest, either direct or indirect in the business, ever been convicted of a crime other than a traffic violation? If yes, give details in a separate statement as to date(s).
6. Do any of the persons listed on this application have a financial interest, either direct or indirect, with any other new car, used car, motorcycle, trailer, or wholesale dealer in this state? If yes, please give details in a separate statement.
7. Are you affiliated with any vehicle buying service or similar business? If yes, please give details in a separate statement.
8. Are you currently employed with a Maryland State Government Agency? If yes, what Agency?
9. Was a dealership at this location previously? If yes, please give name
10. **Do you provide Worker's Compensation?** If yes, complete CS-035, Insurance Information Sheet. If no, attach copy of your exemption certificate.
11. Do you provide mechanical repair contracts or extended warranties? If yes, as required by law, I have secured a reimbursement insurance policy as follows.  
**Insurance Company** \_\_\_\_\_ **Policy/Binder #** \_\_\_\_\_ **Agent** \_\_\_\_\_
12. Please list number of vehicles sold during the previous year. retail \_\_\_\_\_ wholesale \_\_\_\_\_  
If an original application, projected number of vehicles to be sold in the next 12 months. \_\_\_\_\_
13. For renewals, please list number of dealer tags assigned to dealership. \_\_\_\_\_

### Certification

I/we certify, under penalty of perjury, that the statements made within are true to the best of my/our knowledge. This dealership meets the location requirements and I/we understand the titling and registration, Insurance, inspection, and dealer licensing provisions set forth in Maryland Vehicle Law and pertinent Motor Vehicle Administration regulations.

Name of Dealership \_\_\_\_\_

_____	<b>by</b>	_____	_____
Date	Applicant Signature	Capacity	Printed Name
_____	<b>by</b>	_____	_____
Date	Applicant Signature	Capacity	Printed Name
_____	<b>by</b>	_____	_____
Date	Applicant Signature	Capacity	Printed Name

**(All owners and corporate officers are required to sign.)**



Apply to register to vote with your driver's license transaction. For details ask your customer service representative.



**Zoning Approval Form**

To be completed by applicant and presented for approval to the local zoning authorities

**Submit with Application**

Company name (including trade names)

Business Address - Location to be Licensed

City County State Zip Code

Name and type of storage location

Street Address City or County State Zip Code

Name and type of any additional storage locations

Street Address City of County State Zip Code

**Type of Business (check appropriate blocks)**

**Licenses**

- Wholesale
- New Vehicle
- Used Vehicle
- Trailer
- Motorcycle
- ADR # of Acres \_\_\_\_\_
- Scrap Processr # of Acres \_\_\_\_\_
- Title Service
- Emergency Vehicle
- Manufacturer
- Distributor

**Transporters**

- Inspection Station
- Vehicle Painting/Remodeling/Repair
- Auctioneer
- New Vehicles for Manufacturer
- Other \_\_\_\_\_

**This section to be completed by zoning official** to verify applicant has met all local zoning requirements to conduct the type of business specified above.

I certify, that the business of \_\_\_\_\_ does \_\_\_\_\_ does not \_\_\_\_\_ meet all zoning requirements, including the issuance of a use and occupancy permit, if required.

Signed

Printed Name

Official Capacity

Telephone #

Email Address

Date



**Surety Bond of Vehicle or Trailer Dealer**

Bond Number \_\_\_\_\_ Dealer's Licence Number \_\_\_\_\_ Effective Date \_\_\_\_\_

Know all persons by these presents:

Company/Corporate Name \_\_\_\_\_

Trade Name, if any \_\_\_\_\_

Officer(s) Name(s) \_\_\_\_\_  
(Name of all owner's, partners, and officers)

as Principal, and \_\_\_\_\_  
(Name and address of bonding company)

a corporation organized and existing under the laws of the State of \_\_\_\_\_ and authorized to do business in the State of Maryland, as Surety, are held and firmly bound unto the Administrator of Motor Vehicles, State of Maryland in the penal sum of \_\_\_\_\_ lawful money of the United States of America, for the payment of which, well and truly to be made, we and each of us, bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

**Signed, Sealed, and Dated this \_\_\_\_\_ day of \_\_\_\_\_ (year) \_\_\_\_\_**

The condition of this obligation is such that, whereas, the above bounden Principal has or is about to make application to the Administrator of Motor Vehicles for the State of Maryland to engage in the business of: (i) buying and selling motor vehicles or trailers and, (ii) if so licensed, a title service agent; in accordance with the Transportation Article of the Annotated Code of Maryland and Regulations promulgated by the Administrator of Motor Vehicles, is required to furnish a Surety Bond.

Now, therefore, if the above bounden Principal shall conduct the business in full compliance with those Sections of the Transportation Article, of the Annotated Code of Maryland, as set forth in the Regulations of the Administrator of Motor Vehicles for the State of Maryland, then this obligation shall be null and void; otherwise to remain in full force and effect. This bond shall be for the use and benefit of the Administrator of Motor Vehicles of the State of Maryland and for any person who may suffer loss by reason of any violation of the above mentioned laws.

This bond shall run concurrently with the period of the license granted to the Principal, and shall remain in full force and effect for any renewal thereof, provided, however, that the penalty of the bond may not be cumulative from year to year, and the total liability of the Surety herein, may not exceed the sum of \_\_\_\_\_ regardless of the number of license periods for which the bond is in force.

The Surety may cancel this bond at any time by giving **forty five (45) days** written notice by registered or certified mail to the Administrator of Motor Vehicles, State of Maryland, however, remaining liable for any defaults under this bond, committed prior to the expiration of such forty five (45) day period.

**Seal  
of  
Surety**

\_\_\_\_\_  
Signature of President/Owner/Partner

\_\_\_\_\_  
Signature of Vice President/Partner

\_\_\_\_\_  
Signature of Treasurer/Secretary/Partner

\_\_\_\_\_  
Signature of Principal (one of the above officers)

By \_\_\_\_\_

\_\_\_\_\_  
Surety

By \_\_\_\_\_

A surety bond must be submitted prior to issuance of your dealer's license.

Below are the surety bond amounts required for issuance of a license for either a vehicle dealer, trailer dealer or a title service agent.

Please indicate the type and amount of surety bond by initialing the first column.

**New Bond Amounts** **Effective October 1, 2003**

Initials	License Type	Number of Vehicles Sold	Amount
	New Vehicle	1-500	\$50,000
		501-1,000	\$75,000
		1,001-2,500	\$100,000
		Over 2,500	\$300,000
	Used Vehicle	1-250	\$15,000
		251-500	\$25,000
		501-1,000	\$35,000
		1,001-2,500	\$50,000
		Over 2,500	\$150,000
	Wholesale	1-250	\$15,000
		251-500	\$25,000
		501-1,000	\$35,000
		1,001-2,500	\$50,000
		Over 2,500	\$150,000
	Trailer	Boat	\$5,000
		Under 15 feet	\$5,000
		Over 15 feet:	
		1-250	\$15,000
		251-500	\$25,000
		501-1,000	\$35,000
		1,001-2,500	\$50,000
		Over 2,500	\$150,000
	Motorcycle (new)	1,500	\$50,000
		Over 500	\$75,000
	Motorcycle (used)	1-250	\$15,000
		251-500	\$25,000
		Over 500	\$35,000
	Emergency Vehicles (new)	1-500	\$50,000
		Over 500	\$75,000
	Emergency Vehicles (used)	1-250	\$15,000
		251-500	\$25,000
		Over 500	\$35,000
	Title Service		\$25,000



Apply to register to vote with your driver's license transaction. For details ask your customer service representative.



**MVA Criminal Record Request Form**

Please place your photo driver's license below and photocopy.

By my signature, I authorize the Motor Vehicle Administration to perform a criminal background check.

Signature

Date

Name of Business

Type of License:  Dealer  Salesman  Professional Driver Instructor  Title Service Agent  Other

**Instructions for Criminal Background Request**

This form is to be used for the processing of your Maryland criminal background check. At the present time no fee will be charged for this service.

**Maryland Residents:**

This form must accompany all applications from licensees or anyone with a financial interest in a business.

- Photocopy a clear legible copy of either your Maryland Photo Driver's License or a Maryland Photo ID card on the front of this form.
- If you have a change of address that does not appear on your license or your ID, please note it on the form.
- Sign the photocopy.
- The photocopy which contains your original signature must be submitted with your application to the Motor Vehicle Administration.

**Out of State Residence:**

- Applicants will be required to request Criminal Justice Information System background checks from the appropriate Law Enforcement Agency in their state of residence.
- The background checks should not be sent directly from the appropriate Law Enforcement Agency to the Motor Vehicle Administration.
- For identification purposes you must submit a clear legible copy of your out-of-state driver's license or a Photo ID on this form.

**MVA Use Only:**



**Automotive Repair Facility Contract**

**Type or Print (Except Signature)**

We, the undersigned \_\_\_\_\_  
NAME OF AUTOMOTIVE REPAIR FACILITY TELEPHONE NO.

Address \_\_\_\_\_  
STREET & NUMBER CITY OR TOWN STATE ZIP CODE

MSP Inspection Number, if any \_\_\_\_\_

having the necessary facilities and equipment to properly service and repair motor vehicles do hereby agree to reasonably, adequately and properly service and repair motor vehicles sold or to be sold by the dealer named in this contract:

\_\_\_\_\_  
NAME OF DEALERSHIP

Address \_\_\_\_\_  
STREET & NUMBER CITY OR TOWN STATE ZIP CODE

This contract shall be effective on and after \_\_\_\_\_ 20\_\_\_\_\_ and will remain in full force and effect until cancellation of the contract by either party, upon written notice to the Motor Vehicle Administration by Registered or Certified Mail.

We hereby certify, under Penalty of Perjury, that the statements made herein are true and correct, to the best of our knowledge, information and belief.

\_\_\_\_\_  
SIGNATURE OF OWNER OF AUTOMOTIVE REPAIR FACILITY

Witness our Hand(s) and Seal(s)

\_\_\_\_\_  
PRINTED NAME

This \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

\_\_\_\_\_  
HOME ADDRESS OF OWNER OF AUTOMOTIVE REPAIR FACILITY

\_\_\_\_\_  
SIGNATURE OF DEALER

\_\_\_\_\_  
PRINTED NAME

**MOTOR VEHICLE ADMINISTRATION USE ONLY**

**INVESTIGATOR:** The Automotive Repair Facility shall be inspected on all new applications. The facility shall be within a five (5) mile radius and cannot be a licensed dealer unless approved by the Administration.

I have this date inspected the above-mentioned Automotive Repair Facility and

WOULD  WOULD NOT recommend approval.

REMARKS \_\_\_\_\_

\_\_\_\_\_  
DATE OF INSPECTION

\_\_\_\_\_  
SIGNATURE OF M.V.A. INVESTIGATOR

## Manufacturer Certification

TR15-305 Special requirements for license to deal in new vehicle read in part:

(e) *Manufacturers or distributors licensed as dealers.*- Notwithstanding subsections (a) and (f) of this section, a manufacturer or distributor may be licensed as a dealer only if the manufacturer or distributor:

(1) Operates temporarily a dealership that:

- (i) Was previously owned by a franchised dealer; and
- (ii) Is for sale to any qualified person at a reasonable price;

(2) Operates a dealership in a bona fide relationship in which an independent person:

- (i) Has made a significant investment, subject to loss, in the dealership; and
- (ii) Can reasonably expect to acquire full ownership of the dealership under reasonable terms and conditions; or

(3) (i) Is a second-stage manufacturer as defined in § 13-113.2 (a) (7) of this article; and

- (ii) Deals only in Class E (truck) vehicles with a gross weight limit of 10,000 pounds or more, as defined in § 13-916 of this article.

---

Is the applicant a manufacturer or distributor, or an applicant for a Manufacturer or Distributor's license, or a person who is acting for a partnership or corporation that is owned or controlled by or under common control with a manufacture or distributor? If yes, attach a written explanation. The applicant may not qualify for licensing as a retail dealer under subsection 15.305(e) of the Maryland Vehicle Law.

YES \_\_\_\_\_

NO \_\_\_\_\_

I/We certify, under penalty of perjury, that the statement herein is true and correct, to the best of my/our knowledge, information and belief.

---

Name of Dealership (including trading names)

---

Signature

Position

Date

---

Signature

Position

Date

---

Signature

Position

Date

**Instruction Sheet**

Please **REVIEW INSTRUCTIONS BEFORE** completing the Certificate of Compliance Application.

The Workers' Compensation Commission will accept only the original application, (Do not fax, photocopy or electronically reproduce). Type or print **LEGIBLY** (or application may be returned without review). Complete application in its entirety.

- Line #1 Name of Company (If the company does not have a name, leave blank)
- Line #2 Owner's Name (If corporation, list the name of a contact person)
- Line #3 Complete Business Address (P.O. Box Not Acceptable)
- Line #4 Complete Mailing Address
- Line #5 Phone Number (Pager Number Not Acceptable) FEIN or Social Security Number required (If partnership, please initial & list the last four digits of SS# for each partner.) If using a FEIN #, SS #'s are not necessary.
- Line #6 Check appropriate box (see back of application). Additionally, where indicated, please complete and attach **Exclusion Form C-16R**.
- Line #7 Sign and Date (If partnership, **all** partners must sign.)

NOTE: Maryland Law § 9-201 requires an employer with one or more employees to carry workers' compensation insurance. Any employer with workers' compensation insurance is to submit proof (policy or binder number) of coverage to the Agency where they are applying for their license. **DO NOT COMPLETE THE CERTIFICATE OF COMPLIANCE APPLICATION IF YOU HAVE INSURANCE COVERAGE.**

If you have any questions regarding the Certificate of Compliance, please call (410) 864-5297 or 1 (800) 492-0479 Tuesday and Thursday, 9:00 a.m. to noon. **ONLY**. If you do not follow the aforementioned instructions, it may cause a delay in the processing of your application. Thank you for your cooperation.



**Insurance Information**

**This form must be completed and returned with your application.**

Name of Business \_\_\_\_\_

T/A Name \_\_\_\_\_

Business License Number \_\_\_\_\_

Maryland Vehicle Law requires licensees to provide vehicle liability insurance information in order to obtain tags and/or stickers.

Insurance Company \_\_\_\_\_

Agent or Broker \_\_\_\_\_

Policy or Binder Number \_\_\_\_\_

Maryland Vehicle Law requires licensees to comply with Workman's Compensation insurance requirements.

Insurance Company \_\_\_\_\_

Agent or Broker \_\_\_\_\_

Policy or Binder Number \_\_\_\_\_

I certify, under penalty of perjury, that the statements made herein are true and correct, and that all of the dealership's registration plates and employees are covered under this information.

\_\_\_\_\_  
Signature of Owner or Corporate Officer Date

\_\_\_\_\_  
Signature of Owner or Corporate Officer Date

\_\_\_\_\_  
Signature of Owner or Corporate Officer Date

**Dealer Orientation Request**

Complete this form and return to: **Motor Vehicle Administration**  
**6601 Ritchie Highway N E**  
**Room 146**  
**Glen Burnie, MD 21062**



The Administration strongly encourages participation by owners, title clerks and any staff who may be involved in the day to day operation of your business. Dealer Orientations will be held at the Glen Burnie Branch.

The orientation will give information that is essential in the daily operation of your dealership and will allow time for any questions you may have. Representatives from Business Licensing and Consumer Services, Investigative Services and a Branch Titling Department will give presentations.

Questions are welcomed and encouraged.

Please provide the following information:

Dealership Name:

Dealership Soundex Number:

Dealership Phone Number:

Type of License:

Address of Dealership:

Number of people attending:

Licensee Signature: \_\_\_\_\_ Date: \_\_\_\_\_

You will be scheduled for the next available class. A letter of confirmation will be mailed to you at the address indicated above. If you have any questions you may contact BL&CS at 410-424-3685. Or email at [BusinessLicensing@mdot.state.md.us](mailto:BusinessLicensing@mdot.state.md.us). Fax requests accepted at 410-768-7602. Please call if you are unable to attend.

**Important Message**

## **PLEASE READ THIS** **IMPORTANT MESSAGE**

Effective July 1, 2003, the Motor Vehicle Administration must receive verification from the Comptroller of Maryland that an applicant for renewal of a Vehicle Dealer, AD&R, Scrap Processor, Title Service, Manufacturer, Distributor, Factory Branch or Vehicle Salesman license has paid, or satisfactorily arranged for payment of state taxes before the license can be renewed.

Approximately 90 days prior to your license becoming due for renewal, MVA will submit your name to the Comptroller's Office. The Comptroller's Office will notify the MVA of those applicants having a problem. MVA will send a letter informing you if there is a problem. Your license will not be renewed without a clearance from the Comptroller's Office. Prompt attention to any issues you may have will reduce the potential of your renewal being delayed. Please share this information with your salespersons.

These actions are implemented under the Budget Reconciliation Act of 2003—Chapter 203, Laws of 2003.

If you have questions or need assistance, please call the appropriate phone number listed below to speak with a representative of the Comptroller of Maryland (MVA cannot assist with the tax matters).

<b>Personal Income Tax</b>	<b>410-974-2432</b>
<b>Business Tax</b>	<b>410-767-1908</b>
<b>Unemployment Insurance Contributions</b>	<b>410-767-2699</b>
<b>Multiple Tax Liabilities</b>	<b>410-767-1908</b>

This notice is sent as an early "warning" for those who may need to get their affairs in order with the Comptroller of Maryland.

**Title 11 DEPARTMENT OF TRANSPORTATION**

**Subtitle 12 MOTOR VEHICLE ADMINISTRATION— LICENSING OF BUSINESSES  
AND OCCUPATIONS**

**Chapter 01 Dealers and Salesmen**

**Authority: Transportation Article, §§12-104(b), 13-503, 13-621, 15-102, 15-103, 15-105, 15-107, 15-108, 15-114, 15-305.1, 15-307—15-309, 15-311.1, 15-312, 15-313, 15-406, 15-408, 15-409, and 15-411; Commercial Law Article, §14-1502; Annotated Code of Maryland**

**.01 Dealer Licensing and Registration.**

- A. The Administration may refuse to grant a license to any person as a dealer or may suspend, revoke, or refuse to continue the license of a dealer already issued, unless meeting the requirements contained here.
- B. A person applying for a dealer license shall submit the application on forms approved by the Administration, along with the fee as set forth in COMAR 11.11.05.
- C. A dealer license shall be issued for a 2-year period.

**.02 Location Requirements.**

- A. Each location shall be subject to inspection by an authorized representative of the Administration before approval of application for dealer registration.
- B. Following approval of the application, the location shall be maintained in accordance with the applicable provisions of Transportation Article, Annotated Code of Maryland, and the regulations promulgated by the Administration. Licensees are subject to reinvestigation by authorized representatives of the Administration.
- C. Only one license for the type of vehicle being offered for sale will be permitted at any one location, and once the location has been licensed, it may not be subdivided for the purpose of establishing other businesses, under separate licenses for the same type of vehicle being offered for sale, without the prior approval of the Administration. This prohibition also applies to a licensee doing business under more than one corporate structure.
- D. A dealer may do business in a name or under any title or designation other than the corporation name, provided that the title or designation is not misleading. A trade or corporate name that falsely states or implies that a dealer has a special relationship or connection with a manufacturer that other dealers do not have is misleading, and an example of a title or designation that may not be adopted by a dealer. The dealer's application for license shall state the full corporate name and all "trading as" or "doing business as" names. Example: ABC Pontiac-----GMC-----Nissan-----Volvo, Inc.; T/A ABC Volvo, T/A ABC Nissan, T/A ABC Pontiac-----GMC.
- E. A dealer may hold multiple licenses, for example, new or used vehicle, motorcycle, and trailer dealers' licenses, provided that all licenses are issued in the same dealership name.

- F. The dealership shall face, adjoin, and be fully visible from an improved street or highway that is accessible to the public and that is identifiable by name or postal number. The street or highway shall be used by the public for vehicular travel.
- G. The location shall be of a size to adequately and safely permit the display of a minimum of ten vehicles and space for customer parking.
- H. The location shall meet all local zoning regulations.
- I. The location shall be fully lighted.
- J. The display and customer parking areas shall be adequately surfaced with an appropriate covering, subject to approval by the Administration.
- K. The additional locations shall be inspected and approved by the Administration.
- L. Additional locations shall meet the minimum standards set forth in applicable provisions of the Transportation Article, Annotated Code of Maryland, and the regulations promulgated by the Administration.
- M. Additional locations may use registration plates issued to the primary location provided the trade name and ownership are identical to that of the primary location.
- N. Signs.
  - (1) Appropriate dealership signs shall be permanently affixed.
  - (2) The signs shall be of a size as to make them reasonably legible from the street or highway.
  - (3) The signs shall clearly identify the business conducted at the dealership and shall adequately direct the customers to the dealership office.
  - (4) As to wholesale dealers, a sign is not required. However, if a sign is displayed, it:
    - (a) Shall be displayed at the dealership entrance;
    - (b) May not be larger than 6 inches in height and 18 inches in length; and
    - (c) May not contain any language which implies the dealership will sell to or exchange vehicles with a retail buyer.
- O. As to wholesale dealers, the location shall be in a permanent building and the space used shall be:
  - (1) Owned or leased by the wholesale dealer;
  - (2) Regularly occupied and exclusively used by the wholesale dealer for dealership purposes.

### **.03 Office Requirements.**

- A. The dealership office shall be housed at the dealer's fixed location and in a substantial building adequate and appropriate for the business so conducted.
- B. The dealership office shall be of sufficient size to accommodate the customers, and shall be equipped with office furniture, such as desk, chairs, and filing cabinets, and electricity, lighting, heat, and telephone, in order to reasonably conduct the dealership business.
- C. A current trader's license shall be issued by the political subdivision of each location.
- D. This license shall be displayed on the premises of the dealer in a conspicuous place.

### **.04 Exemptions.**

- A. If a location is otherwise adequate and appropriate, the location requirements outlined in Regulation .02F, G, I, J, and N of this chapter may be waived for wholesale dealers, for new trailer, boat trailer, motorcycle dealers, and for any person licensed as a dealer to sell

only fire, rescue, and emergency medical motor vehicles, who shall have the privilege of assigning manufacturer's certificates of origin and to issue temporary tags upon filing with the Administration a written franchise agreement from the manufacturer of the vehicles for which the dealer claims a franchise.

- B. Once licensed as a dealer to sell fire, rescue, and emergency medical motor vehicles, the dealer shall be prohibited from selling any types of vehicles other than fire, rescue, and emergency medical motor vehicles until the location requirements in Regulations .02 and .03 have been met.
- C. Manufacturers and distributors are exempt from location requirements for the purpose of securing Class 1A registration plates.
- D. The registration of a dealer in the names of two or more persons as partners, or otherwise, may not require a reinspection on a change in ownership as long as one person named as a partner or co-owner remains as the owner, part-owner, or, in a corporation, as one of its legal officers.