STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
DIVISION OF REGULATORY BOARDS
MOTOR VEHICLE COMMISSION
500 JAMES ROBERTSON PARKWAY,
NASHVILLE, TENNESSEE 37243-1153
615-741-2711
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MINIMUM REQUIREMENTS FOR TENNESSEE MOBILITY VEHICLE DEALER LICENSE

The following requirements must be met (or exceeded) to complete the Application Form for submission to the Commission office for review and final approval.

1. **Established Place of Business**- Applicants must have a permanent facility with a minimum of 288 square feet of office space. The facility must be used exclusively for the motor vehicle dealership. The facility must be physically separate and apart from other business operations and contain restroom accommodations. It shall not include a private residence of any sort or be temporary facilities. **The facility may be connected to another business provided there is a permanent wall from floor to ceiling between the two businesses and the motor vehicle facility has a separate, outside entrance and exit.** Any doors between the businesses shall be permanently sealed. Must have a land line phone, cell phones are not acceptable. The phone number must be posted on window or sign and listed in the local directory. All motor vehicle dealers shall be open at their established place of business during reasonable business hours. At least three days a week for a minimum of 12 hours during the week. These hours must be between 8:00 a.m. and 7:00 p.m. and at least 8 of the hours must be Monday thru Friday. These hours and days of operation shall be posted either on the door to the dealership, window or on the dealership sign. **Must have room for 15 motor vehicles, and 3 parking spots dedicated for customer parking.**

2. **Sign Requirements-** Minimum of eight (8) inch letters, or as per local ordinance, displaying the motor vehicle dealer name. The sign must be **permanently installed** and clearly visible from the road. No banners of canvas, plastic and vinyl or similar material are permitted.

3. **Surety Bond** - The surety bond minimum is $ 50,000.00 and must have a duration of two (2) years beginning in the month of the expected license issuance and **expiring on the last day of the same month two (2) years later**. The original surety bond must be submitted to this Commission with the license application. The name on the bond **MUST be the same as the entity to be licensed and the dealer address MUST be the physical address of the dealership.**

4. **Insurance**- Garage liability with a minimum of **$500,000.00 per occurrence** must be submitted with each application. Evidence of coverage must be provided by a certificate of insurance or affidavit from the insurance provider in the name of the entity to be licensed. Coverage must be continued in force for the life of the license. If operating under a dba name, this must be on the certificate. The address on the certificate must be that of the site of the dealership. The certificate holder is to be the Tennessee Motor Vehicle Commission at the above address. Applicable worker's compensation insurance may be shown on the same certificate.

5. **Business Tax**- A current business tax license issued by the County and or city clerk must be obtained in the name of license the entity to be licensed. A copy of license must be provided with application. Must be posted in a visible location prior to inspection.

6. **Sales Tax**- A current sales tax identification number as a motor vehicle dealer must be obtained in the name of License the entity to be licensed. Either a copy of the Certificate of Registration for Tennessee State Sales Tax or a Letter Exemption from the Department of Revenue must be provided with application. Must be posted in a visible location prior to inspection.

7. **Financial Statement**- Must be prepared in accordance with the attached Commission memorandum of minimum acceptable financial statement instructions dated January, 2001. An automotive mobility dealer applicant shall provide to the Commission a compiled financial statement indicating a minimum net worth of at least Fifty Thousand Dollars ($50,000.00).

8. **Background**- The designated dealer-operator must complete the personal and/or financial background disclosure **Form** provided by this Commission. All other owners must apply for a salesperson license if an active participant in vehicle buying, selling, and/or the solicitation of sales.

9. **Salesperson License – (1). Corporate or LLC. Officers, Directors and Stockholders.** Must have a salesmen license to sell, buy and/or the solicitation of any sales because the dealer license is issued to the entity not a person.
   (2). Only proprietorship and partnership owners receive a sales person license with their dealer license.

10. **Corporation/LLC/LLP – If applicable, a copy of the charter of the entity as filed with the Tennessee Secretary of State must be provided, or if out-of-state corporation or LLC provide a copy of Certificate of Authority to do business in Tennessee.**

11. **Zoning Compliance**- Written approval from the local zoning/land-use Authority must be provided. In localities without zoning requirements, a written statement to this effect must be obtained from the authorized county or municipal official. Typically, these statements are prepared by the Office of the County Executive, or Office of the Municipality Mayor.

12. **Conviction Record**- The applicant must furnish a copy of any court records involving a felony or crime of moral turpitude previously committed by any owner, partner, or financial participant in the corporation/LLC/LLP. (Note: The commission may deny any application for a license upon finding that the licensee or applicant has been convicted of a crime of moral turpitude and fewer than five (5) years have passed since the licensee or applicant has completed serving his sentence, probation or parole, which ever is later.)

13. **Garage Facility**- If no mechanical repair facility is on-site, a **Service**

Agreement (Form provided) with an operational repair garage within a reasonable distance from the licensee location must be provided and maintained during the licensing period. Any change in the designation facility must be reported to the Commission within 30 days of the change.

14. **Mobility Vehicle Dealer**- An applicant an automotive Mobility Dealer License shall certify compliance with the following.
    (a) T.C.A. 55-9-201 et seq. regarding the required equipment of Vehicles operated in Tennessee
    (b) 49 C.F.R. 567 regarding the modification and alteration Of motor vehicles
    (c) 49C.F.R. 571 Federal Motor Vehicle Safety Standards

    (d) 49 C.F.R. 595 regarding make inoperative exemptions.

15. **Pictures** – Sign, entire display area, restrooms, building and office and posted phone number, days and hours. Must send in with application.

16. **Re-inspection Fees**- A four hundred dollar ($400.00) fee will be assessed per re-inspection of a applicant when re-inspection is necessitated by an action or inaction of the applicant. Evidence of payment of Re-inspection fee must reach the Motor Vehicle Commission office prior to a Re-inspection being ordered.

17. **Dealer License Fees-**
    New vehicle dealer license fees----------$400.00 per line make
    Used vehicle dealer license fees----------$400.00
    New motorcycle dealer license fees----------$400.00 per line make
    Mobility vehicle dealer license fees----------$400.00
    Re-inspection fee ---------- $400.00
    Name change ----------$400.00
    Additional line make ---------- $400.00
    Salesperson license fees----------$ 35.00

18. **Issuance Of License** – The actual printing and mailing of the license is conducted at a State facility remote from Motor Vehicle Commission Office. **Motor Vehicle Staff** never see or touch the license. It will be mailed directly from the remote State Facility.

Applicable licensing or Re-inspection fees are payable by cash, check, money order, or certified check. Checks are to be payable to **Tennessee**

Motor Vehicle Commission. NOTE: Cash must be paid by the applicant to the Cashier's Office of the Department of Commerce and Insurance at the Davy Crockett Tower, 500 James Robertson Pkwy, Nashville, TN 37243-1153. **DO NOT MAIL CASH**. Field Investigators will **NOT** accept any payments after application completion and after inspection or re-inspection confirms proper documentation of the on-site requirements, the dealer license is typically issued in approximately 2 weeks.