

Amy Anthony - **Director** Karen Carson - **Deputy Director**

(302) 744-2500

303 Transportation Circle Dover, DE 19901

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Re: Notice to All Delaware Dealerships

The Division of Motor Vehicles ("Division") wishes to emphasize crucial dealership responsibilities that will impact dealer processing. This Notice has been distributed to all licensed dealers. As a reminder, you can obtain the most current information on our dealer portal https://dmv.de.gov/vehicleservices/dealers. The list below is not exhaustive of all dealership requirements; however, the Division reminds you for the following requirements:

- If your dealership has a low-digit dealer plate and you own both the blue and gold plate, as well as the porcelain plate with the same number, you are only allowed to use one of these plates at any given time. You **cannot** use both plates on two different vehicles simultaneously.
- When your Franchise dealership expires, you must submit an updated Franchise letter. The information that needs to be included in the letter will be notated in your renewal package and posted on the Portal.
- Any change in the ownership of a franchise dealer requires the submission of a new franchise letter in accordance with 6 *Del.C.* §4910.
- Title work must be submitted to the Division for processing within 30 days of delivery (bill of sale date). 21 *Del.C.* §2306.
 - o A late fee of \$35 will be charged for Delaware titles submitted more than 30 days after the delivery date (bill of sale).
 - o Each situation involving extenuating circumstances will be evaluated on an individual basis.
- All dealerships are required to fully comply with 21 *Del.C*. Chapter 63. Some common mistakes include:
 - o Telephone bills do not comply with the requirements outlined in 21 *Del.C.* §6303(3).
 - Each dealership must have a telephone installed in the office, listed under the business name. The phone bill should display the physical dealership location, the legal or DBA business name, and the phone number assigned on the license.
 - o 21 Del. C. § 6304 Expiration and Renewal of License:
 - Dealerships that have not sold at least five (5) vehicles from January to December will be denied license renewal. A sale is defined as a transaction with a third party for value.
 - No sales will be counted towards the required five (5) if they are made to yourself, another officer, a business you own, or in mobile home park sales.

- o 21 *Del. C.* § 6305 Requirements for a Bill of Sale:
 - The legal name of the dealership, along with its address and phone number, must be clearly listed.
 - All fees must be listed separately.
- o 21 *Del.C.* § 6311 License Requirements:
 - This section describes the requirements for obtaining a license.
 - If a dealership plans to relocate, it must notify the Division in writing in advance. A new application must be submitted and approved before operations can commence.
- o Dealer plate logs are required by law according to 21 *Del.C.* §2124(d).
- Temporary tags are now issued for a duration of 90 days at franchise and used dealerships.
 - A second temporary tag cannot be issued without written permission from the Division.
 - To request a second temporary tag, please send an email to DOT_MTRVDealerServicesHelpDesk@Delaware.gov with the subject line: "2nd Temp Tag Request.".

Failure to comply with the above requirements may result in the suspension or revocation of the dealer license and/or denial of the dealer license renewal, after notice and an opportunity for a hearing pursuant to 21 *Del.C.* §6314 (c)(5).

If you have any questions about dealer licensing, please reach out to <u>DOTDealerLicensing@Delaware.gov</u>.

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