ALABAMA
DEPARTMENT OF REVENUE

Motor Vehicle Dealer
Regulatory License

License Application Forms and Instructions For The

2009-2010 License Year

Alabama Department of Revenue
Sales, Use & Business Tax Division
Severance & License Section
P.O. Box 327550
Montgomery, AL 36132-7550

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Frequently Asked Questions

Q. **Is it acceptable to fax my application, insurance certificate and bond? Can I have my insurance agent send my bond and insurance certificate directly to the Alabama Department of Revenue?**

A. No, the application and bond must be original documents, the insurance certification can be a copy; however, all documents must be attached to the completed application. Incomplete applications and parts thereof are returned to the sender. Note: Once the online application is available, you will be able to submit your information electronically.

Q. **What are the bond requirements for obtaining a motor vehicle dealer's license in Alabama?**

A. All applicants need a bond (available from your insurance agent). Franchised new car dealers need a $25,000 bond while those dealing in used cars only need a $10,000 bond. If your bond is cancelled for any reason, your license will be revoked. If you decide to change your bonding company, you must deliver the new bond to the Severance & License Section before the old bond is cancelled. Otherwise, your license will be revoked when the coverage ceases under the old bond. *Note: a new bond must be provided when changing from one legal entity to another.*

Q. **What insurance is required to get a license? What proof of insurance must I submit with my application?**

A. Each applicant must maintain blanket liability insurance coverage for all owned vehicles and all non-owned vehicles associated with the business. A current insurance certificate must be submitted with the application, and it must provide for 30 days advance notice to the Severance & License Section in the event the coverage is cancelled. If the coverage is cancelled, or if it is not renewed prior to the expiration date, your license will be revoked. See page 15 for a sample certificate showing what must be included and page 16 for a list of information required to be shown on the insurance certificate.

Q. **If I previously provided an insurance certificate must I submit a new one with this year's application?**

A. Yes, each application must be accompanied by a current insurance certificate. In most cases the certificate must be issued no more than 15 days prior to the date the application is received. However, for a dealer who is licensed and in good standing on September 30, 2009, the certificate can be dated any time after August 31, 2009, provided the completed application package is received & processed by October 31st. Anytime you request a change to your license during the year, a currently dated certificate of insurance must accompany the request.

Q. **Do I need a Sales Tax Number?**

A. Yes, if you sell any motor vehicles to non-dealers you must have a sales tax number assigned in the same name as the business.

Q. **Can I apply without a Sales Tax Number?**

A. No application for a new or used retail dealer's license will be accepted without a sales tax number for the business.

Q. **How do I get a Sales Tax Number?**

A. Sales Tax Numbers can be obtained in person or by mail, at no charge, from the Business Registration Unit in Montgomery. Applications are available from your local Taxpayer Service Center or by calling (334) 242-1584 in Montgomery. You may also apply on-line at www.revenue.alabama.gov/salestax/register.html. Remember to allow time for your Sales Tax Number to arrive before submitting an application for a retail dealer.

Q. **If I sell motor vehicles on the Internet, am I required to obtain a motor vehicle dealer's license?**

A. Yes, you are required to obtain a motor vehicle dealer's license if you are publicly selling and soliciting the sale of motor vehicles on-line.

Q. Can my cell phone serve as my business phone?

A. No. Each permanent location must have an operable landline telephone that is listed in the business name or if individually owned can be listed in individual's name. This office must be able to verify the phone listing.

Q. What do I need to do if I move from my licensed location?

A. If you decide to relocate your business during the year, you must promptly contact the Severance & License Section, in writing, to determine if the new location is acceptable for licensing. Furthermore, you must provide a new insurance certificate for the new location and proof of the new telephone number. Retail dealers must also furnish photographs of the new location and sign. In addition, you must submit the applicable license fee.

Q. Is there a charge for each location?

A. There is no charge for the first location, but each additional location has a $5.00 charge.

Q. What type of remittance is acceptable?

A. Cash, certified funds, or checks are acceptable. **Do not send cash through the mail.** *Insufficient funds will result in license revocation.* Credit card payments are acceptable for walk-in applicants and online applicants once the online application is available.

Q. Am I required to remit any additional money when making a change to my regulatory license?

A. Yes, when making any changes to your regulatory license account, you are required to remit the original license fee. This includes requests for duplicate licenses.

Q. If I bring my application to Montgomery in person, what do I need to bring and where do I go?

A. If you bring your application in person, you should arrive between the hours of 8 a.m. and 4 p.m. The correct license fee, original application, bond, power of attorney form, insurance certificate and proof of a landline telephone must be presented. If the limited liability authorization is required to be completed it must be notarized prior to arrival. Additionally, if you are a retail dealer, you must present photographs. The Severance and License Section is located in room 3103 of the Gordon Persons Building at 50 N. Ripley Street.

Q. What are the location and sign requirements?

A. If you are a motor vehicle dealer (retail, wholesale, rebuilder or reconditioner) you must have a permanent business location. Each permanent location must be owned or leased by the sole proprietor, a partner, LLC member or corporation. If you are a retail dealer, you are required to have a permanent sign that meets the sign requirements (see page 4).

Q. When providing a picture of my sign and location, may I use digital photographs?

A. Yes. You may use digital photographs. However, they must be on photographic paper, not copier paper. (See page 4 for details about sign and photograph requirements.)

Q. If I want to conduct a tent sale at a different location, what must I do to obtain the proper licenses?

A. A tent or off-site sale can only occur in the city or county where you are licensed as a used motor vehicle dealer or within your area of responsibility as a new motor vehicle dealer. The fee for an off-site sale is $25. The off-site license must be obtained at least 14 days prior to the beginning of the sale. Once this license is obtained, a Section 40-12-51 license should be obtained from the county probate office, as well as any city licenses required. You may download an application at www.revenue.alabama.gov/licenses/LIC-539-6.pdf.

Definitions

Motor Vehicle – Any self-propelled vehicle; any vehicle which is propelled by electric power from overhead trolley wires; and any vehicle which is drawn by a self-propelled vehicle, but such term shall not include trailers, semi-trailers, or house trailers as defined in Section 40-12-240.

Motor Vehicle Reconditioner – Any person, firm, or corporation engaged in the business of refurbishing, repairing, or replacing damaged parts of motor vehicles for the purpose of preparing such vehicle for resale under the same identification and identity as the vehicle bore before such refurbishing.

Motor Vehicle Rebuilder – Any person, firm, or corporation engaged in the business of making or causing to be made extensive repairs, replacements, or combination of different motor vehicles to the extent that the finished motor vehicle must be assigned a new identification to be issued by the Alabama Department of Revenue under the provisions of Chapter 8 of Title 32, **Code of Alabama 1975**.

Motor Vehicle Wholesaler – Any person, firm or corporation engaged in the business of buying, selling, or exchanging motor vehicles at wholesale to motor vehicle dealers, as defined in this article and not to the public.

New Motor Vehicle – A motor vehicle, other than a used motor vehicle, the legal title of which has never been transferred by a manufacturer, distributor, or new motor vehicle dealer to an ultimate purchaser.

New Motor Vehicle Dealer – Any person, firm, or corporation which holds a bona fide contract or franchise in this state in effect with a manufacturer or distributor of new motor vehicles and is engaged in the business of selling, advertising, or negotiating the sale of new motor vehicles or new and used motor vehicles. Such duly licensed new motor vehicle dealers shall be the sole and only persons, firms, or corporations entitled (other than in connection with the rental or leasing of new motor vehicles by persons engaged in the business of motor vehicle rental and leasing) to sell and publicly or otherwise solicit and advertise for sale new motor vehicles as such.

Permanent Location – A building or structure from which sales of motor vehicles are conducted. A house used as a residence by the business owner, a partner, or a corporate officer from which sales of motor vehicles are conducted may also be a permanent location. The building or structure must be owned, rented, or leased and must be used as an office and a place to receive mail, keep records, and conduct routine business, to include an operable telephone listed with the telephone company under the name of the licensed business.

Used Motor Vehicle Dealer – Any person, firm, or corporation engaged in the business of buying, selling, exchanging, advertising, or negotiating the sale of five or more motor vehicles at retail during a calendar year, whether or not such motor vehicles are owned by such person, firm, or corporation, or in offering or displaying motor vehicles for sale at retail to the public. The term "selling" or "sale" shall include lease-purchase transactions. The term "used motor vehicle dealer" does not include banks and finance companies which acquire motor vehicles as an incident to their regular business and does not include motor vehicle rental and leasing companies.

Ultimate Purchaser – With respect to a new motor vehicle, the first person, firm, or corporation, other than a new motor vehicle dealer, who in good faith purchases such new motor vehicle for purposes other than resale. Ultimate purchaser shall not include a person, firm or corporation who purchases a vehicle for purposes of altering or remanufacturing the motor vehicle for future resale.

Sign and Photograph Requirements

For All New Motor Vehicle Dealers and Used Motor Vehicle Dealers

Rule 810-8-5-.01, Sign Requirements

An appropriate sign of sufficient size should be legible from the street fronting the display area, or from a distance of fifty yards, whichever is greater, so as to apprise a reasonable consumer that a retail motor vehicle sales business is being conducted at said location. This sign may be free standing or attached to the face of a building, and shall be erected at the location stated on the regulatory license application. The sign shall use the name under which the applicant is licensed, and should this name not clearly identify the applicant as a seller of new and/or used motor vehicles, then a supplemental sign shall be attached, and state, in letters not less than six inches high, "used motor vehicle dealer" and/or "new motor vehicle dealer" as appropriate.

Signs Not Acceptable

- Signs that do not clearly inform the consumer that Motor Vehicles are sold by the business.
- Signs that do not name the applicant exactly as applied for on the license application.
- Signs that are not clearly legible at 50 yards.
- Signs that are considered temporary or constructed of materials of very limited life such as paper and cardboard; banners of vinyl, canvas or other fiber; lettering which weathers poorly, fades, runs, or dislodges; and/or erected in such a manner that it is questionable as a permanent sign.
- Signs that are or become obscured from normal traffic vision by operation of doors, windows, etc.; vegetation; or other reasons.
- Indoor signs.
- Signs that are legible only when illuminated by artificial means.

Rule 810-8-5-.02, Camera Photograph Requirements

An applicant for a new and/or used motor vehicle dealer regulatory license shall submit with the required application a camera photograph. This photograph shall be an image of the principal sign displayed and situated on the dealer's permanent location or locations apprising the public that a retail motor sales business is being conducted at said location. In addition, the photograph shall contain any supplemental sign required to be attached to the principal sign. Any new and/or used motor vehicle dealer having more than one location shall submit a photograph for each location. The photograph shall be of such visual quality and size that a reasonable viewer of the photograph could discern all lettering appearing on the sign or signs. Failure to submit necessary photograph or photographs with said application will result in rejection of the application.

Photographs Not Acceptable

- Photographs in which all lettering on the sign cannot be read.
- Photographs which do not show both the sign and location.
- Photographs that were not recently taken.
- Photographs which have been retouched or edited.
- Digital photographs not printed on photographic paper.

IMPORTANT

Photograph(s) of sign must include location. More than one photo may be used.

State of Alabama
Department of Revenue
Montgomery, Alabama 36132
(www.revenue.alabama.gov)

NOTICE TO APPLICANTS

Important Information

- After receiving your Regulatory License, you must purchase your privilege license (Section 40-12-51) from your county licensing office. You must present your regulatory license to obtain the privilege license.
- If your business is located within the city limits, please contact city licensing officials to determine if a city business license is required.
- Dealer plates are purchased at your county probate office.
- If you wish to become a Designated Agent, please e-mail the Motor Vehicle Division at Etaps@revenue.alabama.gov.
- If your insurance is cancelled during the license year, a reinstatement letter or new certificate must be submitted by mail or fax.
- If you change locations during the license year, you must return your old license and obtain a new license. For details, please contact the Severance & License Section at (334) 353-7827.
- If you change the name of your business during the license year, please contact the Severance & License section regarding the requirements.
- If you go out of business, you must return your license and dealer plates to the Severance & License Section.

If you conduct a temporary off site sale, an additional license is required and must be obtained 14 days prior to the beginning date of the sale. You must submit $25.00 and a completed application. The application can be downloaded from www.revenue.alabama.gov/licenses/LIC-539-6.pdf.

LIC: 539-3 Rev. 7/09

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
SEVERANCE & LICENSE SECTION

P.O. Box 327550 • Montgomery, AL 36132-7550 • (334) 353-7827

For Office Use Only

☐ New ☐ Renewal

Application for Act 539 Regulatory License

October 1, 2009 through September 30, 2010

_____ County

Applying For: **Check Appropriate Box(es)**

Franchised New Motor Vehicle Dealer ..... ☐ } $10.00
– or –
Used Motor Vehicle Dealer (Retail) ..... ☐ }

Extra Locations ($5.00 each) ..... $_____

Total Enclosed With Application ..... $_____

Motor Vehicle Reconditioner ..... ☐ $10.00

Motor Vehicle Rebuilder ..... ☐ $10.00

Motor Vehicle Wholesaler ..... ☐ $10.00

Insufficient Funds Will Result In License Revocation

For New Car Dealers ONLY!

Manufacturer:_____ Line Make:_____

Manufacturer:_____ Line Make:_____

Manufacturer:_____ Line Make:_____

Manufacturer:_____ Line Make:_____

1. _____
LEGAL NAME OF BUSINESS DBA NAME

_____
MAILING ADDRESS CITY STATE ZIP

_____ _____ _____
STATE SALES TAX NUMBER *(RETAIL ONLY)* FEDERAL EMPLOYER ID NUMBER DATE BUSINESS BEGAN

2. Form of Organization: ☐ Individual ☐ Partnership ☐ Limited Liability Company ☐ Corporation

Provide the information below for owner, **ALL** partners, members, officers and directors. Attach additional sheet(s) if necessary.

	NAME	SOCIAL SECURITY NO.	HOME ADDRESS & CITY	HOME PHONE
A.	_____	____ /___ /_____	_____	(____)_____
B.	_____	____ /___ /_____	_____	(____)_____
C.	_____	____ /___ /_____	_____	(____)_____
D.	_____	____ /___ /_____	_____	(____)_____

3. List exact permanent location(s):

	ADDRESS	CITY	ZIP	TELEPHONE (VERIFIABLE LANDLINE) NO CELLULAR PHONES
Primary Location	_____			(____)_____
Second Location	_____			(____)_____
Third Location	_____			(____)_____

4. **Number of Motor Vehicles Sold** January 1, 2008 through December 31, 2008:

	RETAIL:	WHOLESALE:
New Vehicles	_____	_____
Used Vehicles	_____	_____

NOTE: Failure to provide all information will result in a delay of processing the application.

For Office Use Only

Approved By: _____

Bond Number: _____

W/I Date: _____

Entered By: _____

Date: _____

5. The questions in part 5 must be answered by **ALL APPLICANTS.** Note: Only retailers are required to answer question (5)(e)(5).

	Yes	No
a. Have you ever knowingly dealt in stolen vehicles or accessories?	☐	☐
b. Have you disconnected, turned back, or reset the odometer of any motor vehicle in violation of state or federal law since September 1, 1991?	☐	☐
c. Have you skipped title assignments or accepted open assignments of title or bill of sale during the last year?	☐	☐
d. Section 40-12-395, **Code of Alabama 1975**, states in part: "Only one licensed dealer shall operate at the same place of business; provided, that a motor vehicle reconditioner or motor vehicle rebuilder may operate on the premises for which he is licensed to operate as a motor vehicle dealer." Do you acknowledge awareness of this statement?	☐	☐
e. Regarding the location(s) listed in part 3 of this application:		
1) Is/Are the location(s) permanent and owned or leased by the sole proprietor, a partner, LLC member or the corporation as listed on the application?	☐	☐
2) Is there sufficient space to adequately display/store on each location one or more vehicles offered for sale? (Space must be exclusive.)	☐	☐
3) Does/Do the location(s) have a suitable place from which a motor vehicle dealer can, in good faith, carry on the business of a motor vehicle dealer, keep and maintain books and records necessary to conduct such a business?	☐	☐
4) Does/Do the location(s) listed in part 3 have operable landline telephone(s) listed with the telephone company under the name of the licensed business?	☐	☐
5) Does/Do the location(s) listed in part 3 each have the required sign designating that the location is a place of business of a motor vehicle dealer? **(Retailers only.)**	☐	☐

The information provided in this application will be cross-checked for compliance with Alabama Sales Tax and Income Tax Laws.

Under penalties of perjury, the undersigned hereby certify that all information contained in this application for a regulatory license is true and correct in every respect; furthermore, that the undersigned is/are aware of all requirements provided by Sections 40-12-390 through 40-12-400, **Code of Alabama 1975**, and is/are aware of all applicable penalties for code violations.

_____
Name of Business

NOTE: Multiple Member Limited Liability Company must complete authorization form on page 12 if only one member signs this form.

_____
Signature of Owner, Partner, Member, Officer or Director

_____
(Type or Print Name)

_____
Signature of Partner, Member, Officer or Director

_____
(Type or Print Name)

_____
Signature of Partner, Member, Officer or Director

_____
(Type or Print Name)

_____
Signature of Partner, Member, Officer or Director

_____
(Type or Print Name)

Retailers only

Attach Photo(s) Here

Photo(s) must show Sign and Location labeled for each separate location.

A new photo is required each license year.

Digital photos are only acceptable on photographic paper.

LIC: 539-3 Rev. 7/09

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
SEVERANCE & LICENSE SECTION

P.O. Box 327550 • Montgomery, AL 36132-7550 • (334) 353-7827

For Office Use Only

☐ New ☐ Renewal

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October 1, 2009 through September 30, 2010

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Franchised New Motor Vehicle Dealer ..... ☐
– or –
Used Motor Vehicle Dealer (Retail) ..... ☐ $10.00

Extra Locations ($5.00 each) ..... $_____

Total Enclosed With Application ..... $_____

Motor Vehicle Reconditioner ..... ☐ $10.00

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For New Car Dealers ONLY!

Manufacturer:_____ Line Make:_____

Manufacturer:_____ Line Make:_____

Manufacturer:_____ Line Make:_____

Manufacturer:_____ Line Make:_____

1. _____
LEGAL NAME OF BUSINESS DBA NAME

_____
MAILING ADDRESS CITY STATE ZIP

_____ _____ _____
STATE SALES TAX NUMBER *(RETAIL ONLY)* FEDERAL EMPLOYER ID NUMBER DATE BUSINESS BEGAN

2. Form of Organization: ☐ Individual ☐ Partnership ☐ Limited Liability Company ☐ Corporation

Provide the information below for owner, **ALL** partners, members, officers and directors. Attach additional sheet(s) if necessary.

	NAME	SOCIAL SECURITY NO.	HOME ADDRESS & CITY	HOME PHONE
A.	_____	____ /___ /_____	_____	(____)_____
B.	_____	____ /___ /_____	_____	(____)_____
C.	_____	____ /___ /_____	_____	(____)_____
D.	_____	____ /___ /_____	_____	(____)_____

3. List exact permanent location(s):

	ADDRESS	CITY	ZIP	TELEPHONE (VERIFIABLE LANDLINE) NO CELLULAR PHONES
Primary Location	_____			(____)_____
Second Location	_____			(____)_____
Third Location	_____			(____)_____

4. **Number of Motor Vehicles Sold** January 1, 2008 through December 31, 2008:

	RETAIL:	WHOLESALE:
New Vehicles	_____	_____
Used Vehicles	_____	_____

NOTE: Failure to provide all information will result in a delay of processing the application.

For Office Use Only

Approved By: _____

Bond Number: _____

W/I Date: _____

Entered By: _____

Date: _____

5. The questions in part 5 must be answered by **ALL APPLICANTS.** Note: Only retailers are required to answer question (5)(e)(5).

	Yes	No
a. Have you ever knowingly dealt in stolen vehicles or accessories?	☐	☐
b. Have you disconnected, turned back, or reset the odometer of any motor vehicle in violation of state or federal law since September 1, 1991?	☐	☐
c. Have you skipped title assignments or accepted open assignments of title or bill of sale during the last year?	☐	☐
d. Section 40-12-395, **Code of Alabama 1975**, states in part: "Only one licensed dealer shall operate at the same place of business; provided, that a motor vehicle reconditioner or motor vehicle rebuilder may operate on the premises for which he is licensed to operate as a motor vehicle dealer." Do you acknowledge awareness of this statement?	☐	☐
e. Regarding the location(s) listed in part 3 of this application:		
1) Is/Are the location(s) permanent and owned or leased by the sole proprietor, a partner, LLC member or the corporation as listed on the application?	☐	☐
2) Is there sufficient space to adequately display/store on each location one or more vehicles offered for sale? (Space must be exclusive.)	☐	☐
3) Does/Do the location(s) have a suitable place from which a motor vehicle dealer can, in good faith, carry on the business of a motor vehicle dealer, keep and maintain books and records necessary to conduct such a business?	☐	☐
4) Does/Do the location(s) listed in part 3 have operable landline telephone(s) listed with the telephone company under the name of the licensed business?	☐	☐
5) Does/Do the location(s) listed in part 3 each have the required sign designating that the location is a place of business of a motor vehicle dealer? **(Retailers only.)**	☐	☐

The information provided in this application will be cross-checked for compliance with Alabama Sales Tax and Income Tax Laws.

Under penalties of perjury, the undersigned hereby certify that all information contained in this application for a regulatory license is true and correct in every respect; furthermore, that the undersigned is/are aware of all requirements provided by Sections 40-12-390 through 40-12-400, **Code of Alabama 1975**, and is/are aware of all applicable penalties for code violations.

_____
Name of Business

NOTE: Multiple Member Limited Liability Company must complete authorization form on page 12 if only one member signs this form.

_____
Signature of Owner, Partner, Member, Officer or Director

_____
(Type or Print Name)

_____
Signature of Partner, Member, Officer or Director

_____
(Type or Print Name)

_____
Signature of Partner, Member, Officer or Director

_____
(Type or Print Name)

_____
Signature of Partner, Member, Officer or Director

_____
(Type or Print Name)

Retailers only

Attach Photo(s) Here

Photo(s) must show Sign and Location labeled for each separate location.

A new photo is required each license year.

Digital photos are only acceptable on photographic paper.

Instructions
Application for Act 539 Regulatory License

(New or Used Motor Vehicle Dealer, Motor Vehicle Reconditioner, Motor Vehicle Rebuilder, and Motor Vehicle Wholesaler)

Use the application form for the current year. These instructions are for the application for the fiscal year beginning October 1, 2009, and ending September 30, 2010. If these dates are not preprinted on your application, it is the wrong application form for the license year. Current applications are available from the county probate offices or may be accessed and completed at www.revenue.alabama.gov/licenses/lic-539-3.pdf or submitted electronically at www.revenue.alabama.gov/licenses/mvdrl.html.

Begin by inserting the county in which the primary business is located in the blank on the right side, near the top.

Check the appropriate box(es) for the business category for which you are applying. Definitions of these categories are on page 3 of this booklet.

There is a $5.00 charge for each additional location. If you will have more than one location, calculate the fee for additional locations, and enter that amount in the space titled "Extra Locations."

Add the $10.00 license fee for each business category for which you are applying and the fee for extra locations. Enter this total on the line titled "Total Enclosed with Application." Your check for that amount should be made payable to the **Alabama Department of Revenue** and attached at the top of the application.

All new motor vehicle dealers must provide the name of the manufacturer with whom they are franchised and the name of each line of new motor vehicles they are authorized to represent.

Item Instructions:

Part 1. Enter the legal name of the business. For an individual, list the owner's full and true legal name. For a partnership, limited liability company or corporation list the exact name of the business as shown in the organizational records.

List the name under which business will be conducted. This is the name by which customers and the public will know the business and the name that will appear on all required signs.

List the mailing address to be used by the Alabama Department of Revenue for correspondence purposes.

All Motor Vehicle Retail Dealers are required to have a sales tax number and the number must be in the name of the business. The regulatory license will not be issued without a sales tax number. Enter the sales tax number exactly as issued by the Alabama Department of Revenue. [Information about obtaining a sales tax number is available by calling (334) 242-1584. You may also apply on-line at www.revenue.alabama.gov/salestax/register.html.]

Enter the Federal Employer Identification Number, if applicable.

Enter the original date the business began or is expected to begin.

Part 2. Check the form of the organization: Individual (proprietorship), Partnership, Limited Liability Company, or Corporation.

In A through D supply the full and true legal name, social security number, home address (no P.O. Box) and telephone number of all individuals responsible for the business, including the business owner, all partners, all members of a limited liability company and all officers and directors of a corporation. Extra pages can be attached, if needed.

Part 3. List the exact permanent place where the business will be primarily located, and the exact permanent place of each additional business location as well as the landline telephone number for each location. For Motor Vehicle Retail Dealers, photographs of signs at each location are required.

Part 4. Enter the numbers of new and used motor vehicles sold January 1, 2008, through December 31, 2008. If the correct answer is zero, enter 0. Do not leave these spaces blank.

Part 5. Items a through e must apply to all of the undersigned jointly and individually. Simply check the appropriate squares for each statement.

Complete the Certification.

a. Enter the name of the business from Part 1.

b. One officer who is authorized to sign on behalf of a corporation must sign and date the application. Applications filed for all other organizations must be signed by each individual required to be listed in Part 2. In some cases, one member may be able to sign for a limited liability company. (See authorization form on page 13.) Type or print the name of the person(s) signing the application below their signature(s).

NOTE: If the address assigned by the post office is not sufficient to identify the exact location of the business, a hand-drawn map should be attached to the application for each such location. The map should have sufficient detail to show the location.

Check List Before Mailing

- ✔ Check or Money Order (Made Payable to **Alabama Department of Revenue**)
- ✔ Completed Application
- ✔ Original Bond and Power of Attorney with All required signatures/seals, or if renewing license an original continuation certificate approved by the Department
- ✔ Photo(s) of Sign and Location (Label Each Location)
- ✔ Properly dated Certificate of Insurance
- ✔ Proof of Landline Telephone listed at each business location. (NO CELL PHONES)

Mailing Address

Alabama Department of Revenue
Sales, Use & Business Tax Division
Severance & License Section
P. O. Box 327550
Montgomery, AL 36132-7550

Physical Address

Gordon Persons Building
Room 3103
50 North Ripley Street
Montgomery, Alabama 36104

Telephone

(334) 353-7827

Fax

(334) 242-0770

Website

www.revenue.alabama.gov

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
SEVERANCE & LICENSE SECTION
P.O. Box 327550 • Montgomery, AL 36132-7550 • (334) 353-7827

Limited Liability Company Authorization Form for New Motor Vehicle Dealer, Used Motor Vehicle Dealer, Motor Vehicle Reconditioner, Rebuilder, or Wholesaler

I am signing as a **member** of the LLC for which a bond and/or application for a motor vehicle regulatory license is submitted, I hereby certify, under penalty of perjury, as follows: (1) I am vested with full authority to execute this Bond and/or Application on behalf of the LLC; and (2) the Articles of Organization or any operating agreements of the LLC DO NOT provide that management is vested in a manager or managers.

_____, LLC
An Alabama Limited Liability Company

By: _____
Its Member

I am signing as **manager** of the LLC for which a bond and/or application for a motor vehicle regulatory license is submitted, I hereby certify under penalty of perjury, as follows: (1) I am vested with full authority to execute this Bond and/or Application on behalf of the LLC; and (2) the Articles of Organization or any operating agreements specifically vest management authority in me.

_____, LLC
An Alabama Limited Liability Company

By: _____
Its Manager

STATE OF _____

COUNTY OF _____

I, the undersigned, a Notary Public in and for said County, in said State, hereby certify that _____ _____ whose name as _____, of _____, LLC, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, (s)he, as such member or manager, and with full authority, executed the same voluntarily on the day the same bears date for and as the act of said Limited Liability Company.

Given under my hand and seal this _____ day of _____, _____.

_____
NOTARY PUBLIC

(Instructions on Back)

Authorization Form Instructions

This form should only be completed for a multiple member limited liability company when less than all members of the LLC are signing the application. Also, the person completing the form must be a member or manager that is authorized to sign on behalf of the company.

The following information must be included on the authorization form.

- The true legal name of the limited liability company.
- The signature of the member or manager that is authorized to execute this form.
- The signature and seal of a Notary Public. The individual notarizing the signature cannot be one of the individuals required to be listed on the application.

ACORD CERTIFICATE OF LIABILITY INSURANCE

A DATE (MM/DD/YY)

PRODUCER

C

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED

D

INSURER A:
INSURER B:
INSURER C: B
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				EACH OCCURRENCE	$
	COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire)	$
	CLAIMS MADE / OCCUR				MED EXP (Any one person)	$
					PERSONAL & ADV INJURY	$
					GENERAL AGGREGATE	$
	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY / PRO-JECT / LOC				PRODUCTS - COMP/OP AGG	$
or	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	$75,000.00 H
	X ANY AUTO				BODILY INJURY (Per person) or	$25,000.00
	X ALL OWNED AUTOS F		G		BODILY INJURY (Per accident)	$50,000.00
	SCHEDULED AUTOS					
	HIRED AUTOS					
&	X NON-OWNED AUTOS or		or		PROPERTY DAMAGE (Per accident)	$25,000.00 or
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	$75,000.00 H
	X ANY AUTO F		G		OTHER THAN AUTO ONLY: EA ACC	$
					AGG	$
	EXCESS LIABILITY				EACH OCCURRENCE	$
	OCCUR / CLAIMS MADE				AGGREGATE	$
						$
	DEDUCTIBLE					$
	RETENTION $					$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS / OTH-ER	
					E.L. EACH ACCIDENT	$
					E.L. DISEASE - EA EMPLOYEE	$
					E.L. DISEASE - POLICY LIMIT	$
	OTHER					

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

E

SAMPLE
Letters correspond to Certificate of Liability Insurance Requirements on next page.

CERTIFICATE HOLDER | ADDITIONAL INSURED; INSURER LETTER: ____

J

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
PO BOX 327550
MONTGOMERY, AL 36132-7550

CANCELLATION I

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

K

ACORD 25-S (7/97) © ACORD CORPORATION 1988

Certificate of Liability Insurance Requirements

(All letters referenced on Certificate of Liability Insurance Sample must be completed properly)

PROOF OF INSURANCE – Each applicant must file an original or facsimile certificate of liability insurance with the license application. The certificate must contain the following information:

A The insurance certificate must be dated as follows:
(1) For renewals, the certificate must be dated September 1st or later and received no later than October 31st.
(2) For all new applicants, applicants not in good standing, and for any applications received after October 31st, the certificate must be dated no earlier than 15 days prior to the date the application is received.

B The name of the insurance company providing the coverage.

C The name, address & phone number of the agency that produced the certificate.

D The insured party, which must be the true legal name of the party applying for the license, as follows:
(1) If an individual, the applicant's name as well as the business name.
(2) If a partnership, the names of all partners and the name of the partnership.
(3) If a limited liability company, the true legal name of the company.
(4) If a corporation, the legal corporate name.

E The physical address of each location for which insurance coverage is provided.

F A description of the vehicles covered by garage liability or automobile liability insurance that must include one of the following:
(1) **Any owned and non-owned auto (Covered auto symbols 22 & 29)**
(2) **Any Auto (Covered auto symbol 21)**

G The effective date and the expiration date of the insurance coverage. The coverage may not be less than one year, and must not expire less than 75 days from the certificate date.

H The dollar amount of insurance coverage provided. The coverage amounts shown must be no less than $25,000 bodily injury per person per accident; $50,000 combined bodily injury per accident; $25,000 property damage per accident or a combined single limit of $75,000 per accident may be shown.

I A statement that the insurance company will provide **30 days** written notice to the certificate holder in the event the coverage is cancelled before the policy expiration date.

J The certificate holder must be listed as:

Alabama Department of Revenue
Sales, Use & Business Tax Division
P.O. Box 327550
Montgomery, AL 36132-7550

K The original or facsimile signature of an authorized representative of the insurance company, and the agent's **State of Alabama license number**.

(Refer to www.revenue.alabama.gov/licenses/liabins.html for the complete regulation.)

LIC: 539-4A Rev. 7/08

Bond Number

_____

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION
Bond of Used Motor Vehicle Dealer, Motor Vehicle Reconditioner, Rebuilder, or Wholesaler

KNOW ALL MEN BY THESE PRESENTS, that we _____

_____

City_____ , County_____ , State_____ ,

As Principal (hereinafter called Principal), and _____
NAME OF SURETY

_____ of _____ , as Surety (hereafter call Surety), are held and firmly bound unto the State of Alabama in the sum of Ten Thousand Dollars ($10,000.00), for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The conditions of the foregoing obligation are such that:

WHEREAS, the Principal has been duly appointed a "Used Motor Vehicle Dealer," "Motor Vehicle Reconditioner," "Motor Vehicle Rebuilder," or "Motor Vehicle Wholesaler" as the case may be, under the provisions of Title 40, Chapter 12, Article 8, **Code of Alabama 1975**, such Principal shall comply with the conditions of any contract made by such dealer in connection with the sale or exchange of any motor vehicle and shall not violate any of the provisions of law relating to the conduct of business for which he is licensed.

It is expressly understood and agreed that neither this obligation nor any liability thereunder shall be released or the validity thereof affected by reason of the adoption by the State of Alabama of any Act in lieu of or amendatory to said laws, but this obligation shall continue in full force and effect with respect to said statutes or any amendments thereto or changes therein which may be adopted before the cancellation of this obligation as herein provided, or before the actual cancellation and surrender of this obligation by the State of Alabama pursuant to any law now existing or hereafter adopted relating thereto.

It is further expressly understood and agreed that the liability of both the Principal and the Surety on this bond shall be for the license period of _____, _____ through September 30, _____ and that a new bond or a proper continuation certificate must be delivered to the Alabama Commissioner of Revenue AT THE BEGINNING OF THE LICENSE YEAR, WHICH IS OCTOBER 1, AND EXPIRING ON SEPTEMBER 30 OF THE SAME LICENSE YEAR; provided, however, that the aggregate liability of the Surety in any one license year shall in no event exceed the sum of such bond.

The Surety on this bond may be released and discharged from any and all liability to the State of Alabama accruing on this bond after the expiration of sixty (60) days from the date upon which said Surety shall have filed with the Alabama Department of Revenue written request to be released and discharged provided; however, such request shall not operate to relieve, release or discharge such Surety from any liability already accrued or which shall accrue before the expiration of said sixty (60) day period.

In WITNESS WHEREOF, we hereunto set our names and seals on this the _____ day of _____, _____

NAME OF SURETY COMPANY	SIGNATURE OF PRINCIPAL, PARTNER, MEMBER, OR CORPORATE OFFICER	(TYPE OR PRINT NAME)
By: SIGNATURE OF AGENT OF SURETY COMPANY	SIGNATURE OF PARTNER/MEMBER	(TYPE OR PRINT NAME)
Telephone (_____) _____	SIGNATURE OF PARTNER/MEMBER	(TYPE OR PRINT NAME)
COMMISSIONER OF REVENUE	SIGNATURE OF PARTNER/MEMBER	(TYPE OR PRINT NAME)

ALL NAMES MUST BE TYPED UNDER SIGNATURES

(Instructions on Back)

Bond Form Instructions

The surety company must complete all bonds on the form prescribed by the Alabama Department of Revenue.

Completion of The Bond:

✦ The bond must include the true legal name (as the name(s) appear on the application) of the party for whom the bond is being sought, as follows:
- If an individual ownership, the applicant's name as well as the business name;
  Example: John Doe, DBA ABC Auto Sales
- If a partnership, the names of all partners and the name of the partnership;
  Example: John Doe & Jane Doe, DBA ABC Auto Sales
- If a limited liability company, the true legal name of company;
  Example: AAA Auto Sales LLC
- If a corporation, the complete corporate name.

✦ The bond must also show the following:
- The city, county and state in which the business is located;
- The name and address of the surety company providing the coverage;
- The effective date and the expiration date of the bond coverage;
  The coverage may not exceed one year and must not begin before October 1st and must expire on September 30th of the same license year.
- The issue date of the bond;
- The telephone number of the agent.

Signature Section Requirements:

✦ All signatures must be originals.

✦ The bond must include the signatures of the following:
- The signature of the surety company agent;
- The signature of the applicant (individual owner), **all** partners, **all** LLC members, or a corporate officer. In some cases, one member may be able to sign for a Limited Liability Company. See authorization form on page 12 for details.

✦ Type or print name of person signing form.

Power of Attorney Requirements:

✦ An original power of attorney form indicating that the agent is authorized to execute the bond on behalf of the surety company must accompany the bond.

✦ The power of attorney must have the same date as that on the bond.

All required documents should be mailed to:

Alabama Department of Revenue
Sales, Use & Business Tax Division
Severance & License Section
PO Box 327550
Montgomery, AL 36132-7550
Telephone: (334) 353-7827

Any bond or power of attorney received separately from application will be returned to sender.

The bond form must be an original with original signatures. No facsimiles, photocopies, letters or phone calls are acceptable substitutes for the original bond.

Laser printed certificates must have surety company seal.

LIC: 539-4B Rev. 7/08

Bond Number _____

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION

Bond of New Motor Vehicle Dealer

KNOW ALL MEN BY THESE PRESENTS, that we _____

_____

City_____ , County_____ , State_____ ,

As Principal (hereinafter called Principal), and _____
NAME OF SURETY

_____ of _____ , as

Surety (hereafter call Surety), are held and firmly bound unto the State of Alabama in the sum of Twenty Five Thousand Dollars ($25,000.00), for the payment of which, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

The conditions of the foregoing obligation are such that:

WHEREAS, the Principal has been duly appointed a "New Motor Vehicle Dealer," under the provisions of Title 40, Chapter 12, Article 8, **Code of Alabama 1975**, such Principal shall comply with the conditions of any contract made by such dealer in connection with the sale or exchange of any motor vehicle and shall not violate any of the provisions of law relating to the conduct of business for which he is licensed.

It is expressly understood and agreed that neither this obligation nor any liability thereunder shall be released or the validity thereof affected by reason of the adoption by the State of Alabama of any Act in lieu of or amendatory to said laws, but this obligation shall continue in full force and effect with respect to said statutes or any amendments thereto or changes therein which may be adopted before the cancellation of this obligation as herein provided, or before the actual cancellation and surrender of this obligation by the State of Alabama pursuant to any law now existing or hereafter adopted relating thereto.

It is further expressly understood and agreed that the liability of both the Principal and the Surety on this bond shall be for the license period of _____, _____ through September 30, _____ and that a new bond or a proper continuation certificate must be delivered to the Alabama Commissioner of Revenue AT THE BEGINNING OF THE LICENSE YEAR, WHICH IS OCTOBER 1, AND EXPIRING ON SEPTEMBER 30 OF THE SAME LICENSE YEAR; provided, however, that the aggregate liability of the Surety in any one license year shall in no event exceed the sum of such bond.

The Surety on this bond may be released and discharged from any and all liability to the State of Alabama accruing on this bond after the expiration of sixty (60) days from the date upon which said Surety shall have filed with the Alabama Department of Revenue written request to be released and discharged provided; however, such request shall not operate to relieve, release or discharge such Surety from any liability already accrued or which shall accrue before the expiration of said sixty (60) day period.

In WITNESS WHEREOF, we hereunto set our names and seals on this the _____ day of _____, _____

NAME OF SURETY COMPANY	SIGNATURE OF PRINCIPAL, PARTNER, MEMBER, OR CORPORATE OFFICER	(TYPE OR PRINT NAME)
By: SIGNATURE OF AGENT OF SURETY COMPANY	SIGNATURE OF PARTNER/MEMBER	(TYPE OR PRINT NAME)
Telephone (_____) _____	SIGNATURE OF PARTNER/MEMBER	(TYPE OR PRINT NAME)
COMMISSIONER OF REVENUE	SIGNATURE OF PARTNER/MEMBER	(TYPE OR PRINT NAME)

ALL NAMES MUST BE TYPED UNDER SIGNATURES

(Instructions on Back)

Bond Form Instructions

The surety company must complete all bonds on the form prescribed by the Alabama Department of Revenue. Note: Franchised new motor vehicle dealers are not required to submit the used motor vehicle dealer bond.

Completion of The Bond:

- ✦ The bond must include the true legal name (as the name(s) appear on the application) of the party for whom the bond is being sought, as follows:
  - If an individual ownership, the applicant's name as well as the business name;
    Example: John Doe, DBA ABC Auto Sales
  - If a partnership, the names of all partners and the name of the partnership;
    Example: John Doe & Jane Doe, DBA ABC Auto Sales
  - If a limited liability company, the true legal name of company;
    Example: AAA Auto Sales LLC
    NOTE: Please complete authorization form on page 12.
  - If a corporation, the complete corporate name.
- ✦ The bond must also show the following:
  - The city, county and state in which the business is located;
  - The name and address of the surety company providing the coverage;
  - The effective date and the expiration date of the bond coverage;
    The coverage may not exceed one year and must not begin before October 1st and must expire on September 30th of the same license year.
  - The issue date of the bond;
  - The telephone number of the agent.
- ✦ Type or print name of person signing form.

Signature Section Requirements:

- ✦ All signatures must be originals.
- ✦ The bond must include the signatures of the following:
  - The signature of the surety company agent;
  - The signature of the applicant (individual owner), **all** partners, **all** LLC members, or a corporate officer. In some cases, one member may be able to sign for a Limited Liability Company. See authorization form on page 12 for details.

Power of Attorney Requirements:

- ✦ An original power of attorney form indicating that the agent is authorized to execute the bond on behalf of the surety company must accompany the bond.
- ✦ The power of attorney must have the same date as that on the bond.

All required documents should be mailed to:

Alabama Department of Revenue
Sales, Use & Business Tax Division
Severance & License Section
PO Box 327550
Montgomery, AL 36132-7550
Telephone: (334) 353-7827

Any bond or power of attorney received separately from application will be returned to sender.

The bond form must be an original with original signatures. No facsimiles, photocopies, letters or phone calls are acceptable substitutes for the original bond.

Laser printed certificates must have surety company seal.

LIC: 539-5 Rev. 07/08

ALABAMA DEPARTMENT OF REVENUE
SALES, USE & BUSINESS TAX DIVISION

Continuation Certificate
of
New Motor Vehicle Dealer, Used Motor Vehicle Dealer,
Motor Vehicle Reconditioner, Rebuilder, or Wholesaler

The _____ (hereinafter called the Surety) hereby continues in force its Bond No. _____ in the sum of _____ Dollars ($_____), on behalf of _____ in favor of the State of Alabama, Department of Revenue for the term beginning on the

_____ day of _____, _____ and ending on the 30th day of September, _____, subject to all the convenants and conditions of said Bond.

In WITNESS WHEREOF, the Surety has caused this instrument to be signed by its officers proper for the purpose and its corporate seal to be hereto affixed this _____ day of _____, _____.

_____
NAME OF SURETY COMPANY

By: _____
SURETY AGENT

Laser printed certificates must have surety company seal.

Bond Continuation Certificate Instructions

The surety company must complete all continuation certificates in the manner prescribed by the Alabama Department of Revenue.

A bond continuation certificate will be accepted in lieu of a new bond at the beginning of each license year provided the following prerequisites are met:

- ✦ The applicant was licensed and in good standing in the previous license year.
- ✦ The applicant has previously provided an original bond form and a proper certificate for each intervening license period. **There can be no lapse in bond coverage since the original bond was presented to the Department.**
- ✦ The continuation certificate is in the form prescribed by the Department.

Note: The surety company may use its own form provided the terms of the bond are not altered and all required information is provided as prescribed by the Department.

COMPLETION OF THE CONTINUATION CERTIFICATE:

✦ The certificate must include the true legal name of the party for whom it is being furnished, as follows:

- If an individual ownership, the applicant's name as well as the business name
  Example: John Doe, DBA ABC Auto Sales
- If a partnership, the names of all partners and the name of the partnership
  Example: John Doe & Jane Doe, DBA ABC Auto Sales
- If a limited liability company, the true legal name of company
  Example: AAA Auto Sales LLC
- If a corporation, the complete corporate name

✦ The continuation must also show the following:

- The bond number as assigned on the original bond form
- The name of the surety company providing the coverage
- The coverage period
  The extended coverage may not be for more than one year and must not begin before October 1st and must expire on September 30th of the same license year.
- The dollar amount of the extended bond coverage
- The issue date of the continuation certificate
- The original signature of the authorized representative of the surety company
  Laser printed certificates must have the insurance company's seal affixed.
  The agent's or client's copy will not be accepted.

All required documents should be mailed to:

Alabama Department of Revenue
Sales, Use & Business Tax Division
Severance & License Section
PO Box 327550
Montgomery, AL 36132-7550
Telephone: (334) 353-7827

Any continuation certificate received separately from application will be returned to sender.

The continuation certificate must be an original. No facsimiles, photocopies, letters or phone calls are acceptable substitutes for the original certificate.

State of Alabama
Department of Revenue

(www.revenue.alabama.gov)

50 North Ripley Street
Montgomery, Alabama 36132

TIM RUSSELL
Commissioner

CYNTHIA UNDERWOOD
Assistant Commissioner

LEWIS A. EASTERLY
Secretary

June 19, 2009

M E M O R A N D U M

TO: ALABAMA USED VEHICLE DEALERS

FROM: BILL BASS, DIRECTOR
PROPERTY TAX DIVISION

SUBJECT: MOTOR VEHICLE DEALER USED VEHICLE AFFIDAVIT

In accordance with the Synchronized Taxation and Registration System or "STARS" Act, beginning January 1, 2000 ad valorem or property tax on motor vehicles will be collected forward on a current basis.

When registering a new Class IV motor vehicle, the tax will be deferred until the next subsequent registration. On the first renewal date following the initial registration, the amount of tax paid by the owner will include the tax that would have been due at the time of the first registration in addition to the next year's tax to be paid in advance. In contrast, at the initial registration of a used vehicle, the taxes will be collected in advance through the last day of the assigned renewal month of the owner.

In the case where back taxes are owed on a vehicle, they must be paid before the new owner can register the vehicle. The county taxing official shall determine the amount of taxes owed on the vehicle from the information provided by the owner. If the number of months of delinquent taxes cannot be determined, the motor vehicle shall be presumed to have been in the state for one preceding year plus the current tax year. Vehicles with delinquent registrations shall be subject to payment of escaped taxes for up to two prior years plus the current year.

By completing the affidavit printed on the reverse side of this memorandum for each vehicle you sell, you can help your customers pay only those taxes actually due on the vehicles purchased from your dealership.

I encourage you to use this affidavit to provide the county tag official with true and accurate information about the vehicles you sell. You may reproduce this affidavit. The affidavit should be presented to the COUNTY TAG-ISSUING OFFICIAL by the person wishing to register the vehicle.

If you need additional information about property tax on motor vehicles, contact the Property Tax Division at (334) 242-1525.

Used Car Dealers: Motor vehicles owners may be eligible to receive an exemption of ad valorem taxes on vehicles held for sale in your stock. Upon a motor vehicle entering a dealer's inventory, no new ad valorem tax lien will attach until the vehicle is sold from the dealer's inventory. In order to apply for this exemption, complete this affidavit for your customers to present to the **County Tag Official** when registering a vehicle.

Motor Vehicle Dealer

A F F I D A V I T

AD VALOREM TAX EXEMPTION

(PRESENT TO TAG-ISSUING OFFICIAL AT TIME OF REGISTRATION)

THIS IS TO CERTIFY that the motor vehicle described below became a part of the inventory of the dealer named below on _____ and,

(1) ___ was previously registered in the State of Alabama, Tag Number _____,
Decal Number _____ Expiration Date: _____,

OR

(2) ___ was brought into the State of Alabama from the State of _____
on _____, ***OR***

(3) ___ was removed from inventory held for sale on _____ for use as a service, rental, loaner, or personal vehicle.

This vehicle was sold to _____
(NAME AND ADDRESS OF PURCHASER)

_____

on _____.

Make _____ Year _____ Model _____

Body Type _____ VIN _____

Subject to the penalties of **PERJURY** under the Laws of the STATE OF ALABAMA, I, the undersigned, hereby certify the information hereon is true and correct.

(Seal of Notary)

_____
DEALER

_____
DEALER'S LICENSE NUMBER

_____
ADDRESS

_____
AUTHORIZED REPRESENTATIVE

Sworn to and subscribed before me this _____ day of _____, _____.

_____ Notary Public

This Form May Be Reproduced 7/03