

Automobile Dealer Training Association



Georgia Dealer License Start Up Guide

georgiadealer.com



DELUS JOHNSON

*Your Dealer Class
Instructor*

OUR GOAL

Our goal is to prepare you to apply for your Georgia Dealers License correctly and run your new business following all State and Federal laws.

DEALER PRE-LICENSE CLASS UNITS

Unit One-Getting Licensed, Completing All Dealer License Application Documents

Unit Two-Reassigning Titles, TOPs, Dealer License Plates

Unit Three-Title Ad Valorem Tax (TAVT)

Unit Four-Dealer Records, Odometer Disclosure

Unit Five-Ethics & Integrity, Dealer License Suspensions

Unit Six-Financing

Unit Seven-Federal Laws

Unit Eight-Dealer Check Lists, THE DEAL, PowerPoint

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How to Get a Georgia Dealers License

I hope you find this Dealer Startup Guide very helpful. I will be giving your dealer training class and I will do everything I can to help you get started in this incredible business.

Thank you very much,

Delus Johnson

Georgia Dealer License Start Up Guide

1. Attend 4-Hour Pre-License Class
2. Business Building/Office with Lot or without Lot
3. Insurance and Dealer Bond
4. Sales Tax and Employment ID Number
5. Most Dealers Register with Secretary of State
6. Obtain Local Business License
7. Register for Fingerprints

Once you have completed these 7 steps you can submit your Georgia dealer license application packet to the Board of Used Motor Vehicle Dealers in Macon to receive your Georgia dealer license. Your Georgia dealer's license will allow you to purchase vehicles from every dealer auction in the United States, Canada, Mexico, and many other countries.

Attend 4-Hour Pre-License Class

Any person applying for Georgia dealer license is required by law to attend a 4-hour dealer pre-licensing class. Georgia law does not allow the pre-license training class to be taken online, you must attend the training in a classroom environment with an instructor. There is no test in the class, but State law requires that you attend the entire class. The classes are held in comfortable ADA accessible hotel meeting rooms in Atlanta, Augusta, Columbus, Macon, Savannah, and Valdosta. Holding the dealer training classes at locations throughout the state ensures you can attend a class near you.

In the training class we will cover each pre-license step extensively and complete all the paperwork that is needed to apply for your Georgia dealer license. We will also complete all the paperwork that is required when you purchase a vehicle to resell and all the paperwork that is required when you sell the vehicle for a profit. When you leave the dealer training class you will be confident and ready to run your new business.

You can view the dealer license class schedule by visiting georgiadealer.com and click on the Class Schedule link at the top of any page.

Business Building/Office with Lot or without Lot

The State of Georgia requires dealers to operate out of a bricks and mortar building or office. The State does not allow a cloud-based dealer license that would allow a dealer to show up in a parking lot, sell a vehicle to a customer, then disappear forever. The State of Georgia wants to ensure your customers know where you are located before and after the sale of a vehicle. That is why your dealer license must be located at a physical address.

There are two dealer license types that allow you to meet this requirement.

1. Used Motor Vehicle Dealer
2. Used Motor Vehicle Dealer with Motor Vehicle Broker Endorsement

If you are obtaining a Used Motor Vehicle Dealer License you are required to have a building or office with a lot that has room for the type of vehicles that you are selling. If you are obtaining a Used Motor Vehicle Dealer License with what is known as a “Motor Vehicle Broker Endorsement” you are not required to have a lot, but you must still have a building or office. All the

requirements for a Used Motor Vehicle Dealer and Used Motor Vehicle Dealer with Broker Endorsement are the same except a Broker does not have to have a lot.

The building or office and lot must meet local zoning requirements to operate a dealership. It is very important to ensure the location you are using to obtain your Georgia dealer license is zoned correctly. You can call the city hall where the building or office is located and ask for the Planning and Zoning office. Inform them of the exact address of the location you want to use, and they will inform you whether zoning allows a dealership to be operated at that location. If you are in a rural area, contact your courthouse to ensure the location you are using is zoned correctly as well.

You must have a sign on the building or at the entrance to your office. You are required to have a landline telephone as well. Cell phones and voice over internet protocol phones do not qualify. The State of Georgia is very clear on this requirement, you must have a landline phone to obtain a Georgia dealer license.

If you have a building that is separate from your residence you may be able to hold a dealer license at your home. However, you must meet all local zoning requirements in this scenario as well. This would be more common in a rural area of the state. Most cities will not allow a dealership to be operated at your home unless you are in an area that has multi-use zoning.

Regardless of where you plan to hold your dealer license you must meet all local zoning requirements. This is Georgia Law!

Insurance and Dealer Surety Bond

You are required to obtain insurance and a dealer surety bond before you can apply for your Georgia dealer license. The State

will not issue your dealer license until you are insured and bonded.

The insurance covers the vehicles that your customers are test driving and the dealer surety bond protects customers from the small handful of dealers that commit fraud.

The pricing on your insurance and dealer surety bond can vary greatly depending on the company that is giving you a quote. In your dealer training class, we will show you how to find the cheapest insurance and dealer surety bonds.

Obtain Sales Tax Number and Employer ID Number

Before you apply for your Georgia dealer license you must obtain a Georgia Sales Tax number and a Federal Employment ID Number. The Georgia Sales Tax Number allows you to legally charge Title Ad Valorem Tax on the vehicles you sell, and the Federal Employment ID Number shows the State of Georgia that you are prepared to pay taxes your newfound profits that you incur when you hold a Georgia dealer license.

In your dealer training class, we will show you how to easily charge Title Ad Valorem Tax on most vehicles you sell. You will just enter the vehicle identification number of the vehicle you sold, enter the customer's name & address, and the vehicle price into a very easy to use electronic registration software program that computes the Title Ad Valorem Tax. When you click the submit button the Title Ad Valorem Tax is automatically submitted to the customer's home county. This process takes just a few clicks of the mouse and will be explained in your dealer training class. To legally charge tax on the vehicles you sell the State requires that you hold a Georgia Sales Tax License.

In your dealer training class, we will show you how to easily apply for your Georgia Sales Tax License on the Georgia Tax Center website. Some companies charge \$300 for this service, and we will show you how to obtain the license for free. When you leave your dealer training class you will know exactly how to apply for your Georgia Sales Tax License.

You must also apply for a Federal Employment ID Number. This is sometimes referred to as a Tax ID Number or a Federal Tax ID Number. This is the number the Federal Government assigns to the new business you are starting and ensures the State of Georgia that you are willing to pay taxes on the coming increase in your income. Some companies charge as much as \$600 to apply for your Employment ID Number for you. In your dealer training class, we will show you how to easily obtain your Employer ID Number on the IRS website with just a few clicks of the mouse. If you want to pay \$600 to have someone help you apply for your Employment ID Number you can, or, you can learn how to obtain your Employment ID Number for free when in your dealer training class.

You can find a dealer training class near you by visiting the georgiadealer.com website and click on the Class Schedule link at the top of every page.

Register With Georgia Secretary of State

Most dealers will register with the Georgia Secretary of State. The Georgia Secretary of State wants a record of every business operating in the State including the dealership you are getting ready to open. In your dealer training class, we will cover the registration of your new business with the Georgia Secretary of State in detail. When you leave your dealer training class you will

know how to register your dealership quickly and easily with Secretary of State. It takes just a few moments after the class.

Obtain Local Business License

The State of Georgia wants to make sure you are operating legally in your city or county. To operate legally in your city or county you must obtain a local business license.

In your dealer training class, we will show you how to easily obtain a local business license which can be done online after class and just takes a few moments. This is a very easy requirement that will be covered in your dealer training class.

You can sign up for your dealer training class by visiting the georgiadealer.com website and clicking the big, blue “Enroll” button located at the top of every page.

Register for Fingerprints

Before for your dealer license is approved you must complete a fingerprint-based background check conducted by Georgia Bureau of Investigations. You will soon be handling very large financial transactions as most of the vehicles that you sell with your Georgia used dealer license will be worth several thousands of dollars. These are very large financial transactions that the State of Georgia is giving you complete oversight over. Before you are issued a license the State wants to make sure you did not just get out of prison for robbing a bank. Every person on the license must complete the background check. The existence of a criminal history does not automatically disqualify a person from gaining a dealer license.

We show you how to register for your fingerprints in your dealer training class.

Submit All Dealer License Paperwork to the Georgia Board of Used Motor Vehicle Dealers in Macon

You must complete all dealer license application paperwork correctly and in its entirety. Submitting an incorrect dealer application will delay the approval of your dealer license.

In your dealer training class, we will complete every dealer license application document together to ensure you are submitting all paperwork correctly to the Georgia Board of Used Motor Vehicle Dealers.

When you are ready to change your life, visit georgiadealer.com and click on the blue "Enroll" button. Good Luck with Your New Business!!!