

## Dealer Full Use License Plates – Regulations

Basis: The statutory bases for this regulation are 42-1-204, 42-3-116 (6) CRS. *Eff 03/02/2007*

The following rules and regulations are promulgated to establish criteria for the issuance and use of **full-use dealer plates**.

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### Definitions

1. Closure - Voluntary closure by the dealer owner, permanent or temporary closure by order of the Colorado Motor Vehicle Dealer Board, or any failure to maintain the required place of business or business address.
2. **“Offered for sale”** - a vehicle is deemed to be offered for sale when the following requirements are met:
  - a. Title to the vehicle has been properly assigned to the dealership, or if a new motor vehicle, evidence of a manufacturer's certificate of origin (mco) for the vehicle; and
  - b. The vehicle is identified on the dealership inventory list maintained by the dealership and offered for sale.
3. **“Legitimate business interest”** -
  - A. One or more specific and identifiable reasons as to why the use of a full use plated vehicle by a person serves the *bona fide business needs of the dealership* or motor vehicle wholesale business; and
  - B. Use of the vehicle is in exchange for services benefiting the bona fide business needs.

### Requirements

1. Every license year, all applicants for full-use dealer plates shall complete and submit to the Department of Revenue, Enforcement Business Group, Auto Industry Division, a Dealer Plate Affidavit in order to receive approval for purchase of full-use dealer plates. Once authorized for a license year, dealers or wholesalers have no restrictions on the number of full-use dealer plates they may purchase.
2. Full-use dealer plates may be obtained by a duly licensed new or used motor vehicle dealer or wholesaler, from the county Clerk in the county where the dealership is located, or in Denver County, from the Manager of Revenue.
3. Any dealer or wholesaler changing names shall report the new name to the Department of Revenue, Enforcement Business Group, Auto Industry Division. Upon approval, the Auto Industry Division will provide the dealer with a name change affidavit that shall be presented to the County Clerk, or in Denver County, the Manager of Revenue, who shall transfer the dealer plates into the new dealership name.
4. If a dealer or wholesaler changes operating entity (individual to partnership, corporation, LLC or other variations), an original application must be filed with the Colorado Motor Vehicle Dealer Board. Upon approval, a new dealer license with plate authorization will be issued. Full-use dealer plates belonging to the replaced entity must be surrendered to the Department of Revenue, Enforcement Business Group, Auto Industry Division. New full-use dealer plates must be purchased in the new entity name.
5. The full-use dealer plate registration in the name of the dealership must be maintained in the vehicle bearing such plate, or taped to the back of the plate, or in the possession of the driver.
6. A copy of dealer proof of ownership (such as MCO, dealer title, title assigned to dealership) must be maintained in the motor vehicle being driven on a full-use dealer plate.
7. A lost, stolen, or missing full-use dealer plate shall be reported within two (2) working days to the local law enforcement agency. Lost plates may be replaced through the County Clerk, or in Denver County, the Manager of Revenue upon submission of a police report and the payment of a \$5.00 replacement fee. The County Clerk will submit the copy of the police report to the Department of Revenue, Enforcement Business Group, Auto Industry Division for notation on the appropriate motor vehicle and law enforcement files.
8. Dealers shall maintain a record of all full-use dealer plates issued to the dealership and the identification of the vehicle and person in possession of each plate. The dealer shall further maintain proof of ownership and an inventory list of all vehicles available for sale. Such records shall be made available upon request of the department.
9. Full-use dealer plates cannot be displayed on vehicles that are used by the dealership for any commercial purpose. Such vehicles shall be titled and registered in the name of the dealership.
10. Whenever a dealer ceases to be a dealer due to closure as defined above, any plates that are not in the dealer's possession shall be reported on an affidavit and submitted to the Department in order that the missing plates can be denoted upon the appropriate motor vehicle law enforcement files.