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CALIFORNIA DEALER LICENSE CHECKLIST (2025)

California Dealer Academy — Your Step-by-Step Licensing Guide

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SECTION 1: PRE-APPLICATION PLANNING

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- ☐ Decide on license type (Retail, Wholesale, Motorcycle, Dismantler, Broker Endorsement)
- ☐ Review your business model and revenue goals
- ☐ Confirm zoning for your intended location
- ☐ Research local city/county requirements
- ☐ Estimate startup costs and timeline
- ☐ Book consultation with California Dealer Academy (optional but recommended)

SECTION 2: BUSINESS FORMATION

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- ☐ Choose entity type (LLC, Corporation, or DBA)
- ☐ Verify business name availability with CA Secretary of State
- ☐ File Articles of Organization/Incorporation
- ☐ File Statement of Information (within 90 days)
- ☐ Apply for EIN with IRS (free at [IRS.gov/EIN](https://www.irs.gov/ein))
- ☐ Open dedicated business bank account
- ☐ File DBA (Fictitious Business Name) with county if needed
- ☐ Apply for Seller's Permit at [CDTFA.ca.gov](https://www.cdtdfa.ca.gov)
- ☐ Maintain business name consistency across all documents

SECTION 3: EDUCATION & EXAM

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- ☐ Enroll in DMV-approved pre-licensing course (6 hours minimum)
- ☐ Complete all course modules
- ☐ Receive completion certificate
- ☐ Schedule dealer exam through DMV OL Portal
- ☐ Pass exam (must score 70% or higher)
- ☐ Keep certificate for DMV application

SECTION 4: LOCATION & COMPLIANCE

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- ☐ Secure property (retail/display lot or office space)
- ☐ Get zoning confirmation in writing from city/county
- ☐ Sign lease or property agreement
- ☐ Install permanent, professional signage with business name
- ☐ Set up office with desk, chair, filing cabinet, computer, phone, internet
- ☐ Prepare display area (minimum 2 spaces for retail)

- ☐ Post business hours at entrance (match DMV application)
- ☐ Ensure adequate lighting and utilities
- ☐ Verify accessibility and street visibility

SECTION 5: BOND & INSURANCE

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- ☐ Contact bond provider (recommend Magic 98 Insurance)
- ☐ Submit bond application and credit check
- ☐ Receive \$50,000 dealer bond (\$10,000 for motorcycle dealers)
- ☐ Verify business name on bond matches application
- ☐ Apply for garage liability insurance (\$1M/\$2M recommended)
- ☐ Add garage keepers liability coverage (strongly recommended)
- ☐ Add dealer plate and inventory coverage
- ☐ Keep proof of coverage on file
- ☐ Plan annual renewal dates in calendar

SECTION 6: DOCUMENTATION ASSEMBLY

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- ☐ Completed DMV application form (OL 8016 or current form)
- ☐ Pre-licensing education certificate
- ☐ Articles of Organization/Incorporation
- ☐ Statement of Information
- ☐ EIN confirmation letter
- ☐ Seller's Permit (CDTFA)
- ☐ DBA recording (if applicable)
- ☐ Lease agreement and zoning approval letter
- ☐ Dealer bond copy (notarized if required)
- ☐ Insurance coverage proof
- ☐ ADM 9050 form (Appointment of Director as Agent) — REQUIRED
- ☐ Live Scan receipt (fingerprint background check)
- ☐ Personal history questionnaire (all owners/officers)
- ☐ Ownership and officer information

SECTION 7: PHOTOGRAPHS

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- ☐ Front of business with permanent signage visible and readable
- ☐ Display area (wide shot showing at least 2 spaces for retail)
- ☐ Office interior showing desk, chair, filing cabinet
- ☐ Posted business hours at entrance
- ☐ Street view showing visibility and accessibility
- ☐ Secondary signage or directional markers (if applicable)
- ☐ All photos labeled with clear file names (e.g., "Office_Desk.jpg")
- ☐ All photos clear, well-lit, and professional

SECTION 8: FINGERPRINTING (LIVE SCAN)

- ☐ Download Form OL 8016 from DMV OL Portal
- ☐ Locate California Live Scan location (search online)
- ☐ Schedule appointment or visit walk-in
- ☐ Pay fingerprint fee (\$70–\$90)
- ☐ Complete fingerprint capture
- ☐ Obtain receipt
- ☐ Upload receipt to DMV OL Portal
- ☐ Monitor for DOJ clearance confirmation

SECTION 9: DMV ONLINE APPLICATION

- ☐ Create account at <https://ol.dmv.ca.gov>
- ☐ Select license type (Retail, Wholesale, Motorcycle, etc.)
- ☐ Download personalized checklist for your license type
- ☐ Complete personal information section
- ☐ Enter business address (must match lease and bond)
- ☐ Verify business name matches entity documents exactly
- ☐ Request dealer plates (2 for retail/wholesale, 1 for motorcycle)
- ☐ Upload all required documents
- ☐ Upload photographs with labels
- ☐ Double-check all entries for accuracy and spelling

SECTION 10: PRE-INSPECTION PREP

- ☐ Verify permanent signage is installed and visible
- ☐ Confirm posted hours match application
- ☐ Clear display area of non-dealership items
- ☐ Organize office with functional workspace
- ☐ Set up secure record storage (filing cabinet, lockable)
- ☐ Create sample deal jackets showing proper documentation
- ☐ Print copies of bond, insurance, and entity documents
- ☐ Ensure business utilities (electricity, internet, phone) are active
- ☐ Prepare for inspector access during posted hours

SECTION 11: INSPECTION & APPROVAL

- ☐ Receive DMV inspection scheduling notification
- ☐ Schedule inspection at convenient time
- ☐ Bring printed copies of all uploaded documents
- ☐ Ensure office and display area are clean and professional

- ☐ Be prepared to discuss business operations and record-keeping
- ☐ Answer inspector questions honestly and thoroughly
- ☐ Request copy of inspection report if needed
- ☐ Follow up on any corrections requested

SECTION 12: POST-APPROVAL

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- ☐ Receive Dealer Occupational License Certificate (PDF)
- ☐ Note your official dealer number
- ☐ Receive dealer plates by mail
- ☐ Install plates on appropriate vehicles
- ☐ Add dealer number to all advertising materials
- ☐ Set up accounting and deal jacket system
- ☐ Register with desired auctions (Manheim, Copart, IAA, etc.)
- ☐ Order business forms and supplies
- ☐ Plan continuing education for year 2

SECTION 13: ONGOING COMPLIANCE (POST-LICENSE)

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- ☐ Maintain active bond and insurance (annual renewal)
- ☐ File Reports of Sale (ROS) within 5 days of sale
- ☐ Submit title and registration within 30 days
- ☐ Remit sales tax to CDTFA on schedule
- ☐ Keep records for 4 years minimum
- ☐ Renew dealer license annually (via OL Portal)
- ☐ Take 4-hour renewal education every 2 years
- ☐ Display license number on all ads
- ☐ Monitor and renew dealer plates annually
- ☐ Keep business hours posted and accurate
- ☐ Maintain professional and compliant advertising

NOTES & DEADLINE TRACKER

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Timeline Item	Target Date	Completed
Business formation (entity filing)	_____	☐
Zoning confirmation	_____	☐
Lease signed	_____	☐
Signage installed	_____	☐
Bond application submitted	_____	☐
Insurance approved	_____	☐
Pre-licensing course completed	_____	☐
Live Scan fingerprints completed	_____	☐
DMV application submitted	_____	☐

DMV inspection scheduled	_____	☐
License approval received	_____	☐
Dealer plates received	_____	☐
First auction registration completed	_____	☐

CONTACT INFORMATION

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DMV Occupational Licensing Portal: <https://ol.dmv.ca.gov>

DMV Phone: 1-888-406-1515

CDTFA (Sales Tax): <https://cdtfa.ca.gov>

CA Secretary of State: <https://sos.ca.gov>

Bond Provider (Magic 98 Insurance):

Ask for Mike Gonzalez, mention Garrett from California Dealer Academy

California Dealer Academy:

<https://www.californiadealeracademy.com/>

DISCLAIMER

This checklist is for educational purposes only and reflects professional experience in California dealer licensing. It is not legal, financial, or tax advice. Always verify current requirements with the California DMV Occupational Licensing Division and consult qualified professionals for your specific situation.

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