

Part 2 Licensing

41-3-201 Licenses required -- Restitution -- Education.

- (1) As used in this section, "new applicant" means a person who is applying for a license that the person has not been issued during the previous licensing year.
- (2) A person may not act as any of the following without having procured a license issued by the administrator:
 - (a) a dealer;
 - (b) salvage vehicle buyer;
 - (c) salesperson;
 - (d) manufacturer;
 - (e) transporter;
 - (f) dismantler;
 - (g) distributor;
 - (h) factory branch and representative;
 - (i) distributor branch and representative;
 - (j) crusher;
 - (k) remanufacturer; or
 - (l) body shop.
- (3)
 - (a) Except as provided in Subsection (3)(c), a person may not bid on or purchase a vehicle with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction unless the person is a licensed salvage vehicle buyer.
 - (b) Except as provided in Subsection (3)(c), a person may not offer for sale, sell, or exchange a vehicle with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction except to a licensed salvage vehicle buyer.
 - (c) A person may offer for sale, sell, or exchange a vehicle with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction:
 - (i) to an out-of-state or out-of-country purchaser not licensed under this section, but that is authorized to do business in the domestic or foreign jurisdiction in which the person is domiciled or registered to do business;
 - (ii) subject to the restrictions in Subsection (3)(d), to an in-state purchaser not licensed under this section that:
 - (A) has a valid business license in Utah; and
 - (B) has a Utah sales tax license; and
 - (iii) to a crusher.
 - (d)
 - (i) An operator of a motor vehicle auction shall verify that an in-state purchaser not licensed under this section has the licenses required in Subsection (3)(c)(ii).
 - (ii) An operator of a motor vehicle auction may only offer for sale, sell, or exchange five vehicles with a salvage certificate as defined in Section 41-1a-1001 at or through a motor vehicle auction in any 12-month period to an in-state purchaser that does not have a salvage vehicle buyer license issued in accordance with Subsection 41-3-202(17).
 - (iii) The five vehicle limitation under this Subsection (3)(d) applies to each Utah sales tax license and not to each person with the authority to use a sales tax license.

- (iv) An operator of a motor vehicle auction may not sell a vehicle with a nonrepairable certificate as defined in Section 41-1a-1001 to a purchaser otherwise allowed to purchase a vehicle under Subsection (3)(c)(ii).
 - (e) For a vehicle with a salvage certificate purchased under Subsection (3)(c)(ii), an operator of a motor vehicle auction shall:
 - (i)
 - (A) until Subsection (3)(e)(i)(B) applies, make application for a salvage certificate of title on behalf of the Utah purchaser within seven days of the purchase if the purchaser does not have a salvage vehicle buyer license, dealer license, body shop license, or dismantler license issued in accordance with Section 41-3-202; or
 - (B) beginning on or after the date that the Motor Vehicle Division has implemented the Motor Vehicle Division's GenTax system, make application electronically, in a form and time period approved by the Motor Vehicle Division, for a salvage certificate of title to be issued in the name of the purchaser;
 - (ii) give to the purchaser a disclosure printed on a separate piece of paper that states:
"THIS DISCLOSURE STATEMENT MUST BE GIVEN BY THE SELLER TO THE BUYER
EVERY TIME THIS VEHICLE IS RESOLD WITH A SALVAGE CERTIFICATE
Vehicle Identification Number (VIN)
Year: Make: Model:
SALVAGE VEHICLE--NOT FOR RESALE WITHOUT DISCLOSURE
WARNING: THIS SALVAGE VEHICLE MAY NOT BE SAFE FOR OPERATION UNLESS
PROPERLY REPAIRED. SOME STATES MAY REQUIRE AN INSPECTION BEFORE
THIS VEHICLE MAY BE REGISTERED. THE STATE OF UTAH MAY REQUIRE THIS
VEHICLE TO BE PERMANENTLY BRANDED AS A REBUILT SALVAGE VEHICLE.
OTHER STATES MAY ALSO PERMANENTLY BRAND THE CERTIFICATE OF TITLE.

Signature of Purchaser

Date"; and
 - (iii) if applicable, provide evidence to the Motor Vehicle Division of:
 - (A) payment of sales taxes on taxable sales in accordance with Section 41-1a-510;
 - (B) the identification number inspection required under Section 41-1a-511; and
 - (C) the odometer disclosure statement required under Section 41-1a-902.
 - (f) The Motor Vehicle Division shall include a link to the disclosure statement described in Subsection (3)(e)(ii) on its website.
 - (g) The commission may impose an administrative entrance fee established in accordance with the procedures and requirements of Section 63J-1-504 not to exceed \$10 on a person not holding a license described in Subsection (3)(e)(i) that enters the physical premises of a motor vehicle auction for the purpose of viewing available salvage vehicles prior to an auction.
 - (h) A vehicle sold at or through a motor vehicle auction to an out-of-state purchaser with a nonrepairable or salvage certificate may not be certificated in Utah until the vehicle has been certificated out-of-state.
- (4)
- (a) An operator of a motor vehicle auction shall keep a record of the sale of each salvage vehicle.
 - (b) A record described under Subsection (4)(a) shall contain:
 - (i) the purchaser's name and address; and
 - (ii) the year, make, and vehicle identification number for each salvage vehicle sold.
 - (c) An operator of a motor vehicle auction shall:

- (i) provide the record described in Subsection (4)(a) electronically in a method approved by the division to the division within two business days of the completion of the motor vehicle auction;
 - (ii) retain the record described in this Subsection (4) for five years from the date of sale; and
 - (iii) make a record described in this Subsection (4) available for inspection by the division at the location of the motor vehicle auction during normal business hours.
- (5)
 - (a) An operator of a motor vehicle auction shall store a salvage vehicle sold at auction in a secure facility until the salvage vehicle is claimed as provided in this section.
 - (b) Beginning at the time of purchase and until the salvage vehicle is claimed, the motor vehicle auction operator may collect a daily storage fee for the secure storage of each salvage vehicle sold at auction.
 - (c) Except as provided in Subsection (5)(d), before releasing possession of a salvage vehicle purchased at a motor vehicle auction to a person not licensed under this part or certified as a tow truck operator under Title 72, Chapter 9, Part 6, Tow Truck Provisions, and if the person claiming the vehicle is a person other than the purchaser of the vehicle, the motor vehicle auction operator shall create a record that shall contain:
 - (i) the name and address, as verified by government issued identification, of the person claiming the vehicle;
 - (ii) the year, make, and vehicle identification number of the claimed vehicle;
 - (iii) a written statement from the person claiming the vehicle indicating the location where the salvage vehicle will be delivered; and
 - (iv) verification that the claimant has authorization from the purchaser to claim the vehicle.
 - (d) If the salvage vehicle is claimed by a transporter or a tow truck operator, the transporter or the tow truck operator shall submit to the motor vehicle auction operator a written record on any release forms indicating the location where the salvage vehicle will be delivered if delivered within the state.
 - (e) An operator of a motor vehicle auction shall:
 - (i) retain the record described in Subsection (5)(c) for five years from the date of sale; and
 - (ii) make the record available for inspection by the division at the location of the motor vehicle auction during normal business hours.
- (6)
 - (a) If applicable, an operator of a motor vehicle auction shall comply with the reporting requirements of the National Motor Vehicle Title Information System overseen by the United States Department of Justice if the person sells a vehicle with a salvage certificate to an in-state purchaser under Subsection (3)(c)(ii).
 - (b) The Motor Vehicle Division shall include a link to the National Motor Vehicle Title Information System on its website.
- (7)
 - (a) An operator of a motor vehicle auction that sells a salvage vehicle to a person that is an out-of-country buyer shall:
 - (i) stamp on the face of the title so as not to obscure the name, date, or mileage statement the words "FOR EXPORT ONLY" in all capital, black letters; and
 - (ii) stamp in each unused reassignment space on the back of the title the words "FOR EXPORT ONLY."
 - (b) The words "FOR EXPORT ONLY" shall be:
 - (i) at least two inches wide; and
 - (ii) clearly legible.

- (8) A dealer, manufacturer, remanufacturer, transporter, dismantler, crusher, or body shop shall obtain a supplemental license, in accordance with Section 41-3-201.7 for each additional place of business maintained by the licensee.
- (9)
- (a) A person who has been convicted of any law relating to motor vehicle commerce or motor vehicle fraud may not be issued a license or purchase a vehicle with a salvage or nonrepairable certificate unless full restitution regarding those convictions has been made.
 - (b) An operator of a motor vehicle auction, a dealer, or a consignor may not sell a vehicle with a nonrepairable or salvage certificate to a buyer described in Subsection (9)(a) if the division has informed the operator of the motor vehicle auction, the dealer, or the consignor in writing that the buyer is prohibited from purchasing a vehicle with a nonrepairable or salvage certificate under Subsection (9)(a).
- (10)
- (a) The division may not issue a license to a new applicant for a new or used motor vehicle dealer license, a direct-sale manufacturer license, a new or used motorcycle dealer license, or a small trailer dealer license unless the new applicant completes an eight-hour orientation class approved by the division that includes education on motor vehicle laws and rules.
 - (b) The approved costs of the orientation class shall be paid by the new applicant.
 - (c) The class shall be completed by the new applicant and the applicant's partners, corporate officers, bond indemnitors, and managers.
 - (d)
 - (i) The division shall approve:
 - (A) providers of the orientation class; and
 - (B) costs of the orientation class.
 - (ii) A provider of an orientation class shall submit the orientation class curriculum to the division for approval prior to teaching the orientation class.
 - (iii) A provider of an orientation class shall include in the orientation materials:
 - (A) ethics training;
 - (B) motor vehicle title and registration processes;
 - (C) Department of Insurance requirements relating to motor vehicles;
 - (D) Department of Public Safety requirements relating to motor vehicles;
 - (E) federal requirements related to motor vehicles as determined by the division; and
 - (F) any required disclosure compliance forms as determined by the division.
- (11) A person or purchaser described in Subsection (3)(c)(ii):
- (a) may not purchase more than five salvage vehicles with a nonrepairable or salvage certificate as defined in Section 41-1a-1001 in any 12-month period;
 - (b) may not, without first complying with Section 41-1a-705, offer for sale, sell, or exchange more than two vehicles with a salvage certificate as defined in Section 41-1a-1001 in any 12-month period to a person not licensed under this section; and
 - (c) may not, without first complying with Section 41-1a-705, offer for sale, sell, or exchange a vehicle with a nonrepairable certificate as defined in Section 41-1a-1001 to a person not licensed under this section.
- (12) An operator of a motor vehicle auction, a dealer, or a consignor may not sell a vehicle with a nonrepairable or salvage certificate to a buyer described in Subsection (11)(a) if the division has informed the operator of the motor vehicle auction, the dealer, or the consignor in writing that the buyer is prohibited from purchasing a vehicle with a nonrepairable or salvage certificate under Subsection (11)(a).

Amended by Chapter 36, 2023 General Session

41-3-201.5 Brokering of a new motor vehicle without a license prohibited.

- (1)
- (a) A person may not, for a fee, commission, or other form of compensation, arrange, offer to arrange, or broker a transaction involving the sale or lease of more than two:
 - (i) new or used motor vehicles in any 12 consecutive month period, unless the person is licensed under Subsection 41-3-202(1); or
 - (ii) used motor vehicles in any 12 consecutive month period, unless the person is licensed under Subsection 41-3-202(2).
 - (b) Each transaction a person arranges, offers to arrange, or brokers involving the sale or lease of a motor vehicle for a fee, commission, or other form of compensation is a separate violation under this section if:
 - (i) the person has for a fee, commission, or other form of compensation, arranged, offered to arrange, or brokered the sale or lease of more than two new or used motor vehicles within the previous 12 consecutive month period; and
 - (ii) the person is not licensed under Subsection 41-3-202(1).
- (2) A person who violates this section is guilty of a class B misdemeanor.

Amended by Chapter 393, 2010 General Session

41-3-201.7 Supplemental license for additional place of business restrictions -- Exception.

- (1)
- (a) Subject to the requirements of Subsection (2), the administrator may issue a supplemental license for an additional place of business under Subsection 41-3-201(8) to a dealer if the dealer is:
 - (i) licensed in accordance with Section 41-3-202;
 - (ii) bonded in accordance with Section 41-3-205; and
 - (iii) in compliance with existing rules promulgated by the administrator of the division under Section 41-3-105.
 - (b) The administrator may issue a supplemental license for a permanent additional place of business to a used motor vehicle dealer if:
 - (i) the dealer independently satisfies the bond requirements under Section 41-3-205 for the permanent additional place of business;
 - (ii) the dealer is in compliance with existing rules promulgated by the administrator of the division under Section 41-3-105; and
 - (iii) the permanent additional place of business meets all the requirements for a principal place of business.
- (2)
- (a) Except as provided in Subsections (2)(c) and (3), a supplemental license for an additional place of business issued pursuant to Subsection 41-3-201(8) for a new motor vehicle dealer may not be issued for an additional place of business that is beyond the geographic specifications outlined as the area of responsibility in the dealer's franchise agreement.
 - (b) A new motor vehicle dealer shall provide the administrator with a copy of the portion of the new motor vehicle dealer's franchise agreement identifying the dealer's area of responsibility before being issued a supplemental license for an additional place of business.
 - (c) The restrictions under Subsections (2)(a) and (b) do not apply to a new motor vehicle dealer if:

- (i) the license for an additional place of business is being issued for the sale of used motor vehicles; or
 - (ii) the dealer is a direct-sale manufacturer.
- (3) The provisions of Subsection (2) do not apply if the additional place of business is a trade show or exhibition if:
- (a) there are five or more dealers participating in the trade show or exhibition; and
 - (b) the trade show or exhibition takes place at a location other than the principal place of business of one of the dealers participating in the trade show or exhibition.
- (4) A supplemental license for a temporary additional place of business issued to a used motor vehicle dealer may not be for longer than 10 consecutive days.

Amended by Chapter 387, 2018 General Session

41-3-202 Licenses -- Classes and scope.

- (1) A new motor vehicle dealer's license permits the licensee to:
- (a) offer for sale, sell, or exchange new motor vehicles if the licensee possesses a franchise from the manufacturer of the motor vehicle offered for sale, sold, or exchanged by the licensee;
 - (b) offer for sale, sell, or exchange used motor vehicles;
 - (c) operate as a body shop; and
 - (d) dismantle motor vehicles.
- (2) A used motor vehicle dealer's license permits the licensee to:
- (a) offer for sale, sell, or exchange used motor vehicles;
 - (b) operate as a body shop; and
 - (c) dismantle motor vehicles.
- (3) A direct-sale manufacturer's license permits the licensee to:
- (a) offer for sale, sell, or exchange new motor vehicles of the same line-make that the direct-sale manufacturer manufactures;
 - (b) offer for sale, sell, or exchange used motor vehicles;
 - (c) operate as a body shop; and
 - (d) dismantle motor vehicles.
- (4) A new motorcycle, off-highway vehicle, and small trailer dealer's license permits the licensee to:
- (a) offer for sale, sell, or exchange new motorcycles, off-highway vehicles, or small trailers if the licensee possesses a franchise from the manufacturer of the motorcycle, off-highway vehicle, or small trailer offered for sale, sold, or exchanged by the licensee;
 - (b) offer for sale, sell, or exchange used motorcycles, off-highway vehicles, or small trailers; and
 - (c) dismantle motorcycles, off-highway vehicles, or small trailers.
- (5) A used motorcycle, off-highway vehicle, and small trailer dealer's license permits the licensee to:
- (a) offer for sale, sell, or exchange used motorcycles, off-highway vehicles, and small trailers; and
 - (b) dismantle motorcycles, off-highway vehicles, or small trailers.
- (6)
- (a) Except as provided in Subsection (6)(b), a salesperson's license permits the licensee to act as a motor vehicle salesperson and is valid for employment with only one dealer at a time.
 - (b) A licensee that has been issued a salesperson's license and that is employed by a dealer that operates as a wholesale motor vehicle auction may be employed by more than one dealer that operates as a wholesale motor vehicle auction at a time.

- (7)
 - (a) A direct-sale manufacturer salesperson's license permits the licensee to act as a direct-sale manufacturer salesperson for one direct-sales manufacturer.
 - (b) A direct-sale manufacturer salesperson licensee may not simultaneously hold a salesperson's license.
- (8)
 - (a) A manufacturer's license permits the licensee to construct or assemble motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, at an established place of business and to remanufacture motor vehicles.
 - (b) Under rules the administrator makes, the licensee may issue and install vehicle identification numbers on manufactured motor vehicles.
 - (c) The licensee may franchise and appoint dealers to sell manufactured motor vehicles by notifying the division of the franchise or appointment.
- (9)
 - (a) A transporter's license permits the licensee to transport or deliver motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, from a manufacturing, assembling, or distributing point or from a dealer, to dealers, distributors, or sales agents of a manufacturer or remanufacturer, to or from detail or repair shops, and to financial institutions or places of storage from points of repossession.
 - (b) The division may not issue or renew a transporter license to an applicant who is not:
 - (i) licensed under this chapter as a body shop;
 - (ii) a detail or repair shop;
 - (iii) a tow truck motor carrier subject to Title 72, Chapter 9, Motor Carrier Safety Act;
 - (iv) a repossession company;
 - (v) licensed under this chapter as a dealer; or
 - (vi) a finance company.
 - (c) The division may not issue or renew a transporter license unless the applicant provides proof of insurance or other form of security meeting the minimum requirements of Title 41, Chapter 12a, Financial Responsibility of Motor Vehicle Owners and Operators Act.
- (10) A dismantler's license permits the licensee to dismantle motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, for the purpose of reselling parts or for salvage, or selling dismantled or salvage vehicles to a crusher or other dismantler.
- (11) A distributor or factory branch and distributor branch's license permits the licensee to sell and distribute new motor vehicles, parts, and accessories to their franchised dealers.
- (12) A representative's license, for factory representatives or distributor representatives permits the licensee to contact the licensee's authorized dealers for the purpose of making or promoting the sale of motor vehicles, parts, and accessories.
- (13)
 - (a)
 - (i) A remanufacturer's license permits the licensee to construct, reconstruct, assemble, or reassemble motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, from used or new motor vehicles or parts.
 - (ii) Evidence of ownership of parts and motor vehicles used in remanufacture shall be available to the division upon demand.
 - (b) Under rules the administrator makes, the licensee may issue and install vehicle identification numbers on remanufactured motor vehicles.

- (14) A crusher's license permits the licensee to engage in the business of crushing or shredding motor vehicles subject to registration under Title 41, Chapter 1a, Motor Vehicle Act, for the purpose of reducing the useable materials and metals to a more compact size for recycling.
- (15) A body shop's license permits the licensee:
 - (a) to rebuild, restore, repair, or paint the body of motor vehicles; and
 - (b) to dismantle motor vehicles.
- (16) A special equipment dealer's license permits the licensee to:
 - (a) buy incomplete new motor vehicles with a gross vehicle weight of 12,000 or more pounds from a new motor vehicle dealer and sell the new vehicle with the special equipment installed without a franchise from the manufacturer;
 - (b) offer for sale, sell, or exchange used motor vehicles;
 - (c) operate as a body shop; and
 - (d) dismantle motor vehicles.
- (17)
 - (a) A salvage vehicle buyer license permits the licensee to bid on or purchase a vehicle with a salvage certificate as defined in Section 41-1a-1001 at any motor vehicle auction.
 - (b) The division may only issue a salvage vehicle buyer license to a motor vehicle dealer, dismantler, or body shop who qualifies under rules made by the division and is licensed in any state as a motor vehicle dealer, dismantler, or body shop.
 - (c) The division may not issue more than two salvage vehicle buyer licenses to any one dealer, dismantler, or body shop.
 - (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the administrator shall make rules establishing qualifications of an applicant for a salvage vehicle buyer license. The criteria shall include:
 - (i) business history;
 - (ii) salvage vehicle qualifications;
 - (iii) ability to properly handle and dispose of environmental hazardous materials associated with salvage vehicles; and
 - (iv) record in demonstrating compliance with the provisions of this chapter.

Amended by Chapter 424, 2019 General Session

41-3-202.2 Provisional license.

- (1) As used in this section:
 - (a) "Provisional license" means a provisional version of a particular class of standard license.
 - (b) "Standard license" means a license that the administrator is authorized to issue under Section 41-3-202 for a class for which a principal place of business is required under Section 41-3-204.
- (2) The administrator may issue a provisional license for any class of standard license the administrator issues under Section 41-3-202.
- (3) A person may apply to the administrator for a provisional license using the same procedure described in this chapter and under other applicable state law for a standard license of the same class as the provisional license.
- (4) Subject to Subsection (5), the administrator shall grant a provisional license to an applicant who:
 - (a) demonstrates that the applicant meets all of the qualifications described in this chapter and under other applicable state law for a standard license of the same class as the provisional

- license, except for the requirement that the applicant maintain a principal place of business as required by Section 41-3-204;
- (b) complies with procedures established by the administrator; and
 - (c) pays a fee established by the administrator.
- (5) In addition to demonstrating the qualifications described in Subsection (4), an applicant for a provisional license shall:
- (a) submit to the administrator a site acquisition plan that describes the applicant's anticipated principal place of business; and
 - (b) demonstrate that the applicant's site acquisition plan describes a principal place of business that would comply with the requirements described in this chapter and under other applicable state law for the principal place of business of a licensee with a standard license of the same class as the provisional license.
- (6) A provisional license does not allow a person to act as a licensee with a standard license.
- (7) Subject to Subsections (8) and (9), once a person with a provisional license demonstrates to the administrator that the person meets all of the qualifications under this chapter and under other applicable state law for a standard license of the same class as the provisional license, the administrator shall grant the person a standard license of the same class as the provisional license without requiring that the person:
- (a) submit an additional application; or
 - (b) pay an additional fee.
- (8)
- (a) A provisional license is valid for three months.
 - (b) The commission may extend the term of a provisional license for an additional three months at the commission's discretion.
- (9) The commission may create application procedures for a provisional license in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (10) The commission may require and determine the amount of an application fee for a provisional license in compliance with Section 63J-1-504.

Enacted by Chapter 124, 2017 General Session

41-3-203 Licenses -- Form -- Seal -- Custody of salesperson's license -- Display of salesperson and dealer licenses -- Licensee's pocket card.

- (1)
- (a) The administrator shall prescribe the form of each license and the seal of the administrator's office shall be imprinted on each license.
 - (b) The administrator shall deliver or mail the license of each salesperson to the dealer employing the salesperson and the dealer shall keep the license in the dealer's custody and control and conspicuously display the license in the dealer's place of business.
 - (c) Each licensee shall display conspicuously the licensee's own license in the licensee's place of business.
 - (d) In addition to the other provisions of this section, each direct-sale manufacturer licensee shall display conspicuously the licensee's own license in each of the licensee's:
 - (i) showrooms; and
 - (ii) authorized service centers.
- (2)
- (a) The administrator shall prepare and deliver a pocket card, certifying that the person whose name is on the card is licensed under this chapter.

- (b) Each salesperson's card shall also contain the name and address of the dealer employing the salesperson.
- (c) Each salesperson shall on request display the salesperson's pocket card.

Amended by Chapter 387, 2018 General Session

41-3-204 Licenses -- Principal place of business as prerequisite -- Change of location -- Relinquishment on loss of principal place of business.

- (1)
 - (a) The following licensees must maintain a principal place of business:
 - (i) dealers;
 - (ii) special equipment dealers;
 - (iii) manufacturers;
 - (iv) transporters;
 - (v) remanufacturers;
 - (vi) dismantlers;
 - (vii) crushers;
 - (viii) body shops; and
 - (ix) distributors who:
 - (A) are located within the state; or
 - (B) have a branch office within the state.
 - (b) The administrator may not issue a license under Subsection (1)(a) to an applicant who does not have a principal place of business.
 - (c) If a licensee changes the location of the licensee's principal place of business, the licensee shall immediately notify the administrator and the administrator shall issue a new license for the unexpired portion of the term of the original license at no additional fee.
 - (d) In addition to the other requirements of this section, if a direct-sale manufacturer licensee changes the location of an authorized service center of the licensee, the licensee shall immediately notify the administrator and the administrator shall issue a new license for the unexpired portion of the term of the original license at no additional fee.
- (2)
 - (a) If a licensee loses possession of a principal place of business, the license is automatically suspended and he shall immediately notify the administrator and upon demand by the administrator deliver the license, pocket cards, special plates, and temporary permits to the administrator.
 - (b) The administrator shall hold the licenses, cards, plates, and permits until the licensee obtains:
 - (i) a principal place of business; and
 - (ii) if the licensee is a direct-sale manufacturer, an authorized service center.

Amended by Chapter 387, 2018 General Session

41-3-205 Licenses -- Bonds required -- Maximum liability -- Action against surety -- Loss of bond.

- (1)
 - (a) Before a dealer's, special equipment dealer's, crusher's, or body shop's license is issued, the applicant shall file with the administrator a corporate surety bond in the amount of:
 - (i) \$50,000 until June 30, 2006, and \$75,000 on or after July 1, 2006, for a motor vehicle dealer's license;

- (ii) \$20,000 until June 30, 2006, and \$75,000 on or after July 1, 2006, for a special equipment dealer's license;
 - (iii) \$10,000 for a motorcycle, off-highway vehicle, or small trailer dealer's or crusher's license;
 - or
 - (iv) \$20,000 for a body shop's license.
 - (b) The corporate surety shall be licensed to do business within the state and have a rating of at least B+ by the A.M. Best Company.
 - (c) The form of the bond:
 - (i) shall be approved by the attorney general;
 - (ii) shall be conditioned upon the applicant's conducting business as a dealer without:
 - (A) fraud;
 - (B) fraudulent representation;
 - (C) violating Subsection 41-3-301(1) which requires a dealer to submit or deliver a certificate of title or manufacturer's certificate of origin; or
 - (D) violating Subsection 41-3-402(1) which requires payoff of liens on motor vehicles traded in; and
 - (iii) may be continuous in form.
 - (d) The total aggregate liability on the bond to all persons making claims, regardless of the number of claimants or the number of years a bond remains in force, may not exceed the amount of the bond.
- (2)
- (a) A cause of action under Subsection (1) may not be maintained against a surety unless:
 - (i) a claim is filed in writing with the administrator within one year after the cause of action arose; and
 - (ii) the action is commenced within two years after the claim was filed with the administrator.
 - (b) The surety or principal shall notify the administrator if a claim on the bond is successfully prosecuted or settled against the surety or principal.
- (3)
- (a) A surety or principal may not make a payment on a surety bond to any claimant until six months have expired from the date when the first claim on the bond was filed with the surety or principal in writing.
 - (b) After six months have expired following the filing of the first bond claim, the surety or principal shall:
 - (i) assess the validity of all claims on the bond; and
 - (ii) submit a distribution assessment determined in accordance with Subsection (3)(c) regarding the bond proceeds to the claimants of valid claims for approval.
 - (c)
 - (i) If the total verifiable claims on the bond are less than the bond amount, then each bond claimant shall be entitled to the full amount of a valid claim.
 - (ii) If the total verifiable claims exceed the bond amount, then the proceeds shall be distributed pro rata to the bond claimants of valid claims.
 - (d) If the distribution assessment under Subsection (3)(b) is not unanimously approved by the claimants of all valid claims on the bond, the principal or surety shall file an interpleader action in the state district court where the defaulting dealer was licensed.
- (4)
- (a) A person making a claim on the bond shall be awarded attorney fees in cases successfully prosecuted or settled against the surety or principal if the bond has not been depleted.

- (b) A surety or principal may not be awarded attorney fees that exceed \$2,500 for an interpleader action filed under Subsection (3)(d).
- (5)
 - (a)
 - (i) If a dealer, body shop, or crusher loses possession of the bond required by this chapter, the dealer, body shop, or crusher license is automatically suspended.
 - (ii) All licenses, pocket cards, temporary permits, and special plates issued to the licensee shall be immediately returned to the administrator.
 - (b) A dealer, body shop, or crusher may not continue to use or permit to be used licenses, pocket cards, temporary permits, or special plates until the required bond is on file with the administrator and the license has been reinstated.
- (6) A representative or consignee of a dealer is not required to file a bond if the dealer for whom the representative or consignee acts fully complies with the provisions of this chapter.

Amended by Chapter 342, 2010 General Session

41-3-205.5 Licenses -- Criminal background check required on salesperson's licenses -- Payment of cost.

- (1)
 - (a) Every applicant for a salesperson's license shall submit fingerprints with a completed application to the division.
 - (b) An individual required to renew a salesperson license on or before June 30, 2010, shall submit fingerprints to the division on or before November 30, 2010.
- (2) The division shall submit fingerprints for each applicant described in Subsection (1) to the Bureau of Criminal Identification established in Section 53-10-201.
- (3) The Bureau of Criminal Identification shall:
 - (a) check the information submitted by the division for an applicant under Subsection (2) against the applicable state and regional criminal records databases; and
 - (b) release to the division all information obtained under Subsection (3)(a) relating to the applicant.
- (4)
 - (a) The Bureau of Criminal Identification shall maintain a separate file of fingerprints submitted under Subsection (2) and notify the division when a new entry is made in the applicable state and regional database against an individual whose fingerprints are held in the file regarding any matter involving an arrest under state law involving:
 - (i) motor vehicles;
 - (ii) controlled substances;
 - (iii) fraud; or
 - (iv) an offense that would result in the individual being a sex offender under Subsection 53-29-202(2)(b) and required to register for the individual's lifetime under Subsection 53-29-203(1)(b).
 - (b) Upon request by the division, the Bureau of Criminal Identification shall inform the division whether a person whose arrest was reported to the division under Subsection (4)(a) was subsequently convicted of the charge for which the person was arrested.
- (5) In addition to any fees imposed under this chapter, the division shall:
 - (a) impose on individuals submitting fingerprints in accordance with this section the fees that the Bureau of Criminal Identification is authorized to collect for the services the Bureau of Criminal Identification provides under Subsections (3) and (4); and

- (b) remit the fees collected under Subsection (5)(a) to the Bureau of Criminal Identification.
- (6) The division shall use information received from the Bureau of Criminal Identification under this section to determine whether a license should be denied, suspended, or revoked under Section 41-3-209.

Amended by Chapter 291, 2025 General Session

41-3-206 Duration of licenses -- Expiration date -- Renewal.

- (1) Except as provided in Subsection (2), each license issued under this chapter expires on June 30 of each year and may be renewed upon application and payment of a fee required under Section 41-3-601, if the license has not been suspended or revoked.
- (2) A motor vehicle salesperson's license expires as provided under Subsection (1) or when the salesperson terminates employment with the dealer with whom he is licensed, whichever comes first.
- (3)
 - (a) The division may not renew a license for a new or used motor vehicle dealer's license, a direct-sale manufacturer's license, a new or used motorcycle dealer's license, or a small trailer dealer's license unless the renewal applicant completes a three-hour class approved by the division that includes education on new motor vehicle laws and rules.
 - (b) The approved costs of the class shall be paid by the renewal applicant.
 - (c) The class shall be completed by the renewal applicant or any designated representative of the renewal applicant dealer.
 - (d) The division shall approve:
 - (i) the class providers; and
 - (ii) costs of the class.

Amended by Chapter 387, 2018 General Session

41-3-207 New motor vehicle dealer's license -- Change, addition, or loss of franchise -- Notification -- Relinquishment of license and relicensing as used motor vehicle dealer -- Continuance in business to dispose of stock.

- (1) If a dealer changes to, adds, cancels, or loses a franchise for the sale of new motor vehicles the dealer shall immediately notify the administrator.
- (2)
 - (a) If the dealer has cancelled or lost a franchise, the administrator shall determine whether the dealer should be licensed as a used motor vehicle dealer.
 - (b) If the administrator determines that the dealer should be licensed as a used motor vehicle dealer, the administrator shall issue to the dealer a used motor vehicle dealer's license.
 - (c) A dealer relicensed as a used motor vehicle dealer may continue to sell new motor vehicles for up to six months from the date of the relicensing, to enable the dealer to dispose of the dealer's existing stock of new motor vehicles.

Amended by Chapter 302, 2025 General Session

41-3-207.5 Liquidation of inventory for suspended used motor vehicle dealers.

- (1) A used motor vehicle dealer whose used motor vehicle dealer's license has been suspended may liquidate any remaining inventory by selling the remaining used motor vehicles to:
 - (a) a licensed auto auction;

- (b) another licensed motor vehicle dealer; or
 - (c) to any person, but only after the used motor vehicle has been titled in the name of the owner, partner, or corporate officer of the used motor vehicle dealer for at least 12 months.
- (2) A dealer may sell inventory under Subsections (1)(a) and (b) for up to 90 days from the date the dealer's used motor vehicle dealer's license was suspended.

Enacted by Chapter 388, 2008 General Session

41-3-208 Salesperson's license -- Relinquishment upon loss or change of employment -- Notice to salesperson -- New license required.

- (1) If a salesperson is discharged from or leaves the salesperson's employer, the dealer who last employed the salesperson shall return the salesperson's license to the administrator.
- (2) The salesperson shall be notified at the salesperson's last known place of residence that the salesperson's license has been returned to the administrator.
- (3) A person may not act as a motor vehicle salesperson until a new license is procured.

Amended by Chapter 302, 2025 General Session

41-3-209 Administrator's findings -- Suspension and revocation of license.

- (1) If the administrator finds that an applicant is not qualified to receive a license, a license may not be granted.
- (2)
 - (a) If the administrator finds that there is reasonable cause to deny, suspend, or revoke a license issued under this chapter, the administrator shall deny, suspend, or revoke the license.
 - (b) Reasonable cause for denial, suspension, or revocation of a license includes, in relation to the applicant or license holder or any of the applicant or license holder's partners, officers, or directors:
 - (i) lack of a principal place of business or authorized service center as required by this chapter;
 - (ii) lack of a sales tax license required under Title 59, Chapter 12, Sales and Use Tax Act;
 - (iii) lack of a bond in effect as required by this chapter;
 - (iv) current revocation or suspension of a dealer, dismantler, auction, or salesperson license issued in another state;
 - (v) nonpayment of required fees;
 - (vi) making a false statement on any application for a license under this chapter or for a special license plate;
 - (vii) a violation of any state or federal law involving motor vehicles;
 - (viii) a violation of any state or federal law involving controlled substances;
 - (ix) charges filed with any county attorney, district attorney, or U.S. attorney in any court of competent jurisdiction for a violation of any state or federal law involving motor vehicles;
 - (x) a violation of any state or federal law involving fraud;
 - (xi) a violation of any state or federal law involving an offense that would result in the individual being a sex offender under Subsection 53-29-202(2)(b) and required to register for the individual's lifetime under Subsection 53-29-203(1)(b);
 - (xii) having had a license issued under this chapter revoked within five years from the date of application; or
 - (xiii) failure to comply with any applicable qualification or requirement imposed under this chapter.

- (c) Any action taken by the administrator under Subsection (2)(b)(ix) shall remain in effect until a final resolution is reached by the court involved or the charges are dropped.
- (3) If the administrator finds that an applicant is not qualified to receive a license under this section, the administrator shall provide the applicant written notice of the reason for the denial.
- (4) If the administrator finds that the license holder has been convicted by a court of competent jurisdiction of violating any of the provisions of this chapter or any rules made by the administrator, or finds other reasonable cause, the administrator may, by complying with the emergency procedures of Title 63G, Chapter 4, Administrative Procedures Act:
 - (a) suspend the license on terms and for a period of time the administrator finds reasonable; or
 - (b) revoke the license.
- (5)
 - (a) After suspending or revoking a license, the administrator may take reasonable action to:
 - (i) notify the public that the licensee is no longer in business; and
 - (ii) prevent the former licensee from violating the law by conducting business without a license.
 - (b) Action under Subsection (5)(a) may include signs, banners, barriers, locks, bulletins, and notices.
 - (c) Any business being conducted incidental to the business for which the former licensee was licensed may continue to operate subject to the preventive action taken under this subsection.

Amended by Chapter 291, 2025 General Session

41-3-210 License holders -- Prohibitions, allowances, and requirements.

- (1) The holder of any license issued under this chapter may not:
 - (a) intentionally publish, display, or circulate any advertising that is misleading or inaccurate in any material fact or that misrepresents any of the products sold, manufactured, remanufactured, handled, or furnished by a licensee;
 - (b) intentionally publish, display, or circulate any advertising without identifying the seller as the licensee by including in the advertisement the full name under which the licensee is licensed or the licensee's number assigned by the division;
 - (c) violate this chapter or the rules made by the administrator;
 - (d) violate any law of the state respecting commerce in motor vehicles or any rule respecting commerce in motor vehicles made by any licensing or regulating authority of the state;
 - (e) engage in business as a new motor vehicle dealer, special equipment dealer, used motor vehicle dealer, motor vehicle crusher, or body shop without having in effect a bond as required in this chapter;
 - (f) act as a dealer, dismantler, crusher, manufacturer, transporter, remanufacturer, or body shop without maintaining a principal place of business;
 - (g) unless the licensee is a special equipment dealer who sells a new special equipment motor vehicle with a gross vehicle weight of 12,000 or more pounds after installing special equipment on the motor vehicle:
 - (i) engage in a business respecting the selling or exchanging of new or new and used motor vehicles for which the licensee is not licensed; and
 - (ii) unless the licensee is a direct-sale manufacturer, sell or exchange a new motor vehicle for which the licensee does not have a franchise;
 - (h) dismantle or transport to a crusher for crushing or other disposition any motor vehicle without first obtaining a dismantling or junk permit under Section 41-1a-1009, 41-1a-1010, or 41-1a-1011;

- (i) as a new motor vehicle dealer, special equipment dealer, or used motor vehicle dealer fail to give notice of sales or transfers as required in Section 41-3-301;
- (j) advertise or otherwise represent, or knowingly allow to be advertised or represented on the licensee's behalf or at the licensee's place of business, that no down payment is required in connection with the sale of a motor vehicle when a down payment is required and the buyer is advised or induced to finance a down payment by a loan in addition to any other loan financing the remainder of the purchase price of the motor vehicle;
- (k) as a crusher, crush or shred a motor vehicle brought to the crusher without obtaining proper evidence of ownership of the motor vehicle; proper evidence of ownership is a certificate of title endorsed according to law or a dismantling or junk permit issued under Section 41-1a-1009, 41-1a-1010, or 41-1a-1011;
- (l) as a manufacturer or remanufacturer assemble a motor vehicle that does not comply with construction, safety, or vehicle identification number standards fixed by law or rule of any licensing or regulating authority;
- (m) as anyone other than a salesperson or a direct-sale manufacturer salesperson licensed under this chapter, be present on a dealer display space and contact prospective customers to promote the sale of the dealer's vehicles;
- (n) subject to Subsection (14), sell, display for sale, or offer for sale motor vehicles at any location other than the principal place of business, or additional places of business licensed under this chapter;
- (o)
 - (i) as a dealer, dismantler, body shop, or manufacturer, maintain a principal place of business or additional place of business that shares any common area with a business or activity not directly related to motor vehicle commerce; or
 - (ii) maintain any places of business that share any common area with another dealer, dismantler, body shop, or manufacturer;
- (p) withhold delivery of license plates obtained by the licensee on behalf of a customer for any reason, including nonpayment of any portion of the vehicle purchase price or down payment;
- (q) issue a temporary permit for any vehicle that has not been sold by the licensee;
- (r) alter a temporary permit in any manner;
- (s) operate any principal place of business or additional place of business in a location that does not comply with local ordinances, including zoning ordinances;
- (t) sell, display for sale, offer for sale, or exchange any new motor vehicle if the licensee does not:
 - (i) have a new motor vehicle dealer's license or a direct-sale manufacturer's license under Section 41-3-202; and
 - (ii) unless the licensee is a direct-sale manufacturer, possess a franchise from the manufacturer of the new motor vehicle sold, displayed for sale, offered for sale, or exchanged by the licensee;
- (u) as a new motor vehicle dealer or used motor vehicle dealer, encourage or conspire with any person who has not obtained a salesperson's or a direct-sale manufacturer salesperson's license to solicit for prospective purchasers;
- (v) as a direct-sale manufacturer, engage in business as a direct-sale manufacturer without having:
 - (i) an authorized service center; or
 - (ii) a principal place of business; or
- (w) possess a franchise that is not expressed in writing, if the franchise allows the sale or exchange of a new trailer that:

- (i) is not designed for human habitation;
 - (ii) has a gross vehicle weight rating of less than 26,000 pounds; and
 - (iii) is not designed to carry a motorboat as defined in Section 73-18-2.
- (2)
 - (a) If a new motor vehicle is constructed in more than one stage, such as a motor home, ambulance, or van conversion, the licensee shall advertise, represent, sell, and exchange the vehicle as the make designated by the final stage manufacturer, except in those specific situations where the licensee:
 - (i) possesses a franchise from the initial or first stage manufacturer, presumably the manufacturer of the motor vehicle's chassis; or
 - (ii) manufactured the initial or first stage of the motor vehicle.
 - (b) Sales of multiple stage manufactured motor vehicles shall include the transfer to the purchaser of a valid manufacturer's statement or certificate of origin from each manufacturer under Section 41-3-301.
- (3) Each licensee, except salespersons, shall maintain and make available for inspection by peace officers and employees of the division:
 - (a) a record of every motor vehicle bought, or exchanged by the licensee or received or accepted by the licensee for sale or exchange;
 - (b) a record of every used part or used accessory bought or otherwise acquired;
 - (c) a record of every motor vehicle bought or otherwise acquired and wrecked or dismantled by the licensee;
 - (d) all buyers' orders, contracts, odometer statements, temporary permit records, financing records, and all other documents related to the purchase, sale, or consignment of motor vehicles; and
 - (e) a record of the name and address of the person to whom any motor vehicle or motor vehicle body, chassis, or motor vehicle engine is sold or otherwise disposed of and a description of the motor vehicle by year, make, and vehicle identification number.
- (4) Each licensee required by this chapter to keep records shall:
 - (a) be kept by the licensee at least for five years; and
 - (b) furnish copies of those records upon request to any peace officer or employee of the division during reasonable business hours.
- (5)
 - (a) A manufacturer, distributor, distributor representative, or factory representative may not induce or attempt to induce by means of coercion, intimidation, or discrimination any dealer to:
 - (i) accept delivery of any motor vehicle, parts, or accessories or any other commodity or commodities, including advertising material not ordered by the dealer;
 - (ii) order or accept delivery of any motor vehicle with special features, appliances, accessories, or equipment not included in the list price of the motor vehicle as publicly advertised by the manufacturer;
 - (iii) order from any person any parts, accessories, equipment, machinery, tools, appliances, or any other commodity;
 - (iv) enter into an agreement with the manufacturer, distributor, distributor representative, or factory representative of any of them, or to do any other act unfair to the dealer by threatening to cancel any franchise or contractual agreement between the manufacturer, distributor, distributor branch, or factory branch and the dealer;
 - (v) refuse to deliver to any dealer having a franchise or contractual arrangement for the retail sale of new and unused motor vehicles sold or distributed by the manufacturer, distributor,

- distributor branch or factory branch, any motor vehicle, publicly advertised for immediate delivery within 60 days after the dealer's order is received;
- (vi) unfairly, without regard to the equities of the dealer, cancel the franchise of any motor vehicle dealer; the nonrenewal of a franchise or selling agreement without cause and written notice is a violation of this subsection and is an unfair cancellation; or
 - (vii) waive or forbear the right of the dealer, if the dealer offers for sale, sells, or exchanges cargo/utility trailers, to protest the establishment or relocation of a dealer who offers for sale, sells, or exchanges cargo/utility trailers of the same line-make in the relevant market area of the established dealer.
- (b) For the purpose of Subsection (5)(a)(vii):
- (i) "Cargo/utility trailer" means a trailer that:
 - (A) is not designed for human habitation;
 - (B) has a gross vehicle weight rating of less than 26,000 pounds; and
 - (C) is not designed to carry a motorboat as defined in Section 73-18-2.
 - (ii) "Relevant market area" means:
 - (A) for a dealership located in a county that has a population of less than 225,000, the county in which the dealership is located and the area within a 15-mile radius of the dealership; or
 - (B) for a dealership located in a county that has a population of 225,000 or more, the area within a 10-mile radius of the dealership.
- (6) A dealer may not assist an unlicensed dealer or salesperson in unlawful activity through active or passive participation in sales, or by allowing use of his facilities or dealer license number, or by any other means.
- (7)
- (a) The holder of any new motor vehicle dealer or direct-sale manufacturer license issued under this chapter may not sell any new motor vehicle to:
 - (i) another dealer licensed under this chapter who does not hold a valid franchise for the make of new motor vehicles sold, unless the selling dealer licenses and titles the new motor vehicle to the purchasing dealer; or
 - (ii) any motor vehicle leasing or rental company located within this state, or who has any branch office within this state, unless the dealer licenses and titles the new motor vehicle to the purchasing, leasing, or rental company.
 - (b) Subsection (7)(a)(i) does not apply to the sale of a new incomplete motor vehicle with a gross vehicle weight of 12,000 or more pounds to a special equipment dealer licensed under this chapter.
- (8) A dealer licensed under this chapter may not take on consignment any new motor vehicle from anyone other than a new motor vehicle dealer, factory, or distributor who is licensed and, if required, franchised to distribute or sell that make of motor vehicle in this or any other state.
- (9) A body shop licensed under this chapter may not assist an unlicensed body shop in unlawful activity through active or passive means or by allowing use of its facilities, name, body shop number, or by any other means.
- (10) A used motor vehicle dealer licensed under this chapter may not advertise, offer for sale, or sell a new motor vehicle that has been driven less than 7,500 miles by obtaining a title only to the vehicle and representing it as a used motor vehicle.
- (11)
- (a) Except as provided in Subsection (11)(c), or in cases of undue hardship or emergency as provided by rule by the division, a dealer or salesperson licensed under this chapter may not, on consecutive days of Saturday and Sunday, sell, offer for sale, lease, or offer for lease a motor vehicle.

- (b) Each day a motor vehicle is sold, offered for sale, leased, or offered for lease in violation of Subsection (11)(a) and each motor vehicle sold, offered for sale, leased, or offered for lease in violation of Subsection (11)(a) shall constitute a separate offense.
- (c) The provisions of Subsection (11)(a) shall not apply to a dealer participating in a trade show or exhibition if:
 - (i) there are five or more dealers participating in the trade show or exhibition; and
 - (ii) the trade show or exhibition takes place at a location other than the principal place of business of one of the dealers participating in the trade show or exhibition.
- (12) For purposes of imposing the sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act, a licensee issuing a temporary permit under Section 41-3-302 shall separately identify the fees required by Title 41, Chapter 1a, Motor Vehicle Act.
- (13)
 - (a) A dismantler or dealer engaged in the business of dismantling motor vehicles for the sale of parts or salvage shall identify any vehicles or equipment used by the dismantler or dealer for transporting parts or salvage on the highways.
 - (b) The identification required under Subsection (13)(a) shall:
 - (i) include the name, address, and license number of the dismantler or dealer; and
 - (ii) be conspicuously displayed on both sides of the vehicle or equipment in clearly legible letters and numerals not less than two inches in height.
- (14)
 - (a) Subject to Subsection (14)(b), a licensed vehicle dealer may:
 - (i) sell a vehicle to a buyer without the buyer being required to appear in person at one of the dealer's licensed places of business;
 - (ii) collect a buyer's signature or electronic signature on a purchase contract and related purchase documents;
 - (iii) collect payment electronically; and
 - (iv) deliver:
 - (A) a new motor vehicle to a buyer at the buyer's home or place of business, or at one of the dealer's licensed places of business; or
 - (B) a used motor vehicle to a buyer at a location mutually agreed upon by the buyer and the dealer.
 - (b) A vehicle purchase contract is not executed until the contract is countersigned by the licensed dealer at one of the dealer's licensed places of business.
 - (c) Except as provided in this Subsection (14), Subsection (1)(n) is construed to prevent a dealer, salesperson, or any other representative of a dealership from selling, displaying, or offering a motor vehicle for sale from the dealer's, salesperson's, or any other representative's home or other unlicensed location.

Amended by Chapter 370, 2023 General Session

41-3-211 Unlawful acts or practices.

- (1) A licensee may not knowingly or intentionally engage in any of the following unlawful acts or practices:
 - (a) provide a financial institution or person being contacted to provide financing for the purchase of a motor vehicle, a motor vehicle contract of sale, document of sale, contract, request for proposal, or other document that does not accurately state:
 - (i) the terms of the motor vehicle purchase; or
 - (ii) if the vehicle is a rebuilt vehicle;

- (b) sell a motor vehicle to a purchaser that is subject to financing that is not the motor vehicle described in a motor vehicle contract of sale, document of sale, contract, request for proposal, or other document as of the time the contract of sale, document of sale, contract, request for proposal, or other document provided to the financial institution or person providing financing;
- (c) make payments on any loan or lease on a motor vehicle subject to a loan or lease that is subject to the payoff requirements of Subsection 41-3-402(1); or
- (d) except as provided in Subsection (3), require a purchaser to pay as a condition of the sale:
 - (i) an amount higher than the negotiated purchase price; or
 - (ii) any fee or charge in addition to the negotiated purchase price.
- (2) The provisions of Subsection (1)(c) do not prohibit a dealer from making one or more loan or lease payments for a motor vehicle if making the payments is:
 - (a) stated in writing in a motor vehicle contract of sale, document of sale, contract, request for proposal, or other document; or
 - (b) stated in the notice to the lienholder of the trade-in of the vehicle as required by Subsection 41-3-402(5).
- (3) Subsection (1)(d) does not prohibit a licensee from charging any of the following in addition to the negotiated purchase price detailed on the transaction disclosure form required pursuant to Section 41-3-401.6:
 - (a) a temporary permit fee pursuant to Section 41-1a-211;
 - (b) a fee required in Chapter 1a, Part 5, Titling Requirement;
 - (c) motor vehicle registration fees required under this title;
 - (d) a dealer documentary service fee as described in rules made in accordance with Sections 41-3-301 and 41-3-302;
 - (e) sales and use taxes as required by Title 59, Chapter 12, Sales and Use Tax Act;
 - (f) for the purchase of a semi-tractor with a gross vehicle weight rating of over 14,000 pounds, an increase to the negotiated purchase price paid by the licensee that is imposed by the manufacturer after the negotiated purchase price is determined by the licensee and the purchaser; or
 - (g) any other tax or fee required by federal or state law to be paid by the purchaser of a motor vehicle.
- (4)
 - (a) Except as provided in Subsection (4)(b), a person who violates the provisions of this section is subject to the penalties provided in Section 41-3-701 and Subsection 41-3-702(1)(a).
 - (b) A person who violates Subsection (1)(d) is subject to the penalties provided in Subsection 41-3-702(1)(c).
- (5)
 - (a) Subsection (1)(d) does not apply to a sale at auction and does not prohibit a licensee who conducts an auction from charging the winning bidder fees related to the auction or other vehicle-related services.
 - (b) Subsection (1)(d) does not apply to the sale of motor vehicles in a fleet transaction.

Amended by Chapter 63, 2023 General Session