

Dismantler's License

1.000 Dismantler Defined (VC §220)

A dismantler is one who:

- Buys, sells, or deals in vehicles subject to California registration, including nonrepairable vehicles, for the purpose of dismantling them.
- Buys or sells the integral parts and component materials of vehicles, in whole or in part.
- Deals in used motor vehicle parts.

1.010 Dismantler Exclusions (VC §§220, 221)

The term “automobile dismantler” **does not** include any of the following:

- The incidental dismantling of vehicles by dealers who have current dealer plates and whose principal business is buying and selling new or used vehicles.
- Owners who desire to dismantle not more than three personal vehicles within any 12-month period.
- The owner of any premises on which two or more unregistered and inoperable vehicles are held or stored, if the vehicles are used or intended to be used for restoration or as replacement parts in conjunction with:
 - Any business of a licensed dealer, manufacturer, or transporter.
 - The operation and maintenance of any fleet of motor vehicles used for the transport of persons or property.
 - Any agricultural, farming, mining, ranching business that does not sell parts of the vehicles, except when used in repairs by that business or to a licensed dismantler or scrap-metal processing facility.
 - Any properly licensed motor vehicle repair business that does not sell parts of the vehicles, except when used in repairs by that business or to a licensed dismantler or scrap-metal processing facility.
- Any person engaged in the restoration of a vehicle of historic or classic significance.

- The owner of a steel mill, scrap metal processing facility, or similar establishment purchasing vehicles, not for the purpose of selling them, in whole or in part, but exclusively for the purpose of reducing the vehicles to their component materials.
- Any person who acquires used parts for resale from vehicles that have been approved by the department for dismantling.

1.020 License Required (VC §11500)

It is unlawful for any person to act as an automobile dismantler without first having an established place of business and procuring a license or temporary permit issued by the department. The dismantler must have the license or temporary permit **before** dismantling or wrecking any vehicle subject to registration.

Information regarding licensing requirements is available on the department's website at dmv.ca.gov.

You may also contact the department's Occupational Licensing Section at (916) 229-3126.

1.030 Renewal (VC §11508)

A dismantler license and special plates must be renewed on or before the expiration date. If the license is not renewed on or before that date, it can still be renewed within 30 days following the expiration date by paying the renewal fee and a penalty fee equal to 100 percent of the original application fee. After the 30-day period, a license cannot be renewed. A new application and original fees are required.

A courtesy renewal notice is sent about 90 days before the expiration date. If you do not receive a courtesy notice, you may call the department's Occupational Licensing Section at (916) 229-3126.

Mail renewal forms and fees to:

Department of Motor Vehicles
Occupational Licensing Section MS L224
PO Box 932342
Sacramento, CA 94232-3420

1.040 Suspension or Revocation (VC §11509)

If it is determined that the holder of a dismantler license is not lawfully entitled to the license or has committed any of the acts listed in VC §11509(a), the department, after notice and hearing, may suspend or revoke that license.

1.050 Dismantler Plates (VC §11516)

By displaying a dismantler plate, a licensed dismantler who owns or controls a vehicle subject to registration, may operate or move the vehicle upon the highways without subjecting the vehicle to registration or transfer. Dismantler plates must be displayed on the vehicle in addition to any other license plates or permits already assigned to the vehicle. **Dismantler plates can only be used to move a vehicle from its location to the dismantler's place of business or to a scrap processor's location.** The registration card issued for dismantler plates must be with the vehicle bearing the dismantler plates.

Dismantler plates may not be used on work or service vehicles owned by the dismantler. Such vehicles must be properly registered and licensed. Misuse of dismantler plates is a violation of VC §§4000(a) and 11516.

For additional information regarding the issuance and restrictive use of dismantler plates, contact the department's Occupational Licensing Section at (916) 229-3126.

1.060 Reporting Forms (VC §11505[c])

The Report of Vehicle To Be Dismantled and Dismantlers Notice of Acquisition (REG 42) and other required forms are furnished by the department and remain the property of the department. Dismantler reports may be reviewed by the department at any time.

Refer to Chapter 3 of this handbook for instructions on completing the REG 42 and Section 7.010 for instructions on obtaining additional REG 42 forms.

1.070 Separation of Businesses and Records (VC §11509[a, 3], 11520[a, 5])

- An automobile dismantler must maintain a clear physical division between the business of dismantling vehicles and any other type of business conducted at the same location.

For example, if a dismantler is also licensed by the department as a dealer, all vehicles held for sale or resale as a dealer must be distinctly separated from those to be dismantled.

- A dismantler must maintain a separate business record of every vehicle acquired for dismantling. The record shall contain:
 - The name and address of the person from whom the vehicle was acquired.
 - The date the vehicle was acquired.
 - The license plate number last assigned to the vehicle.
 - A brief description, including make, type, and vehicle identification number.

- Records must be kept separate from any other dismantler's business records. For example, records showing inventory and vehicles dismantled under the dismantler's license must be distinctly separated from the records showing the inventory and sales made under the dealer's license.
- Records must be kept for the current year plus the three years prior.

1.080 Investigation Service Fee (VC §§9263 and 11520)

An investigation service fee will be charged in the following situations:

- When applicable, a Notice of Acquisition is not mailed or delivered to the department within five calendar days after acquiring a vehicle.
- When applicable, a vehicle is dismantled before ten calendar days have elapsed after mailing the Notice of Acquisition.
- Report of Vehicle to be Dismantled, the evidence of ownership, and the vehicle license plates are not submitted to the department within 90 days after acquiring the vehicle.
- Failure to maintain separate business records of all vehicles acquired for dismantling.



In addition to a service fee, violations can result in an administrative action against the dismantler's license.

1.090 Inspection and Review of Dismantler Reports

The dismantler reports, as defined in Section 1.060, and all vehicles in the dismantler's inventory, along with the title and registration documents, may be inspected at any time by a peace officer. Also, DMV investigators may periodically conduct a review of the business operation and records.