

## **NOTICE OF PROPOSED GUIDANCE DOCUMENT**

### **Salvage Dealer License**

Pursuant to Wis. Stat. s. 227.112, the Wisconsin Department of Transportation is hereby seeking comment Salvage Dealer License s. 218, a proposed guidance document.

### **PUBLIC COMMENTS AND DEADLINE FOR SUBMISSION**

Comments may be submitted to the Wisconsin Department of Transportation for 21 days by:

1. Department's website: <https://wisconsindot.gov/Pages/dmv/dlr-agents/busns-licnse/salvagedealerlicense.aspx>

2. Mailing written comments to:  
Division of Motor Vehicles  
Wisconsin Department of Transportation  
4822 Madison Yards Way  
PO Box 7336  
Madison, WI 53707-7336

### **WEBSITE LOCATION OF FINAL GUIDANCE DOCUMENT**

The final version of this guidance document will be posted at [wisconsindot.gov](https://wisconsindot.gov) to allow for ongoing comment.

### **AGENCY CONTACT**

[DOTDMVGuidanceDocs@DOT.WI.GOV](mailto:DOTDMVGuidanceDocs@DOT.WI.GOV)



## State of Wisconsin Department of Transportation

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# Salvage dealer license

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- Manufacturer license
- Moped dealer license
- Motorcycle dealer license
- Recreational vehicle dealer license
- Representative license
- Retail dealer license
- Salesperson license
- Salvage buyer ID (BID) card
- Salvage dealer license
- Wholesale auction dealer license
- Wholesale dealer license

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The motor vehicle salvage dealer license allows a business to buy and resell vehicles for wrecking, processing, scrapping, recycling or dismantling. A licensed salvage dealer cannot use the salvage license to buy even one salvage vehicle for personal use, or for the dealership, its employees,

family or friends to own or use. Wisconsin Department of Transportation (WisDOT) issues the following types of salvage dealer licenses:

- **Type 1** - [MV3184](#): Salvage dealership dismantles vehicles and sells parts. Dealership facilities include an office and a yard.
- **Type 2** - [MV3185](#): Salvage dealership conducts all business within a building; there is no salvage yard. Vehicles are dismantled and parts sold.
- **Type 3** - [MV3186](#): Scrap metal recycler, shredder or baler does not dismantle vehicles or sell parts. Facilities include an office, but no yard.
- **Type 4** - [MV3187](#): Business buys vehicles from owners and may transport them to a licensed salvage yard or scrap metal recycler after removing tires, batteries and gas tanks. Facilities include an office for record storage and a place to park the vehicles used for transporting salvage. The "Type 4" Salvage dealer license is also called a "Scavenger license."

## To qualify you will need:

- An established place of business that complies with all local zoning and permit regulations.
- A financial statement [MV2195](#) showing a net worth of at least \$5,000. Or, if you prefer, you may submit a \$25,000 surety bond in place of a financial statement. For a list of insurance companies accepting applications for bonds, see [insurance companies that accept applications for bonds](#).
- A sales tax seller permit is required. To obtain one, contact the Department of Revenue at (608) 266-2776 or on their Web site under [sales and use tax](#). The sales tax seller permit is required for Type 1 and Type 2 salvage dealer licenses only.
- A sign displaying the salvage dealer license number on any truck or truck-tractor used to haul, tow or push salvage vehicles.
- A business sign and posted hours.
- A lease for the business real estate unless the license applicant owns the property.
- Fees payable to Registration Fee Trust for a two-year license: \$150 for the salvage dealer license; and \$12 for each [salvage buyer identification \(BID\) card](#).
- To demonstrate that you are in compliance with certain [environmental regulations](#).

## Environmental regulations

Licensed Wisconsin salvage dealers must also register with the Wisconsin Department of Natural Resources (DNR) [Storm Water Program](#) and Wisconsin DNR [Refrigerant Recovery Program](#). You must submit letters from DNR confirming your compliance with these two programs along with your DOT salvage dealer application.

For stormwater discharges, you must have current DNR permit coverage unless you are exempt (Type 4 salvage dealers only). Send in the DNR letter indicating you hold a current Stormwater Discharge permit.

For refrigerant recovery, you must either be registered with DNR to do the refrigerant recovery yourself (send in DNR registration cover letter), or have certified to the DNR that you have arranged for another DNR-registered entity to do the refrigerant recovery for you, or that you do not receive any vehicles with refrigerants (send in DNR confirmation letter).

For more information about environmental laws and permits, contact:

### Storm Water

Suzy Limberg  
Storm Water Specialist

### Refrigerant Recovery

Jeff Myers  
Refrigerant Recovery Program Coordinator

Bureau of Watershed Management  
 Wisconsin Dept. of Natural Resources  
 P.O. Box 7921  
 Madison, WI 53707-7921  
 (608) 266-9278  
 Email: [suzan.limberg@wisconsin.gov](mailto:suzan.limberg@wisconsin.gov)

Bureau of Air Management  
 Wisconsin Dept. of Natural Resources  
 P.O. Box 7921  
 Madison, WI 53707-7921  
 (608) 266-2879  
 Email: [jeff.myers@wisconsin.gov](mailto:jeff.myers@wisconsin.gov)

For information on federal [Environmental Protection Agency](#) refrigerant recovery requirements, call (800) 296-1996.

## You can combine a salvage dealership and retail dealership

You may hold both a salvage dealer license and retail dealer license at the same business location, provided you meet all of the requirements for both licenses, plus these special requirements for a shared salvage/retail dealership:

- Physically separate the salvage operation from the retail dealership operation with a natural barrier, fence or wall at least four feet high.
- Keep the gate or doors closed between the salvage and retail operations except when moving vehicles or parts in or out of the salvage area.
- Near the main entrance to the salvage yard, post a sign at least 24 x 48 inches in size that says "salvage yard."
- Submit to WisDOT an inspection of the business location before the license is issued.

## Steps in applying for a new salvage dealer license:

1. (See [salvage dealer license application](#) instructions.) Print the instructions for your reference while completing application forms online.
2. Complete and print application materials. You must submit all of the following application materials, except those listed as optional. You may complete online forms on your screen before you print them. Some require additional handwritten information and signatures. You may not submit forms online. Mail completed paper copies of the required forms to the WisDOT Dealer & Agent Section at the address below.
3. Enclose two letters from the WI Dept. of Natural Resources. One states you have current permit coverage for stormwater discharge or are exempt (Type 4 salvage dealers only). The second letter states you are currently registered with DNR to recover refrigerants from vehicle air conditioners, or confirms that you have certified to DNR that you are using another DNR-registered entity to perform all refrigerant recovery at your facility, or that you do not receive any vehicles with refrigerants.
4. Mail completed paper copies of the required forms to the WisDOT Dealer & Agent Section at the address below. The following documents are in Adobe PDF format:
  - Motor vehicle salvage dealer or recycler two year license application  [MV2180](#).
  - Entity/owner statement  [MV2844](#). If your business has more than one owner, print and submit a form for each owner, partner, LLC member or manager, corporate officer or shareholder.
  - Either:
    - A Financial Statement form  [MV2195](#) and Financial Statement Instructions  [MV2183](#);
    - Or a Dealer Bond form  [MV2511](#) if you will be submitting a bond instead of a

financial statement;

- Salvage buyer identification (BID) card application [MV2651](#). The [salvage buyer identification \(BID\) card](#) is optional.

## For more information:

- [Field investigation offices](#)
- [Salvage dealer license application instructions](#)

## Apply by mail

Because the application forms require signatures of authorities and witnesses, they cannot be submitted online. Mail all completed applications to the following address:

WI DEPT OF TRANSPORTATION  
DEALER & AGENT SECTION  
PO BOX 7909  
MADISON WI 53707-7909

If you have questions or to request application materials for the salvage dealer license:

**Email** [Wisconsin DMV email service](#)

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