



CONNIE LAWSON  
SECRETARY OF STATE

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STATE OF INDIANA  
AUTO DEALER SERVICES  
DIVISION

RACHAEL EHLICH  
DIVISION DIRECTOR

**DEALERSHIP BUY/SELL GUIDANCE**

*Disclaimer: This document is not intended to be a comprehensive guide to buying or selling a dealership. The intent is only to address questions about the Auto Dealer Service Division's policies and procedures.*

**General**

In this document, the Auto Dealer Services Division of the Indiana Secretary of State's Office ("ADSD") aims to address the questions most frequently asked and issues most frequently encountered by dealers who are either buying or selling a currently licensed Indiana dealership.

**Relevant Law**

Ind. Code 9-32-1-3

Ind. Code 9-32-4-

Ind. Code 9-32-11-15

**Division Requirements - Buyer**

**LICENSE.** The purchaser must apply for their own dealer license. The dealer license held by the dealership being purchased cannot be transferred to the purchaser. ADSD can work with both parties to ensure that the transition between licenses does not cause a disruption for the business. As part of the license application process, we will ask for a copy of the buy-sell agreement (or equivalent).

**INTERIM/TEMP PLATES.** The purchaser cannot use the seller's interim plate account/credits. The purchaser may only use the interim plate account assigned to them after a license has been granted. The purchaser cannot issue interim license plates to vehicles sold by the seller.

**DEALER PLATES.** The purchaser cannot use the seller's dealer license plates. The purchaser may only use the dealer license plates assigned to them after a license has been granted. We are able to grant the purchaser a license (assuming all requirements have been met) up to fourteen (14) calendar days before the closing date provided in the buy-sell agreement to allow time for plates to ship.

**Division Requirements - Seller**

**LICENSE.** The dealership being sold needs to submit a Ceasing Business Affidavit (State Form 55905). This affidavit must be submitted in advance of closing. ADSD can work with both parties to ensure that the transition between licenses does not cause a disruption for the business. Our office will not process the Ceasing Business Affidavit until we have confirmed that closing occurred and the sale has gone through.

**DEALER PLATES.** The seller will need to return all of their dealer license plates to ADSD once their business has ceased operations. Dealers can view their current inventory of dealer plates on their online dealer dashboard. If any dealer plates have been lost or stolen, that will need to be reported to ADSD. This can be done using the dealer's online account. Failure to return dealer plates could result in administrative action.



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**TITLE DELIVERY.** The seller will be responsible for ensuring all titles to vehicles sold by seller are delivered to consumers within 31-days of the sale even if the seller has now ceased operations.

**Revision History**

1. May 10, 2018: Initial Release
2. July 30, 2020: Revision