START A BUSINESS - CONNECTICUT

How to open an auto repair shop in Connecticut

Get a DMV repairer license with a $25,000 bond, an approved building and a qualified mechanic, then follow the state's estimate, authorization and invoice rules.

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1 Is a repair shop right for you?

Repair shops diagnose and fix vehicles, from maintenance and brakes to engines and body work. It suits experienced technicians who can run a licensed, inspected facility.

2 Form the business and get a sales tax permit

1. Choose a structure. LLCs file a Certificate of Organization with the Secretary of the State ($120). If you use a name different from the owners' names, file a trade name certificate with the town clerk; the DMV asks for it.
2. Get a Sales and Use Tax Permit from the Department of Revenue Services ($100). It is valid for two years and renews automatically when your returns are filed. The general rate is 6.35%.

3 The DMV repairer license

Connecticut requires a DMV repairer license to repair vehicles for consumers; working without one is a class B misdemeanor. You need:

- a building that can take at least one vehicle, with an office and parts storage
- at least one qualified mechanic
- the town's certificate of approval from the zoning official, building official and fire marshal
- a waste oil tank of at least 250 gallons and a letter from a registered waste oil transporter
- an insurance certificate (R1325e), your sales tax permit and a $25,000 surety bond

Fees: $140 application, then $340 for a two-year license.

4 Rules for every repair

Post your hourly labor rates on a sign. Get the customer's written or verbal authorization for every repair, give an estimate of the maximum cost for any repair over $50, and give an invoice listing the work and parts.

5 Sales tax

Motor vehicle repair services, including any repair, painting or replacement related to the body or operating parts, and vehicle storage are taxable at 6.35%.

6 A/C work and the environment

Technicians who service A/C for pay need EPA Section 609 certification. Shops with open floor drains have extra environmental requirements that the DMV application explains.

7 Your first steps

1. Form the business and get your sales tax permit.
2. Get the town's approval for the location.
3. Install a waste oil tank and line up a registered transporter.
4. Apply for the DMV repairer license with the bond and insurance certificate.
5. List your business on Nearby Car Care

Requirements at a glance

Form the business and file a trade name certificate if needed

Required - State - Connecticut Secretary of the State; your town clerk

LLCs file a Certificate of Organization with the Secretary of the State (corporations file their own formation documents there). A business using a name different from its owners' names files a trade name certificate with the town clerk, which the DMV asks for on license applications.

Fees: LLC Certificate of Organization: $120.

Official application: https://business.ct.gov/knowledge-base/articles/domestic-limited-liability-companies-forms-and-fees

Sales and Use Tax Permit

Required - State - Connecticut Department of Revenue Services

Register with the Department of Revenue Services for a Sales and Use Tax Permit before you make taxable sales. The general rate is 6.35%. Permits are valid for two years and renew automatically if your returns are filed. The DMV asks dealers, repairers and recyclers for a copy of the permit.

Fees: $100 application fee. Doing business without a permit: $250 penalty for the first day and $100 for each following day.

DMV repairer license

Required - State - Connecticut Department of Motor Vehicles

It is illegal to repair motor vehicles for consumers in Connecticut without a DMV dealer or repairer license (a class B misdemeanor). Repairers need a building that can take at least one vehicle for repairs, with an office and parts storage, at least one qualified mechanic, a certificate of approval for the location from the town's zoning official, building official and fire marshal, a waste oil tank of at least 250 gallons with a letter from a registered waste oil transporter (or an exemption), an insurance certificate (R1325e), a sales tax permit and a $25,000 surety bond.

Fees: $140 nonrefundable application fee; repairer license $340 for two years; plates $140 each plus $5 safety fee (K-36, revision 07-2026).

Official application: https://portal.ct.gov/-/media/DMV/20/29/K36pdf.pdf

$25,000 repairer surety bond

Required - State - Connecticut Department of Motor Vehicles

Repairers file a $25,000 surety bond on Form K-158, in the exact business name and address on the application.

Amount: $25,000

Official application: https://portal.ct.gov/-/media/DMV/20/29/K158pdf.pdf

Labor rate sign, authorization, estimates and invoices

Required - State - Connecticut Department of Motor Vehicles

Post your hourly labor rates on a sign. Get the customer's written or verbal authorization for every repair; give an estimate of the maximum cost for any repair over $50, and get authorization if the cost will exceed the estimate. Give the customer an invoice of the work performed and parts used (CGS 14-65e to 14-65j).

Collect sales tax on repairs and parts

Required - State - Connecticut Department of Revenue Services

The Department lists motor vehicle repair services, including any repair, painting or replacement related to the body or operating parts, as taxable, and motor vehicle storage services as taxable.

EPA Section 609 certification for air conditioning work

Required in some cases - Federal - U.S. Environmental Protection Agency

Anyone who repairs or services a motor vehicle air conditioning system for payment or bartering must be certified by an EPA-approved Section 609 program.

Official agencies and links

Section 609 Technician Training and Certification Programs
U.S. Environmental Protection Agency
https://www.epa.gov/mvac/section-609-technician-training-and-certification-programs

Get a regulated DMV business license or registration
Connecticut Department of Motor Vehicles
https://portal.ct.gov/dmv/commercial-and-industry-services/get-regulated-business-license

Surety Bond, Motor Vehicle Dealer, Repairer, Recycler, Leasing (K-158)
Connecticut Department of Motor Vehicles
https://portal.ct.gov/-/media/DMV/20/29/K158pdf.pdf

Procedure for Obtaining a Connecticut Dealer or Repairer License (K-36)
Connecticut Department of Motor Vehicles, Dealers and Repairers Licensing Unit
https://portal.ct.gov/-/media/DMV/20/29/K36pdf.pdf

Getting Started in Business (Informational Publication 2018(5))
Connecticut Department of Revenue Services
https://portal.ct.gov/-/media/DRS/Publications/pubsip/2018/IP-2018(5).pdf

Services Subject to Sales and Use Taxes
Connecticut Department of Revenue Services
https://portal.ct.gov/DRS/Sales-Tax/Services-Subject-to-Sales-and-Use-Taxes

Domestic Limited Liability Company forms and fees
Connecticut Secretary of the State (Business One Stop)
https://business.ct.gov/knowledge-base/articles/domestic-limited-liability-companies-forms-and-fees

Frequently asked questions

Do I need a license to open a repair shop in Connecticut?
Yes. Repairing vehicles for consumers requires a DMV repairer license; the fee is $140 to apply and $340 for two years, plus a $25,000 bond.

Does Connecticut still have a limited repairer license?
The DMV's current application instructions cover the repairer license; ask the DMV about any older limited repairer license you hold.

This guide is general information, not legal advice. Rules change and can depend on your city or county, so confirm with the official agencies linked below before you apply.

https://nearbycarcare.com/resources/business/open-auto-repair-shop/connecticut/