START A BUSINESS - FLORIDA

How to open a car dealership in Florida

Florida dealers need an FLHSMV license after a training seminar, $25,000 garage liability insurance plus PIP, and a $25,000 bond or letter of credit every year.

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1 Is a dealership right for you?

Dealers buy, recondition and sell vehicles and handle titles and paperwork. It suits people with sales skills, capital for inventory and patience for records.

2 Form the business and register for sales tax

1. Choose a structure. LLCs and corporations file with the Florida Division of Corporations (Sunbiz).
2. Register with the Department of Revenue to collect sales tax: 6% state plus any county surtax.
3. Get your local business tax receipt from your county and city and check zoning.

3 The FLHSMV dealer license

Attend a training seminar at a licensed dealer training school within 6 months before applying. You need garage liability insurance of at least $25,000 combined single limit plus $10,000 PIP, an inspected location, fingerprints and a sales tax number. Independent dealers complete 8 hours of continuing education every 2 years.

4 Dealer bond

Each year, before the license issues, deliver a $25,000 surety bond or irrevocable letter of credit.

5 Your first steps

1. Form the business and register for sales tax.
2. Attend the dealer training seminar.
3. Get insurance and the $25,000 bond.
4. Apply to FLHSMV.
5. List your business on Nearby Car Care

Requirements at a glance

Florida sales and use tax registration

Required - State - Florida Department of Revenue

Register with the Department of Revenue to collect sales tax: 6% state rate plus any county discretionary sales surtax.

Form your LLC or corporation with the Florida Division of Corporations (Sunbiz) first. Check your county and city for a local business tax receipt.

Official application: https://floridarevenue.com/taxes/taxesfees/Pages/sales_tax.aspx

FLHSMV dealer license and training seminar

Required - State - Florida Department of Highway Safety and Motor Vehicles

Apply to FLHSMV with proof that you (or a designated employee) attended a training seminar at a licensed dealer training school within the past 6 months, garage liability insurance of at least $25,000 combined single limit plus $10,000 PIP, an inspected location, fingerprints and a sales tax number. Independent dealers complete 8 hours of continuing education every 2 years.

Fees: See the FLHSMV application (form 86056).

Official application:
https://www.flhsmv.gov/motor-vehicles-tags-titles/dealers-installers-manufacturers-distributors-importers/mv-rv-mh-dealer-broker-licenses/

Dealer surety bond or letter of credit ($25,000)

Required - State - Florida Department of Highway Safety and Motor Vehicles

Each year, before the license issues, deliver a $25,000 surety bond or irrevocable letter of credit.
Amount: $25,000

Official agencies and links

Motor Vehicle, Recreational Vehicle and Mobile Home Dealer/Broker Licenses
Florida Department of Highway Safety and Motor Vehicles
https://www.flhsmv.gov/motor-vehicles-tags-titles/dealers-installers-manufacturers-distributors-importers/mv-rv-mh-dealer-broker-licenses/

Sales and Use Tax
Florida Department of Revenue
https://floridarevenue.com/taxes/taxesfees/Pages/sales_tax.aspx

Florida Statutes 320.27, Motor vehicle dealers
The Florida Senate
https://www.flsenate.gov/Laws/Statutes/2026/320.27

Frequently asked questions

How much is the Florida dealer bond?
$25,000, as a surety bond or irrevocable letter of credit, every year.

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.