START A BUSINESS - DELAWARE

# How to start an auto detailing business in Delaware

Delaware detailers and car washes need a Division of Revenue business license and pay gross receipts tax; check local wash water rules.

Sources verified 2026-11-21 - Updated 2026-11-21

## 1 Is detailing right for you?

Detailers clean and protect vehicles inside and out. It suits careful, patient people and can start small with a mobile setup.

## 2 Form the business and get a Division of Revenue license

1. Choose a structure. LLCs and corporations file with the Delaware Division of Corporations.
2. Get a Division of Revenue business license. Delaware has no sales tax; instead, businesses pay a gross receipts tax on what they take in.
3. Check your town or county for a local business license.

## 3 Licenses

We found no separate Delaware State license for detailing or car washes beyond the Division of Revenue business license. Check zoning and local licenses with your town or county.

## 4 No sales tax: gross receipts tax

Delaware has no sales tax, so you do not charge customers tax. You pay a gross receipts tax yourself: for service businesses, .3983% of receipts after the first $100,000 a month, plus a $75 yearly business license ($25 for each extra location). Product sales up to $8,500 a year can go on the service license; above that you need a retailer license.

## 5 Your first steps

1. Form the business and get the Division of Revenue license.
2. Check local licenses and zoning.
3. Buy insurance and equipment.
4. List your business on Nearby Car Care

## Requirements at a glance

### Division of Revenue business license and gross receipts tax

Required - State - Delaware Division of Revenue

Delaware has no sales tax. Every business needs a Division of Revenue business license and pays a gross receipts tax on what it takes in. For service businesses the license is $75 a year for the first location ($25 for each additional), and the gross receipts tax is .3983% after the first $100,000 a month. Product sales up to $8,500 a year can be reported under the service license; above that you need a retailer license.

Fees: $75 a year for the first location, $25 for each additional location

Form your LLC or corporation with the Delaware Division of Corporations first. Towns and counties may require their own business license.

Official application: https://revenue.delaware.gov/frequently-asked-questions/gross-receipts-tax-faqs/

### Local license and wastewater rules

Required in some cases - Municipal - Your town or county

Car washes are listed among Division of Revenue service licenses. We found no separate state detailing license; check local business licenses, zoning and wash water rules.

## Official agencies and links

**Gross Receipts Tax FAQs**

Delaware Division of Revenue

https://revenue.delaware.gov/frequently-asked-questions/gross-receipts-tax-faqs/

**Tax Tips for Occupations / General Service**

Delaware Division of Revenue

https://revenuefiles.delaware.gov/docs/services.pdf

## Frequently asked questions

Do I need a license to detail cars in Delaware?

A Division of Revenue business license; we found no separate state detailing license.

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.