START A BUSINESS - DISTRICT OF COLUMBIA

How to start a salvage yard in DC

We found no separate DC salvage yard license; selling vehicles needs a dealer license, so ask DLCP which business license applies and DMV about salvage titles.

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

1 Is a salvage yard right for you?

Salvage yards buy wrecked and end of life vehicles, sell usable parts and recycle the rest. It suits people who like hands-on work and careful records.

2 Form the business and register for sales tax

1. Choose a structure. LLCs and corporations register with DLCP's Corporations Division.
2. Register with the Office of Tax and Revenue to collect DC sales tax and get a Clean Hands certification. Repair services are taxable, labor included.
3. Check your city or county for local licenses and zoning.

3 Licenses

We found no DC license for salvage yards. Check your city or county for licenses and zoning.

4 Sales tax

Used parts you sell are taxable.

5 Your first steps

1. Form the business and register with the Office of Tax and Revenue.
2. Check local licenses and zoning.
3. Buy insurance and equipment.
4. List your business on Nearby Car Care

Requirements at a glance

Sales tax on parts you sell

Required - State - DC Office of Tax and Revenue

Used parts and other goods you sell are taxable.

Salvage yard rules: ask DLCP and DMV

Required in some cases - State - DC Department of Licensing and Consumer Protection; DC DMV

We found no separate DC salvage yard license in the sources we checked. Selling vehicles needs a dealer license. Ask DLCP which business license applies, DMV about salvage titles, and check zoning.

Forklift operator training (OSHA)

Required in some cases - Federal - Occupational Safety and Health Administration

If employees use forklifts, the employer must train and evaluate each operator before they operate one (29 CFR 1910.178(l)).

Official agencies and links

29 CFR 1910.178, Powered industrial trucks (operator training, paragraph (l))
Occupational Safety and Health Administration
https://www.osha.gov/laws-regs/regulations/standardnumber/1910/1910.178

D.C. Code 47-2001, Sales tax definitions (retail sales of services)
Council of the District of Columbia
https://code.dccouncil.gov/us/dc/council/code/sections/47-2001

Consumer Goods (Auto Repair) business license
DC Department of Licensing and Consumer Protection
https://dlcp.dc.gov/node/1618741

Frequently asked questions

Does DC license salvage yards?
We found no separate salvage yard license; ask DLCP and DMV.

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.