LICENSES, PERMITS & CERTIFICATIONS - CALIFORNIA

California car dealer licenses, bonds and permits

What California requires of these businesses: registration, tax, licenses and the official links to check.

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

1 The rules at a glance

- CDTFA seller's permit (labor generally not taxed)
- DMV dealer license
- Four-hour education program and DMV exam (used dealers)
- $50,000 bond
- Salesperson licenses

Requirements at a glance

California seller's permit

Required - State - California Department of Tax and Fee Administration

Get a seller's permit from CDTFA and collect sales tax on parts and merchandise you sell.
Form your LLC or corporation with the California Secretary of State first. Fees not verified here.
Official application: https://cdtfa.ca.gov/formspubs/pub25.pdf

DMV vehicle dealer license

Required - State - California DMV, Occupational Licensing

Selling vehicles requires a DMV dealer license. Used vehicle dealer applicants complete a preliminary education program of at least four hours and pass a DMV written exam. Each salesperson needs a DMV vehicle salesperson license.
Fees: Not verified here; ask DMV.
Official application: https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=VEH&sectionNum=11710

Dealer surety bond ($50,000)

Required - State - California DMV, Occupational Licensing

File a $50,000 bond from an admitted surety before the license is issued or renewed ($10,000 for motorcycle or ATV-only dealers).
Amount: $50,000

Official agencies and links

Publication 25, Auto Repair Garages and Service Stations (June 2026)
California Department of Tax and Fee Administration
https://cdtfa.ca.gov/formspubs/pub25.pdf

Vehicle Code 11704.5, 11710 and 11800: dealer education, dealer bond, salesperson lic
California Legislature
https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=VEH&sectionNum=11710

Frequently asked questions

How much is the California dealer bond?
$50,000 ($10,000 for motorcycle or ATV-only dealers).

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/licenses/dealer-licenses-permits/california/