LICENSES, PERMITS & CERTIFICATIONS - ALABAMA

# Alabama salvage yard licenses and permits

What Alabama 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

- Sales tax registration (state plus local rates)
- Dismantler and parts recycler license ($225 a year)
- $50,000 surety bond
- NMVTIS ID number
- Forklift operator training

## Requirements at a glance

### Sales tax on parts you sell

Required - State - Alabama Department of Revenue

Used parts and other goods are taxable at the state and local rates.

### Automotive dismantler and parts recycler license

Required - State - Alabama Department of Revenue

You are presumed to be a dismantler if you hold 10 or more inoperable vehicles for more than 30 days. Get an NMVTIS ID number first, then apply online with a $50,000 surety bond and power of attorney.

Amount: $50,000 bond

Fees: $225 a year; 15% penalty after September 30

Official application: https://www.revenue.alabama.gov/faqs/requirements-for-dismantler-license/

### 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

**Requirements for Dismantler License**

Alabama Department of Revenue

https://www.revenue.alabama.gov/faqs/requirements-for-dismantler-license/

**Rule 810-6-1-.07, Sales of automotive vehicle parts by repair shops and garages**

Alabama Department of Revenue

https://www.revenue.alabama.gov/wp-content/uploads/2021/12/810-6-1-.07.pdf

## Frequently asked questions

Do I need a license to run a junkyard in Alabama?

Yes, if you hold 10 or more inoperable vehicles for over 30 days: a dismantler and parts recycler license ($225, $50,000 bond).

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/salvage-yard-licenses-permits/alabama/