LICENSES, PERMITS & CERTIFICATIONS - IOWA

Iowa salvage yard licenses and permits

What Iowa 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 permit (repair, wash and towing taxable)
- DOT vehicle recycler license ($70)
- Office staffed 32 hours a week; NMVTIS registration
- Junkyard control near highways
- Forklift operator training

Requirements at a glance

Iowa sales tax permit

Required - State - Iowa Department of Revenue

Register with the Department of Revenue for a sales tax permit. Iowa taxes listed services, including vehicle repair, motor repair, vehicle wash and wax, and wrecker and towing, plus any local option tax.

Form your LLC or corporation with the Iowa Secretary of State first. Fees not verified here.

Official application:
https://revenue.iowa.gov/taxes/tax-guidance/sales-use-excise-tax/iowa-sales-and-use-tax-taxable-services

DOT vehicle recycler license

Required - State - Iowa Department of Transportation

You need a recycler license to sell parts of, dismantle, rebuild or store more than six vehicles in 12 months. Keep an office staffed at least 32 hours a week Monday through Friday, register with NMVTIS and meet local zoning. A recycler license does not allow retail vehicle sales.

Fees: $70

Official application:
https://iowadot.gov/registration-plates/dealerships/dealer-licenses-requirements/get-recycler-used-parts-dealer-license

Iowa Junkyard Control Law

Required in some cases - State - Iowa Department of Transportation

If you keep 10 or more wrecked or inoperative vehicles, no junkyard may be within 1,000 feet of an interstate or primary highway unless it is screened, in an industrial area, not visible from the highway or established before July 1, 1972.

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

Iowa Sales and Use Tax: Taxable Services

Iowa Department of Revenue
https://revenue.iowa.gov/taxes/tax-guidance/sales-use-excise-tax/iowa-sales-and-use-tax-taxable-services

Get a Recycler and Used Parts Dealer License
Iowa Department of Transportation
https://iowadot.gov/registration-plates/dealerships/dealer-licenses-requirements/get-recycler-used-parts-dealer-license

Frequently asked questions

When does an Iowa salvage yard need a license?
When it sells parts of, dismantles, rebuilds or stores more than six vehicles in 12 months: a DOT vehicle recycler license ($70).

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/iowa/