LICENSES, PERMITS & CERTIFICATIONS - MASSACHUSETTS

Massachusetts towing licenses, permits and insurance

DPU operating authority, maximum rates and the other rules for towing companies in Massachusetts.

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

1 The rules at a glance

- Form the business and register for sales tax
- DPU operating authority for police-ordered and trespass tows ($100 plus $40 per decal), certificate of insurance
- Maximum involuntary rates: $132.00 tow, $35.00 per 24 hours storage
- Optional RMV repair plates
- USDOT number for intrastate commercial vehicles

Requirements at a glance

Form the business (Secretary of the Commonwealth or city or town clerk)

Required - State - Massachusetts Secretary of the Commonwealth; your city or town clerk

LLCs file a Certificate of Organization with the Secretary of the Commonwealth and exist only once it is approved. Sole proprietors and partnerships using a trade name file a business certificate with the city or town clerk, which the RMV and DPU ask for.

Fees: LLC Certificate of Organization: $500.

Register for sales tax with the Department of Revenue

Required - State - Massachusetts Department of Revenue

Massachusetts sales tax is 6.25% of the sales price of taxable goods. Register with the Department of Revenue before you sell taxable items such as parts.

DPU operating authority for police-ordered and trespass tows

Required in some cases - State - Massachusetts Department of Public Utilities, Transportation Oversight

To perform involuntary tows (police-ordered or trespass tows) you need operating authority from the DPU. Complete applications are heard at a public hearing on the second Tuesday of the following month, which the principal owner attends; you then have 60 days to supply proof of registered business, a balance sheet, a certificate of insurance and the decal application.

Fees: $100 filing fee; $40 for each vehicle identification decal.

Every year after approval, submit proof of insurance, the decal renewal and an annual report of involuntary tow and storage revenue.

Official application: https://www.mass.gov/how-to/apply-to-perform-involuntary-tows-in-massachusetts

Maximum rates for involuntary tows and storage

Required in some cases - State - Massachusetts Department of Public Utilities

For police-ordered tows and tows from private property, the maximum towing charge is $132.00 (220 CMR 272.00), and storage for non-commercial vehicles is $35.00 per 24 hours (G.L. c. 159B, s. 6B); additional labor may be charged. The DPU does not regulate tows the owner requests.

Amount: $132.00 tow; $35.00 per 24 hours storage

RMV repair registration (Section 5 plates), optional

Optional - State - Massachusetts Registry of Motor Vehicles

Repair plates let a repairer drive unregistered vehicles for testing. The RMV asks for a business certificate, your DPU Certificate of Compliance if you tow for police, your EIN, a lease, titles and photos of tow and repair vehicles, sign and office photos and a floor plan; the State Police review the application.

Official application: https://www.mass.gov/how-to/apply-for-a-repair-registration

USDOT number for commercial tow trucks

Required in some cases - Federal - Federal Motor Carrier Safety Administration

FMCSA lists Massachusetts among the states that require intrastate commercial vehicle registrants to obtain a USDOT number. Trucks that need one show the carrier name and USDOT number on both sides (49 CFR 390.21).

Official agencies and links

Do I Need a USDOT Number?
Federal Motor Carrier Safety Administration
https://www.fmcsa.dot.gov/registration/do-i-need-usdot-number

Apply to perform involuntary tows in Massachusetts
Massachusetts Department of Public Utilities, Transportation Oversight Division
https://www.mass.gov/how-to/apply-to-perform-involuntary-tows-in-massachusetts

Involuntary trespass towing rates and regulations
Massachusetts Department of Public Utilities, Transportation Oversight Division
https://www.mass.gov/involuntary-trespass-towing-rates-and-regulations

Sales and Use Tax
Massachusetts Department of Revenue
https://www.mass.gov/guides/sales-and-use-tax

Apply for a repair registration
Massachusetts Registry of Motor Vehicles
https://www.mass.gov/how-to/apply-for-a-repair-registration

Starting a limited liability company (LLC) in Massachusetts
Massachusetts Secretary of the Commonwealth, Corporations Division (Mass.gov)
https://www.mass.gov/info-details/starting-a-limited-liability-company-llc-in-massachusetts

Frequently asked questions

Does the DPU regulate all towing?
No. It regulates involuntary tows (police-ordered and trespass); it does not regulate towing the owner requests.

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/towing-licenses-permits-insurance/massachusetts/