



# Plain Dealing

A policy and administrative bulletin for licensed dealers  
from the WisDOT DMV Dealer and Agent Section



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## Permanent rule change affects Buyer's licenses

Effective immediately, a permanent change to Wis. Admin. Code ch. Trans 138 impacts how motor vehicle buyers will purchase vehicles from motor vehicle auctions. With this rule change, ***individuals who do not possess a valid Buyer's license issued by the department cannot bid on or purchase vehicles from motor vehicle auctions.***

### How will this rule change impact dealers?

Dealers sponsor motor vehicle buyers to allow them to purchase vehicles at auction on behalf of the dealer. Previously, buyers were allowed to purchase vehicles at auction while their Buyer's license application was under review by the department. The new permanent rule requires the department to issue a Buyer's license prior to any buyer purchasing vehicles at auction.

The rule defines what constitutes a valid license for purchasing vehicles at auction. Wis. Admin. Code ch. Trans 138.02(13m) now reads:

*“Valid motor vehicle buyer license’ means a written authorization issued by the department that authorizes the holder to bid on or to purchase at a motor vehicle auction dealer, to an applicant that meets the requirements under s. Trans 138.0225.”*

Second, the rule forbids any person who does not have a valid Buyer's license in their possession from bidding on or purchasing vehicles from motor vehicle auction dealers. Wis. Admin. Code ch. Trans 138.0225(1) reads in part:

*“A motor vehicle buyer shall carry his or her license when engaged in business and display the license upon request.”*

Third, the rule prohibits any person from bidding on or purchasing motor vehicles from motor vehicle auction dealers without first obtaining a valid license. Wis. Admin. Code ch. Trans 138.0225(2) reads:

*“A motor vehicle buyer license is not valid until the department receives a complete application with applicable fees for the license on a form specified by the department, the department approves the application in a manner determined by the department, and the department issues a license to the applicant.”*

Note that owners of licensed Wisconsin dealerships may continue to bid on and purchase vehicles without a Buyer’s license, provided they can demonstrate ownership. Also, wholesalers will still not be issued Buyer’s licenses. Only wholesale owners may be permitted to bid at the auction.

### **How can someone obtain a Buyer's license?**

Individuals are now able to submit a Buyer’s license application electronically using the [Buyer's License Application: WI DOT - External \(accessgov.com\)](#).

Once the application form is submitted, the sponsoring dealer will receive an email notification requesting approval. After the application is approved, the dealer will receive a second email with a link to pay the licensing fee using either an ACH account or credit card. The department will process the license after the dealer has approved and paid for the application.

It is important that both applicant and dealer complete all portions of the application, including prompt payment, as the department will not receive the application until after these steps are complete. The payment link received by the dealer expires after 1 week.

If you have any questions regarding this process, please reach out to the Dealer Licensing Unit (608-266-1425).

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**Tommy Winkler Jr**, Administrator  
**Reggie Paradowski**, Deputy Administrator  
**Ann Perry**, Bureau Director (BVS)  
**Maura Schifalacqua**, Section Chief (DAS)

**Bryon Gerick**, Vehicle Emissions Program, Supervisor  
**John Kleinfeldt**, Field Investigation Unit, Supervisor  
**Shin Lin Tung**, Business and Consumer Services Unit, Supervisor  
**Tristan Kloss**, editor

Wisconsin Department of Transportation  
Dealer & Agent Section  
PO Box 7909  
Madison WI 53707  
[dealers.dmv@dot.wi.gov](mailto:dealers.dmv@dot.wi.gov)  
Phone: (608) 266-1425

