

322.5 License fees — temporary permits.

1. *a.* The license fee for a motor vehicle dealer for a two-year period or part thereof is the sum of seventy dollars for the licensee's principal place of business in each city or township and an additional twenty dollars for a two-year period or part thereof for each car lot which is in the city or township in which the principal place of business is located and which is not adjacent to that place, to be paid to the department at the time a license is applied for. In case the application is denied, the department shall refund the amount of the fee to the applicant.

b. For the purposes of [this section](#), "adjacent" means that the principal place of business and each additional lot are adjoining parcels of property. Parcels of property shall be deemed to be adjacent if the parcels are only separated by an alley, street, or highway that is not a controlled-access facility.

2. *a.* In addition to selling motor vehicles at the motor vehicle dealer's principal place of business and at car lots, a motor vehicle dealer may do any of the following:

(1) Display new motor vehicles at fairs, vehicle shows, and vehicle exhibitions, upon application for and receipt of a temporary permit issued by the department.

(2) Display, offer for sale, and negotiate sales of new motor vehicles at fair events, as defined in [chapter 174](#), the state fair, as discussed in [chapter 173](#), vehicle shows, and vehicle exhibitions, upon application for and receipt of a temporary permit issued by the department. Such activities may only be conducted at a fair event, the state fair, a vehicle show, or a vehicle exhibition, if the fair event, state fair, vehicle show, or vehicle exhibition is held in the motor vehicle dealer's community, as defined in [section 322A.1](#), for the vehicles that are displayed and offered for sale. A sale of a motor vehicle by a motor vehicle dealer shall not be completed and an agreement for the sale of a motor vehicle shall not be signed at a fair event, the state fair, a vehicle show, or a vehicle exhibition. All such sales shall be consummated at the motor vehicle dealer's principal place of business.

b. An application for a temporary permit under [this subsection](#) shall be made upon a form provided by the department and shall be accompanied by a ten-dollar permit fee. The department may issue a temporary permit for a period not to exceed fourteen days. The department may issue multiple consecutive temporary permits.

3. A motor vehicle dealer may also, upon receipt of a temporary permit approved by the department, display and sell classic cars only at county fairs, as defined in [chapter 174](#), vehicle shows, and vehicle exhibitions which have been approved by the department for purposes of classic car display and sale and the provisions of [section 322.3, subsection 9](#), shall not be applicable. Application for a temporary permit shall be made on forms provided by the department and shall be accompanied by a ten-dollar permit fee. A permit shall be issued for a single period of not to exceed five days. Not more than three permits may be issued to a motor vehicle dealer in any one calendar year. For purposes of [this subsection](#), "classic car" means a motor vehicle fifteen years old or older but less than twenty years old which is primarily of value as a collector's item and not as transportation.

4. *a.* A nonresident motor vehicle dealer, who is authorized by a written contract with a manufacturer or distributor of new motor trucks to sell at retail such new motor trucks, may display motor trucks within this state at qualified events approved by the department. The dealer must obtain a temporary permit from the department. An application for a temporary permit shall be made upon a form provided by the department and shall be accompanied by a ten-dollar permit fee. Permits shall be issued for a period not to exceed fourteen days. The department shall issue a temporary permit under [this subsection](#) only if the qualified event for which the permit is issued meets all of the following conditions:

(1) The sale of motor vehicles is not allowed during the qualified event.

(2) The qualified event is conducted in a controlled area and is not open to the public generally.

(3) The qualified event generally promotes the motor truck industry.

(4) The qualified event is conducted within the area of responsibility that is specified in the motor vehicle dealer's contract with the manufacturer or distributor.

b. A temporary permit shall not be issued under [this subsection](#) unless the state in which

the nonresident motor vehicle dealer is licensed extends by reciprocity similar privileges to a motor vehicle dealer licensed by this state.

5. a. A manufacturer, distributor, or dealer may, upon receipt of a temporary permit approved by the department, display new ambulances, new fire vehicles, and new rescue vehicles for educational purposes only at vehicle shows and vehicle exhibitions conducted for the express purpose of educating fire and rescue personnel in new technology and techniques for fire fighting and rescue efforts. Application for temporary permits shall be made upon forms provided by the department and shall be accompanied by a ten-dollar permit fee. Permits shall be issued for a single show or exhibition, not to exceed five consecutive days.

b. A temporary permit shall not be issued under [this subsection](#) to a nonresident manufacturer, distributor, or dealer unless the state in which the nonresident manufacturer, distributor, or dealer is licensed extends by reciprocity similar privileges to a manufacturer, distributor, or dealer licensed by this state.

6. a. Upon application for and receipt of a temporary permit issued by the department under [this subsection](#), a motor vehicle dealer authorized to sell used motorcycles or autocycles may display, offer for sale, and negotiate sales of used motorcycles or autocycles at a motorcycle rally located in this state that meets all of the following conditions:

- (1) The sponsor of the rally conducts not more than one rally annually in this state.
- (2) The rally is conducted for a single period of not less than three and not more than seven consecutive days.
- (3) Attendance at the rally is restricted to persons who have paid a nonrefundable admission fee to the sponsor of the rally.

b. A person licensed as a motor vehicle dealer in another state may apply for and be issued a temporary permit under [this subsection](#) if the person meets all of the following conditions:

- (1) The person presents the department with a current motor vehicle dealer license valid for the sale of used motorcycles or autocycles at retail in the person's state of residence.
- (2) The state in which the person is licensed as a motor vehicle dealer allows a motor vehicle dealer licensed in Iowa to be issued a permit substantially similar to the temporary permit authorized under [this subsection](#).
- (3) The person furnishes to the department a surety bond that meets the requirements of [section 322.4, subsection 1](#), paragraph "g".
- (4) The person presents any additional information the department may require.

c. Application for a temporary permit under [this subsection](#) shall be made on forms provided by the department accompanied by a fee in the amount established for a temporary permit under [subsection 2](#), paragraph "b".

d. A sale of a motorcycle or autocycle at a motorcycle rally shall not be completed and an agreement for the sale of a motorcycle or autocycle shall not be signed at a motorcycle rally. All such sales shall be consummated at the motor vehicle dealer's principal place of business.

e. The department may issue a temporary permit under [this subsection](#) for a period not to exceed seven consecutive days. A motor vehicle dealer may not receive more than one temporary permit issued under [this subsection](#) in a calendar year.

[C39, §5039.05; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §322.5]

92 Acts, ch 1175, §13; 93 Acts, ch 45, §1, 2; 93 Acts, ch 174, §3, 4; 98 Acts, ch 1058, §1, 2; 99 Acts, ch 13, §23; 2001 Acts, ch 32, §32; 2002 Acts, ch 1063, §38; 2004 Acts, ch 1019, §28; 2005 Acts, ch 3, §63; 2006 Acts, ch 1068, §35, 47, 57; 2010 Acts, ch 1069, §108; 2012 Acts, ch 1048, §3, 4, 6; 2012 Acts, ch 1138, §66, 82, 83; 2015 Acts, ch 123, §38; 2016 Acts, ch 1098, §19 – 21

Referred to in §321.124, 322.3, 322.4
Controlled-access facility, §306A.2