



## Proper Use of Dealer Plates

What follows is a summary of the Minnesota law and rules for the use and display of Dealer Demonstrator and In-Transit Plates. The summary is based on the law and regulations themselves, as well as interpretive guidance published by the Minnesota Department of Public Safety.

**Demonstration Plates** Dealer demonstration plates may be issued to both new and used motor vehicle dealers, but not to leasing companies. Dealer plates may be displayed on vehicles owned by the dealer with the exception of leased vehicles, tow trucks, parts vehicles and service trucks. The demonstration plate may be used for either private or business purposes by the dealer, the dealer's spouse, and full-time employees, or by part-time employees when the use is directly related to a particular business transaction of the dealer. If the dealer is a corporation or partnership, all officers, partners, directors and all shareholders holding an interest in the corporation of 5% or more, are considered to be dealers for purposes of the use of dealer demonstration plates.

The dealer plate may be used for demonstration purposes by any prospective buyer for a period of 48 hours, or in the case of a truck, truck-tractor or semi-trailer, for a period of 7 days. During the demonstration period, the vehicle may be used for private or business purposes by the prospective buyer.

A dealer plate may also be used in a promotional event that lasts no longer than four days in which at least three motor vehicles are involved; or by a purchaser for a period of 72 hours after purchase.

### **Vehicle In Transit Plates**

Vehicle in-transit plates may be issued to new, used and wholesale motor vehicle dealers displayed on new or used vehicles, operated by the dealer or the dealer's employees, being transported from the dealer's source of supply, or other place of storage, to the dealer's place of business, or to another place of storage, or from one dealer to another.

## **How To Display Plates**

Dealer and in-transit plates must be firmly affixed to the rear of the vehicle. The plate may not be displayed in the window of the vehicle.

## **Examples of Illegal Uses**

Some Examples Of Illegal Uses Of Demonstration Plates And In-Transit Plates:

1. Displaying dealer plates on vehicles used as, tow trucks, service trucks or parts vehicles. Note, however, that dealer plates may be used on "courtesy cars" but only when such vehicles are driven by employees of the dealership to transport customers who have left their vehicle at the dealership.
2. Displaying dealer plates on a vehicle loaned to a person whose car is being repaired.
3. Displaying dealer plates on vehicles being purchased by the dealer's employees on contract.
4. Displaying dealer plates on a vehicle held for sale on consignment by the dealer.
5. Displaying dealer plates on a vehicle being leased from the dealer.
6. Displaying dealer plates on vehicles being driven by a dealer's family member (except for the dealer's spouse), or an employee's family member (including spouse), or by a part-time employee if the part-time employee is driving the vehicle for other than dealer related business.
7. Displaying vehicle in-transit plates on a vehicle sold to a retail customer for the purpose of delivering the vehicle to the new owner's residence in a foreign state or within the state.
8. Displaying vehicle in-transit plates on a vehicle being demonstrated.
9. Displaying in-transit plates on a vehicle being driven to an inspection site or repair facility.

## **Penalties**

The registrar is required to immediately revoke a dealer demonstration plate or a dealer in-transit plate when the registrar has sufficient cause to believe that the plate was used on a vehicle other than as provided by law. When a dealer plate is revoked, the dealer shall surrender the plate to a peace officer or to the registrar at the time notice of revocation is delivered to the dealer. If a revoked dealer plate is not at the dealer's place of business when a notice of the revocation is served, the dealer shall surrender the plate to the registrar within 48 hours after notice of the revocation is served. The vehicle on which the dealer plate was misused must be titled and registered within 10 days of the revocation of the plate.