



March 11, 2009

Dealer and Salesperson Transaction Recovery Fund Fee

Virginia law states that dealers shall pay, in addition to other license fees, an annual Transaction Recovery Fund fee of \$100, and every salesperson shall pay, in addition to other license fees, an annual Fund fee of \$10.

Furthermore, "Applicants for an original motor vehicle dealer's license shall pay an annual Fund fee of \$250 each year for three consecutive years. During this period, the \$250 Fund fee will take the place of the annual \$100 Fund fee."

The law also gives the Board the authority to suspend or reinstate collection of Fund fees. For the past ten years, the Board has voted to suspend collection of the \$100 annual Dealer Fund Fee as the Fund was able to maintain an adequate balance without this fee. Up until March 13, 2008, the \$10 fee was assessed on salespersons for three years.

On March 11, 2008 the Motor Vehicle Dealer Board voted to:

- Continue to suspend the \$100 annual Dealer Fund Fee and;
- Immediately suspend collection of the \$10 Salesperson Fund Fee.

As a result, the total annual fees for all salespersons will be \$25. Prior to this change, Dealers paid a total of \$35 for salespersons who had been licensed for three years or less.

If you are hiring a new salesperson and the Motor Vehicle Dealer Board will be running a criminal history check on that individual, the total fees for this initial application will be \$35. (\$25 licensing fee and \$10 for the criminal history check)