

Guidance notes

1. Issue of trade licences

Who is eligible?

You can apply for trade licence plates if you're a motor dealer, motor trader or vehicle tester. This means your business does one or more of the following:

- sells vehicles
- manufactures or repairs vehicles
- tests other people's vehicles on public roads

If you collect or deliver vehicles, you'll also be eligible as long as either:

- this is the only thing your business does
- you also manufacture or repair vehicles

2. Rules for using trade plates

You can only use the plates for the purpose you write on your application form. For example, if you say they'll be used for customers to test drive vehicles for sale, they cannot be used for other purposes.

You can use a trade plate for:

- vehicle testing or trial, or the test or trial of its accessories or equipment (in either case in the construction, modification, repair or after completion)
- travelling to or from a public weighbridge to check its weight and registration, or to be inspected by a person acting on behalf of the Secretary of State at any place
- a vehicle test or trial for the benefit of a likely buyer – at the time of a potential purchase you can go to any place for a test or trial and return after the test or trial
- a test or trial for the benefit of a person interested in promoting publicity for a vehicle – the trade plate can be used by the person to travel to any place for the purpose of such test or trial, or for returning after the test or trial
- delivery to the place where the buyer intends to keep it
- demonstration – show its operation or the operation of its accessories or equipment when it is being handed over to the buyer
- delivering a vehicle from one part of the licence holder's premises to another part of their premises (or for delivering it from their premises to the premises of another manufacturer, repairer, or vehicle dealership – or for removing it from the premises of another manufacturer, repairer, or dealer in vehicles direct to their own premises)
- travelling to or from a workshop where a body or a special type of equipment or accessory is to be or has been fitted, or has been painted, repaired or valeted (this does not apply to a drive-through car wash, or hand car wash business that is open to the public)
- travelling from the premises of a manufacturer, repairer, or vehicle dealership, to a place where it is to be transported by train, ship, or aircraft (or for going to the premises of a manufacturer, repairer, or dealer from a place where it has been transported)
- travelling to or from any garage, auction room or other place where vehicles are usually stored or offered for sale
- travelling to or from a place where it is to be or has been inspected or tested
- travelling to a place where it is to be broken up or otherwise dismantled
- collecting vehicles under repossession

A motor trader: trade plates can be used for vehicles in the temporary possession of a business for testing, trialling, demonstrating, delivering, repossessing or dismantling.

A motor trader who is a manufacturer: a manufacturer of vehicles may use trade plates on vehicles registered to themselves if kept only for research and development purposes.

A vehicle tester: trade plates can be used for vehicles submitted to them for testing (including the trailer, its accessories or equipment).

3. Display of trade plates

When you display trade plates, you must:

- put them on both the front and back of the vehicle, or just the back for motorcycles
- make them visible and easily readable from 20 metres
- put them on the outside of the vehicle
- not cover the existing number plates, unless it's a motorcycle

4. Offences and penalties

It is an offence to:

- make a false declaration on the application form, or make a false declaration on any supporting material you used to make the application
- display trade plates if a current trade licence has expired
- display trade plates on a vehicle registered to you (unless you are a vehicle manufacturer and the vehicle is used on trade plates for development purposes)
- display trade plates that have been altered, defaced or damaged
- display trade plates on parked vehicles
- display anything on a vehicle that could be mistaken for a trade plate
- display trade plates that were not issued from DVLA
- display trade plates for use on vehicles for any purpose other than specified under the section for permitted uses
- display trade plates on vehicles carrying passengers for hire, reward, commercial or personal basis
- display trade plates for use on vehicles for the general conveyance of goods or burden (exceptions to specified loads are provided within the regulations)
- separate a set of trade plates for use on more than one vehicle
- allow trade plates to be used by another person

There is a maximum fine of £5,000 for:

- making a false or misleading declaration, or providing false or misleading evidence in an application
- fraudulently altering or using trade plates
- allowing trade plates to be used by another person

There is a maximum fine of £1,000 or 5 times the rate of duty chargeable, whichever is the greater, for displaying trade plates for a purpose not permitted.

5. Rates of duty

You can apply for a:

- 6 or 12 month trade licence in January
- 6 month trade licence in July

New traders who apply for a trade licence at any time other than January and July would need to obtain a trade licence for a period of 7, 8, 9, 10, or 11 months for the licence to end in December or June.

For example, a customer making an application in March would need a licence to cover a 10 month period to end in December.

A different rate than shown in the table may apply if rates of duty change in the Chancellor's Annual Budget.

Month you apply	When the licence expires	How long it's valid for	Rate of duty for all vehicles	Rate for all bicycles and tricycles
January (6 month licence)	June	6 months	£97.35	£68.75
January (12 month licence)	December	12 months	£177	£125
February	December	11 months	£177	£125
March	December	10 months	£162.25	£114.60
April	December	9 months	£146	£103.10
May	December	8 months	£129.80	£91.65
June	December	7 months	£113.55	£80.20
July	December	6 months	£97.35	£68.75
August	June	11 months	£177	£125
September	June	10 months	£162.25	£114.60
October	June	9 months	£146	£103.10
November	June	8 months	£129.80	£91.65
December	June	7 months	£113.55	£80.20

6. Refunds

If you do not want to renew your trade licence, send your trade plates back to DVLA (at any time) with:

- form VTL308 (www.gov.uk/trade-licence-plates/cancel) if you're cancelling your licence before it expires
- a letter explaining that you're not renewing if your licence has expired

You'll get a refund for each full calendar month left on the trade licence once DVLA receives your application. Your application cannot be backdated.

7. Replacement

If your trade plates are lost, stolen, damaged or destroyed, you must apply for a replacement using the VTL310 application, available from www.gov.uk/trade-licence-plates

8. Change your business name or address

If you only want to change your business address, complete form VTL310. You can keep using your existing trade plates.

If you change your business name, you need to apply for a new trade licence with your new details using form VTL301. You need to return your trade plates with this form. You can get a refund on any remaining months of your old licence using form VTL308.

If you want to change your business name and address at the same time, you'll have to send in forms VTL301 and VTL308. Include your new address details in form VTL301.

9. Data protection

We'll send the name and address details you provide on this form to Royal Mail. If you've given your phone number, they'll call you when arranging to send your trade plates. If you do not want them to ring you, please do not put an X in the box to say you're happy to receive telephone updates on your delivery from Royal Mail.

DVLA handles your personal data in accordance with road vehicle law and data protection laws. The law allows us to release your data to the police and other enforcement bodies. We also provide data to other parties where the law allows it. For further information about how we process your data, your rights and who to contact, see our privacy notice at www.gov.uk/dvla/privacy-policy

After you apply

If your application is successful, you will be sent a confirmation letter and your trade plates within 4 weeks of applying. For security reasons, they will be sent separately.

Please allow 4 weeks before you contact us.

Contact DVLA by telephone on 0300 300 1495, Monday to Friday, 8.30am to 4.30pm.

Keep these notes available for anyone who uses trade licence plates.

This is a brief guide. For more information, please refer to the:

- Vehicle Excise and Registration Act 1994 (VERA)
- Road Vehicles (Registration and Licensing) Regulations 2002 (RV(R&L) (Regs) (S1 2002 No. 2742)

You can get these from the Stationery Office Publications Centre website: www.legislation.gov.uk