



# Buying a vehicle?

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From 1 October 2014 the tax  
is no longer transferable  
so you must tax it before  
you use it.

## Frequently Asked Questions

### Trade Plates

**1. I am a motor trader who uses Trade plates. I recently renewed my licence, how will this work going forward and what will I receive in the post?**

The process remains unchanged, other than no tax discs will be issued for vehicle tax starting from 1<sup>st</sup> October 2014 onwards. A letter of confirmation of licensing will be issued to you.

**2. I'm a dealer using a part exchange vehicle that is taxed until Jan 2015. The car is 'in trade' but still registered to the original owner. Can I continue to use this vehicle with its current tax disc until I sell it even if I'm not shown as the registered keeper?**

From 1<sup>st</sup> October 2014, once notification has been received that a vehicle is 'in trade' the previous keeper will be removed from the vehicle record. The previous licence will end and an automatic refund of vehicle tax will be issued to the registered keeper.

Trade plates should be used for day to day business. Once the vehicle is sold, the new keeper must register and tax the vehicle before driving it on the road.

**3. I am a trader, can you tell me what the conditions are for applying for Trade plates?**

There is no automatic right to the issue of a trade licence and only those that can fully comply with the specified criteria will be eligible to become a trade licence holder. To be eligible to apply for a trade licence you must either be a motor trader, a dealer in mechanically propelled vehicles, or a vehicle tester.

Further information on trade plates can be found at <https://www.gov.uk/trade-licence-plates>

**4. How many trade plates can a dealer have?**

A dealer can have as many trade plates as they can show a need for, as long as the conditions are met.

**5. Where can I find more information about the legislation governing Trade plates/licences?**

The legislation governing trade licences is contained in sections 11 to 14 of the Vehicle Excise and Registration Act 1994 (VERA) and part VII and schedule 6 of the Road Vehicles (Registration and Licensing) Regulations 2002 (as amended).

**6. Can a dealer drive a vehicle currently in the trade after taxing it online without adding another owner to the car?**

No, the vehicle must be registered and taxed in the dealer/traders name or trade plates must be used (following the trade plate conditions). This is not changing with the introduction of abolition of the tax disc and is as current legislation.

**7. What happens to the refund for vehicles that are taxed but held by a dealer and "in trade" on 1st October 2014? Will there be an automatic process or will dealers have to send the tax discs off for a refund and if this is the case will the fact that the car is showing as "in trade" prevent the original owner from receiving the refund?**

Vehicle tax will be non transferable after 1 October 2014. If the dealer wishes to claim the refund they will need to become the registered keeper before 1 October 2014.

For vehicles passed to the trade before 1 October 2014 which are then sold after this date – the previous keeper (the keeper who passed the vehicle to trade) will automatically receive a refund of any remaining full months tax.

**8. If we have dealer stock that's 'in the trade' and we sell/transfer to another dealer that's 'in the trade' do we need to tell DVLA?**

There is no requirement for you to tell us a vehicle has moved between traders if you are not the registered keeper.

**9. What should I put in the triangle holder that is located on my front plate?**

There is no requirement to display anything in the triangular holder.

**10. What are the current rules regarding the display of Trade plates?**

This is covered in part VII, regulation 42 of the 2002 Regulations. This states that 'the trade plates issued by the Secretary of State shall be fixed to and displayed on the vehicle in such a manner that, if the general registration mark assigned to the holder were a registration mark assigned to the vehicle, the provisions of regulations 5 and 6 of the Road Vehicles (Display of Registration Marks) Regulations 2001 would be complied with'. Trade plates should be positioned on a vehicle in the same manner as an ordinary registration number, i.e. they should cover a vehicle's registration number at the front and rear. Trade plates should not be displayed in any other position on a vehicle (e.g. it is not possible for the original registration plates to be obscured and the

trade plates to subsequently be displayed in the front windscreen of a vehicle). The trade plates should cover the existing registration plates.

**11. Are there any plans to change the design of trade plates?**

DVLA has an agreed contract for trade plates which expires in 2017. No changes will be made to the design of trade plates during that time.