Texas Department of Motor Vehicles

Converter License Instruction Packet

Purpose:
This instruction packet is the companion to *Application for New Motor Vehicle Converter License*, Form LF301. LF301 is for a license to make substantial modifications to or affix a body, cab, or special equipment to a **new** motor vehicle, if those conversion vehicles are to be sold to Texas consumers.

Important:

Before you begin: Please read all of this information carefully before submitting your application. Incomplete or inaccurate information may delay issuance of your license.

1. **The following pages guide you through the application step by step. Please read the instructions carefully and contact us if you have any questions.**
2. **A license will not be issued until an applicant has met all the requirements.**
3. **Make sure that each document you submit shows your business name and DBA.**

Licensing Notes:

- A "**conversion**" means a motor vehicle, other than a motor home, ambulance, or fire-fighting vehicle, that:
  - (a) has been substantially modified by a person other than the manufacturer or distributor of the chassis of the motor vehicle; and
  - (b) has not been the subject of a retail sale.
- A "**converter**" means a person who before the retail sale of a motor vehicle:
  - (a) assembles, installs, or affixes a body, cab, or special equipment to a chassis; or
  - (b) substantially adds, subtracts from, or modifies a previously assembled or manufactured motor vehicle other than a motor home, ambulance, or fire-fighting vehicle.
- A "**retail sale**" is defined as any sale of a motor vehicle other than:
  - (a) a sale in which the purchaser acquires a vehicle for resale; or
  - (b) a sale of a vehicle that is operated under and in accordance with Section 503.061 of the Texas Transportation Code, which allows for the use of metal dealer's license plates.
- Neither converters nor their representatives are allowed to sell the new motor vehicles they convert directly to Texas consumers, including municipalities. Only dealers that are franchised and licensed for the underlying line-make of the converted vehicle are allowed to sell converted vehicles to Texas consumers. If a converted new motor vehicle is sold through a bid process, a franchised dealer for the underlying chassis line-make must be listed on the bid as the seller.
- The initial sale of the new motor vehicle to a converter is not a retail sale, since the converter purchased the vehicle in order to convert it and then resell it. Thus, even though the converter may title the vehicle in their name, it is still a new motor vehicle.
- The converter is not required to purchase the motor vehicle it will convert from a Texas franchised dealer. However, once the conversion is complete, the vehicle can only be sold to the end-user by a franchised and licensed Texas motor vehicle dealer for the underlying chassis line-make. The **franchised dealer** must invoice the end-user for the entire purchase price of the vehicle, including the conversion package, obtain payment for the entire purchase price, and perform the titling work on the complete vehicle. How the converter is paid for the conversion package and conversion work is between the converter and the franchised dealer.
- Substantial modifications performed on vehicles that have already been the subject of a retail sale are considered **"after-market" conversions**, and are not subject to regulation by Texas Department of Motor Vehicles.
- If a person makes substantial modifications to a new motor vehicle and the resulting product is an **ambulance, fire-fighting vehicle, or motorhome**, as those terms are defined in Chapter 2301 of the Texas Occupations Code, then the person must obtain a manufacturer license, not a converter license. However, if even one of the

(512) 465-3000
Toll Free (888) 368-4689

conversions produced does not meet the exact definition of ambulance, fire-fighting vehicle, or motorhome, then a converter license, as well as a manufacturer license, is required.

- Converters are not required to be physically located in Texas. Even if the converter is located in another state, as long as new motor vehicles they convert are sold in Texas, the converter must have a converter license issued by Texas Department of Motor Vehicles.
- All licenses are issued for a term of two years.
- Chapter 215, Motor Vehicle Distribution Rules, and Chapter 503 of the Texas Transportation Code contain more details related to licensing. They are available online at: http://www.txdmv.gov/statutes-and-rules
- You can find more about the Dealer License Application Process and Application Tips online at: http://www.TxDMV.gov/dealers

INSTRUCTIONS by Page, LF301 Page One

1. BUSINESS NAME:

Enter your business:

A. **For a Sole Proprietor**: The business name is the owner's name and must match what is shown on your driver license or ID.

B. **For a Partnership**: The business name is the name of each partner and must match what is shown on the driver license or ID for each partner.

C. **For a Business Entity**: The name entered for the corporation, LLC, LP, LLP, or LTD, must match your legal name recorded with the Secretary of State.

2. DBA/ASSUMED NAME: (Name under which this location will operate)

Enter any assumed name(s) (also called DBA, for "Doing Business As") you will be using.

A. The assumed name(s) must be registered with the proper authority.

(1) In Texas, the proper authority for corporations, LLCs, LPs and LLPs is the Secretary of State, (512) 463-5555. http://www.sos.state.tx.us/corp/

(2) Sole proprietors and general partnerships must register with their County Clerk in the county where the dealership will be located.

B. The assumed name you put on this application must exactly match the assumed name as it is registered.

C. Attach copies of the Assumed Name Certificates for the name(s) you will be using. Do not send your filing documents.

3. PHYSICAL ADDRESS:

Enter the street number and name, city, state, zip code, and county.

4. MAILING ADDRESS:

Enter your mailing address if it is different from your physical address. This is the address TxDMV will use to mail all correspondence, licenses, dealer plates, etc.

5. PHONE NUMBER & FAX NUMBER:

Enter the phone and fax number(s) you will use for your business. A fax number is optional.

6. BUSINESS EMAIL & WEBSITE:

Enter the email address of the business. The business email and the email used for eTAG do not have to be the same. The website is optional.

7. Tax ID # / EIN:

Enter the IRS-assigned Taxpayer Identification Number (TIN) or Employer Identification Number (EIN).

8. CONTACT NAME, PHONE, & EMAIL:

Enter the name, phone number, and email of a person TxDMV may communicate with concerning the converter license.

9. – 11. MILITARY SERVICE:

Answer the questions and provide documentation if applicable. If you have any questions, please call TxDMV Contact Center at 888-368-4689.

12. FEES:

Determine the total fees required:

A. The converter license fee is $750.
B. Specify the number of metal license plates. The fee for each metal converter license plate is $40.
C. The fee for each representative is $200.
D. Payment and mailing instructions are on page 7 of the application. If paying with a credit card, use page 8 of the application or separate form 2293.

LF301 Page Two

Please enter your business name on the top of this page. (If you are typing into this form, this field should already be completed for you.)

13. – 17. YES/NO QUESTIONS: All questions must be answered.

18. CERTIFICATION OF RESPONSIBILITY

The application must be signed by the applicant (owner, officer, managing partner, or authorized agent). By signing this application, the applicant swears that:

A. The applicant or an authorized agent hereby certifies that statements made above and on attachments and documents submitted are true and correct, and that all documents submitted with this application are complete, submitted in their entirety, and are accurately represented.
B. Applicant acknowledges that the department may deny an application for a license or revoke or cancel a license if the applicant submits false or misleading information, makes a false statement, or refuses or fails to provide information requested by the department.
C. Applicant further acknowledges that making a false statement in an application for a license may subject applicant to criminal prosecution. See Texas Occupations Code §2301.651, Texas Transportation Code §503.034 and §503.038, Texas Government Code §2005.052 and §2005.053, Texas Penal Code §37.10, and department rules.
D. Applicant swears they are not at this time delinquent in any court-ordered obligation to pay child support.

LF301 Page Three

Please enter your business name on the top of this page. (If you are typing into this form, this field should already be completed for you.)

19. ATTACHMENTS TO THE APPLICATION

A. OWNERSHIP INFORMATION

Use pages 4 and 5 of the application or a separate copy of *Form LF601*. You may duplicate page 5, as needed.

B. ASSUMED NAME CERTIFICATES:

Provide a copy of the assumed name certificate issued by the proper authority. The assumed name(s) must be registered with the proper authority.

1. **Businesses located outside Texas should register with the appropriate authority for your state.**
2. **If you are physically located in Texas:**
   a. The proper authority for corporations, LPs, LLPs, and LLCs is the Texas Secretary of State (SOS).
   b. The proper authority for sole proprietors and general partnerships is the county clerk for the county where the office is located.
3. **The assumed name you list on this application must match the assumed name exactly as it is registered.**

C. CERTIFICATE OF INCORPORATION, ORGANIZATION, OR PARTNERSHIP:

A certificate of filing from the secretary of state is acceptable. Attach these if applicable. We do not need copies of your corporate charter. Corporations are not required to submit a certificate of authority to operate in Texas.

D. CONVERSION PACKAGES:

Attach a list of the names by which applicant identifies the conversion package(s) installed on new motor vehicles. Examples include aerial lift, brush truck, rescue vehicle, dump body, wrecker body, asphalt distributor, and refuse body. The conversion package may be a trade name such as Jerr-Dan, Rawson-Koenig, Ricon, and Braun. These are only examples, not a complete list of conversion package names.

E. CONVERSION DESCRIPTION:

For each conversion package, provide a detailed description of the modifications performed by applicant on new motor vehicles.

F. VEHICLES TO BE CONVERTED:

Attach a list of each new motor vehicle line-make applicant will be converting.

G. DEALER LIST:

For each line-make identified in F (above), attach a list of all franchised dealers in Texas to whom applicant sells or otherwise markets its converted new motor vehicles. Include name, business address, general distinguishing number (p-number), and franchise license number of each dealer.

Only licensed dealers may sell motor vehicles. New motor vehicles (those that have not been the subject of a prior retail sale) may be sold only by dealers franchised and licensed for the underlying chassis line-make. Converters cannot sell new or used motor vehicles to retail purchasers, including municipalities. If you convert Ford, Chevrolet, International, and Freightliner vehicles, then you must list a franchised dealer for each of these line-makes.

H. APPLICATION FOR eTAG: Complete the *Application for New eTAG Account*.

1. **The rules for use of temporary tags, or eTAG, are found in 43 TAC Chapter 215, Subchapter E.**
2. **Converters may issue Vehicle-Specific and Agent-Specific temporary tags.**
3. **Each tag must contain a unique number from the temporary tag database.**
4. **Each dealer/licensee must have their own account in the eTAG Database for obtaining the temporary tag number.**
5. **To sign up and receive your username and password, fill out the *Application for New eTAG Account* form, contained in the application.**
6. **More information about eTAG, as well as the login for the eTag Database, can be found on our website at http://www.TxDMV.gov/dealers/etag.**

I. REPRESENTATIVE APPLICATION:

A New Motor Vehicle Representative License application for each person who qualifies as a representative of the applicant. "Representative means a person who: (A) is or acts as an agent or employee for a manufacturer, distributor, or converter; and (B) performs any duty in this state relating to promoting the distribution or sale of new motor vehicles or contacts dealers in this state on behalf of a manufacturer, distributor, or converter." A separate license is required for each representative.

J. FEES:

Payment can be made by Credit Card, Personal Check, Money Order, Cashier Check, or Wire Transfer.

A. Submit this form, all fees, and attachments, to the address matching your type of payment. Failure to do so will result in delays. (See the *Dealer Payment Information and Credit Card Payment Form* (2293) for submission information.)
B. Checks and money orders should be made payable to the Texas Department of Motor Vehicles. A fee of $30 will be charged for returned checks.
C. If paying by credit card, you may fax the entire package (including the credit card form) to (512) 465-4190. If you choose to do this, do NOT mail the package.
D. DO NOT submit the application via two methods; pick only one.
E. If you wish to overnight your application, please note that only the U.S. Postal Service delivers overnight mail to

post office boxes.

LF201 Page Four and Five

This is the *Ownership Information Form*. It is **Attachment A** to the Manufacturer/Distributor Application. You may use this instead of downloading LF601 separately. Please enter your business name on the top of this page. (If you are typing into this form, this should already be completed for you.)

LF201 Page Six

This is the *Application for New eTag Account* form. Please enter your business name on the top of this page. (If you are typing into this form, this should already be completed for you.)

LF201 Page Seven

This is the Payment and Mailing instructions. There is a place to enter your business name on the top of this page; however, this page does not need to be submitted. It is included for your information.

LF201 Page Eight

This is the credit card form, *Form 2293 Payment by Credit Card*. If you choose to pay your application fees via credit card, you may use this instead of downloading Form 2293 separately. Please enter your business name on the top of this page. (If you are typing into this form, this should already be completed for you.)

LF201 Page Nine

This is the *Application for New Motor Vehicle Representative License* (Rep Application). It is **Attachment I** to the Manufacturer/Distributor Application.

1. **BUSINESS TO BE REPRESENTED:**
   A. Check the appropriate box indicating whether applicant intends to represent a manufacturer or distributor.
   B. Enter the name of the manufacturer or distributor that applicant will represent and their license number (if there is one).

2. **APPLICANT'S NAME:**
   Enter your business name matching the appropriate business type:
   A. **For a Sole Proprietor**: The business name is the owner's name.
   B. **For a Partnership**: The business name is the name of each partner.
   C. **For a Business Entity**: The name entered for the corporation, LLC, LP, LLP, or LTD, must match your legal name recorded with the Secretary of State.

3. **DBA/ASSUMED NAME: (Name under which this location will operate)**
   Enter any assumed name(s) (also called DBA, for "Doing Business As") you will be using.
   A. The assumed name(s) must be registered with the proper authority.
      (1) In Texas, the proper authority for corporations, LLCs, LPs and LLPs is the Secretary of State, (512) 463-5555. http://www.sos.state.tx.us/corp/
      (2) Sole proprietors and general partnerships in Texas must register with their County Clerk in the county where the office will be located.
      (3) Businesses located out of Texas should register with the appropriate authority for your state.
   B. The assumed name you put on this application must exactly match the assumed name as it is registered.
   C. **Attach copies of the Assumed Name Certificates for the name(s) you will be using. Label the copies as "Rep Application, Attachment B."** Do not send your filing documents.

4. **JOB TITLE:**
   If the applicant is an individual, enter the job title of the applicant. This is not required if the applicant is a corporation, LLC, LP, or other type of business entity.

5. PHYSICAL ADDRESS:
Enter the street number and name, city, state, and zip code of the physical address where applicant conducts business as a representative.

Items 6 - 9 must reflect the manufacturer's, distributor's, or converter's contact information

(If you are typing into form LF201 or LF301, these fields should already be completed for you.)

6. MAILING ADDRESS:
Enter the manufacturer's or distributor's mailing address if it is different from your physical address. This is the address TxDMV will use to mail all correspondence, licenses, etc.

7. BUSINESS PHONE NUMBER & BUSINESS FAX NUMBER:
Enter the manufacturer's or distributor's phone and fax number(s).

8. BUSINESS EMAIL & BUSINESS WEBSITE:
Enter the manufacturer's or distributor's email address and website (if available).

9. CONTACT NAME, PHONE NUMBER, & EMAIL:
Enter the name, phone number, and email of a person TxDMV may communicate with concerning applications and license(s). This must match the manufacturer's or distributor's contact person.

10. – 12. MILITARY SERVICE:
Answer this question and provide documentation if applicable. If you have any questions, please call TxDMV Contact Center at 888-368-4689.

13. FEES:
Determine the total fees required:

A. The representative fee is $200.
B. Payment and mailing instructions are on page 7 of the application. If paying with a credit card, use page 8 of the application package or separate form 2293.

LF201 Page Ten

Please enter the representative's name and business being represented on the top of this page. (If you are typing into the dynamic version of this form, this should already be completed for you.)

14. – 18. YES/NO QUESTIONS:

A. All questions must be answered.
B. Attach detailed explanations, as necessary.
C. The TEXAS OCCUPATIONS CODE Chapter 2301 restricts manufacturer or distributor ownership or control of a dealer or dealership. Manufacturer/distributor ownership or control of a dealership is generally prohibited, with two exceptions:
   (1) Dealerships that were purchased by the manufacturer/distributor from a franchised dealer and that are for sale at a reasonable price and on reasonable terms and conditions.
   (2) Dealer development dealerships operated under a plan for the dealer to acquire full ownership within a reasonable time and under reasonable terms and conditions. In order to qualify for this exemption:
      (a) The dealer must be a member of a group that has been historically underrepresented in the manufacturer's or distributor's dealer body, OR
      (b) The dealer must be a qualified person who lacks the resources to purchase a dealership outright.

19. AUTHORIZED APPOINTMENT

The application must be signed by the manufacturer, distributor, or converter to verify the applicant is an authorized representative.

20. CERTIFICATION OF RESPONSIBILITY

The application must be signed by the applicant (owner, officer, managing partner, or authorized agent). By signing this application, the applicant swears that:

A. The applicant or an authorized agent hereby certifies that statements made above and on attachments and documents submitted are true, complete, and correct.
B. Applicant acknowledges that the department may deny an application for a license or revoke or cancel a license if the applicant submits false or misleading information, makes a false statement, or refuses or fails to provide information requested by the department.
C. Applicant further acknowledges that making a false statement in an application for a license may subject applicant to criminal prosecution. See Texas Occupations Code §2301.651, Texas Transportation Code §503.034 and §503.038, Texas Government Code §2005.052 and §2005.053, Texas Penal Code §37.10, and department rules.
D. Applicant swears they are not at this time delinquent in any court-ordered obligation to pay child support.

LF201 Page Eleven

Please enter the representative's name and business being represented on the top of this page. (If you are typing into the dynamic version of this form, this should already be completed for you.)

21. ATTACHMENTS TO THE REP APPLICATION

A. REPRESENTATIVE INFORMATION:

Use pages 12 and 13 of the application package or a separate copy of *Form LF603*. You may duplicate page 13, as needed.

B. ASSUMED NAME CERTIFICATES:

Provide a copy of the assumed name certificate issued by the proper authority. The assumed name(s) must be registered with the proper authority.

1. **Businesses located outside Texas should register with the appropriate authority for your state.**
2. **If you are physically located in Texas:**
   a. The proper authority for corporations, LPs, LLPs, and LLCs is the Texas Secretary of State (SOS).
   b. The proper authority for sole proprietors and general partnerships is the county clerk for the county where the office is located.
3. **The assumed name you list on this application must match the assumed name exactly as it is registered.**

C. CERTIFICATE OF INCORPORATION, ORGANIZATION, OR PARTNERSHIP:

If you will be physically located in Texas, a *Certificate of Filing* or *Certificate of Authority* from the Texas SOS is acceptable. (If the entity was formed out of state and will be located in Texas, submit a *Certificate of Authority* issued by the Texas SOS.) If you are located outside Texas, submit documentation from the appropriate authority for your state. We do not need copies of your corporate charter.

D. FEES:

Payment can be made by Credit Card, Personal Check, Money Order, Cashier Check, or Wire Transfer.

A. **If the representative application is included with a manufacturer/distributor or converter application, the fees may be combined into one payment.**
B. Submit this form, all fees, and attachments, to the address matching your type of payment. Failure to do so will result in delays. (See the *Dealer Payment Information and Credit Card Payment Form* (2293) for submission information.)
C. Checks and money orders should be made payable to the Texas Department of Motor Vehicles. A fee of $30 will be charged for returned checks.
D. If paying by credit card, you may fax the entire package (including the credit card form) to (512) 465-4190. If you

choose to do this, do NOT mail the package.

E. DO NOT submit the application via two methods; pick only one.
F. If you wish to overnight your application, please note that only the U.S. Postal Service delivers overnight mail to post office boxes.

LF201 Page Twelve and Thirteen

This is the Representative Information. It is **Attachment A** to the Rep Application. You may use this instead of downloading LF603 separately. Please enter the representative's name and business being represented on the top of this page. (If you are typing into this form, this should already be completed for you.)

Application Processing and General Information:

1. **Application Processing & Time:**
   A. Your application fees are processed by the State Comptroller's Office before TxDMV may begin application processing.
   B. Applications are processed in the order received. However, if more information is needed, these are noted as deficiencies.
   C. You can find more about the *Dealer License Application Process* and *Application Tips* (including common deficiencies) online at: http://www.TxDMV.gov/dealers
   D. Applications should be as complete as possible before submission; however, do not wait until the last minute to file your application.
2. **Approving applications:**
   A. When there are no application deficiencies, the license is approved. Your license is printed and mailed (along with your dealer plates, if any) to the mailing address listed on your application.
   B. If there are deficiencies, you will be contacted by a licensing specialist.
      (1) Contact by phone or email will be attempted before a list of deficiencies is mailed.
      (2) Please correct any deficiencies and return the appropriate documentation.
3. **Metal Plates: (For Converters)**
   A. Metal plates are valid during the license term and expire at the same time as the license.
   B. The fee is $40 per plate for the two-year license term.
   C. You may order plates with a new application or when renewing your license. You may also order new plates at any time during the license period by submitting an *Affidavit and Application for License Plates (Form LF701)*, available on our website. The plate expiration date is the same as the license expiration date, regardless of when the dealer plates were ordered.
   D. There is no grace period for an expired dealer plate.
4. **Making Changes to your License:**
   You must submit an *Application to Amend Converter License (Form LF321)* when information about your business has changed. Some examples are:
   A. Changing conversion packages, line-makes to be converted, and/or franchised dealers.
   B. Changing the business name.
   C. Changing the DBA (assumed name).
   D. Changes to: physical address, mailing address, phone number, fax number, email address, and/or contact information.

   Other changes to your license:

   Changes in ownership that affect the business entity type. Under some circumstances, you may need to file a new application. For example, if you are currently licensed as a Sole Proprietor and become incorporated, you will need to file a new application. If you are a corporation and do a conversion to a Limited Partnership, you will only need to amend your license. Please contact our office first, to make sure you complete the appropriate forms.

   If you have any questions about the changes you are making to your business, please call us at (888) 368-4689 or (512) 465-3000.
5. **Duplicate Licenses:**
   A. To request a reprint or a duplicate license please complete form LF901.
   B. You may fax this request to (512) 465-4190 or mail to:

Motor Vehicle Division
P.O. Box 26487
Austin, TX 78755

C. The fee for this request is $50.

6. License Renewal:

A. Your license term is two years.

B. MVD will mail you a renewal notice 75 to 90 days prior to license expiration. You should return your renewal notice, required attachments, and the proper fee(s) at least 45 days prior to expiration to ensure that your license does not expire.

C. You are responsible for maintaining your license. If you do not receive your renewal notice, contact MVD to obtain one.

D. Penalty fees are assessed for each 30 day period past the license expiration date. These penalty fees are 50% of the total license fee, including 50% of representative fees, for each 30 day period in default. If a license renewal is not received within 90 days of the expiration date, then you will be required to re-apply.

(512) 465-3000
Toll Free (888) 368-4689