**Section 1020.15 Buy Here, Pay Here Dealers**

a) For the purposes of this Section, a Buy Here, Pay Here used vehicle dealer (BHPH) means *any entity that engages in the business of selling or leasing of vehicles and finances the sale or purchase price of the vehicle to a customer without the customer using a third-party lender* (IVC Sec. 5-102.8(a)). This is done by using a financial institution in which the BHPH has an ownership stake. By contrast, the third-party lenders used by non-BHPH dealers licensed under the IVC are not legally or financially associated with the BHPH.

b) A BHPH shall only be required to acquire one license under IVC Section 5-102.8, which would permit the BHPH to sell and/or lease 5 or more used vehicles per year.

c) A BHPH may have a separate legal entity, in which the owner of the dealership has an interest, that provides financing solely for customers of the BHPH. A BHPH may sell a vehicle for cash or by other traditional financing methods. However, the promotion, advertisement, solicitation, and general engagement in the sales transactions performed by the BHPH and its associated financing entity must reflect that the customer may purchase the vehicle on a payment plan basis, within a specified period of time, from the associated financing entity in which the BHPH has a financial stake.

d) Each BHPH is required to submit the appropriate certificate of title and registration fees and taxes to the Secretary of State (SOS) and the Department of Revenue, respectively, for each sales or lease transaction, with the application for certificate of title and registration reflecting the date of purchase the customer agreed to the terms of the sale or lease and took possession of the vehicle, regardless of how the sale was financed or the vehicle was transferred to the customer.

e) Beginning January 1, 2020, all BHPH must electronically submit titling and registration applications to SOS, either through an ERT program or online through the SOS website: cyberdriveillinois.com/departments/vehicles/title\_

and\_registration/pert.html.

(Source: Added at 44 Ill. Reg. 2037, effective December 31, 2019)