

~~State of Rhode Island – Division of Taxation~~

~~Sales and Use Tax~~

~~Regulation SU 87-66~~

~~Motor Vehicles – Merging Corporations – Transfers by~~

~~The transfer of motor vehicles from merging corporations to the surviving corporation is not subject to the sales and use tax. The term "purchased from any retailer" (section 44-18-20) as well as the term "purchased from other than a licensed motor vehicle dealer" (section 44-18-21) implies a contract of sale or exchange.~~

~~However, in the cases of mergers, the ownership of property, including motor vehicles, vests in the surviving corporation by operation of law. In such cases, there being no contract of sale or exchange relative to the motor vehicles, the tax is not applicable to such a transaction.~~

~~Wherever any such vehicle is sought to be registered tax free, there must be submitted, along with the form of sales or use tax exemption certificate, a duly certified copy of the MERGER OR CONSOLIDATION AGREEMENT on file with the Secretary of State.~~

~~Such certified copy of such agreement, furnished by the Secretary of State or by his deputy, shall constitute evidence of such merger or consolidation.~~

~~A complete list of all motor vehicles for which registration is thus sought must also be submitted containing the make, year, model, motor or serial number and proof that the use tax was paid.~~

~~R. GARY CLARK
TAX ADMINISTRATOR~~

~~DATE: May 1, 1987~~