

CASUAL SALES OF CARS IN RI

WHAT IS A “CASUAL” CAR SALE?

Vehicle sales by anyone that is NOT a licensed motor vehicle dealer are considered “casual” sales.

Examples of “licensed motor vehicle dealers” are auctioneers, car lots, and online dealerships.



- Friends
- Classified ads
- Online sales by private parties
- Some casual sales, such as those made between members of the immediate family, are exempt



- Tax is paid by purchaser ([FAQ: What is Sales & Use Tax?](#))
- The tax is 7% of the higher amount of retail value or sales price
- Retail value based on National Automobile Dealers Association (NADA) values*
- Exceptions are outlined in: [R.I. Gen. Laws § 44-18-20\(d\)](#).



- Request for Redetermination of the tax:
Taxpayer has 30 days from the date of payment of tax to request an appeal on the retail value. Use RI Form C-REF-SU under Sales & Use Forms:
<https://tax.ri.gov/forms/business-tax-forms/sales-excise-forms>

*Cars of Particular Interest (CPI) value is used for certain models



STATE OF RHODE ISLAND

Division of Taxation

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