

State of Rhode Island - Division of Taxation

Sales and Use Tax

Regulation SU 89-12

Automobile Repairers

Automobile repairers or "body shops" are retailers of repair parts for motor vehicles. They should segregate on the invoices to their customers and in their records, the fair retail selling price of the parts from the charges for repair labor, installation labor and other services. If the labor and other services are not thus shown separately from the selling price of the parts it will be presumed that the entire charge represents the sale price of the parts. However, the automobile repairer or "body shop" shall separately state such charges when requested by the customer. Failure by the retailer to comply with the customer's request to separately state the labor or service charges will subject the retailer to the penalty provisions set forth in Chapter 6-13.1 entitled "Deceptive Trade Practices."

In such event that labor or service charges are separately stated, such charges are not subject to the imposition of the sales/use tax.

Repairers are the consumers of sandpaper, buffers, rags, masking tape, prime body filler, paint, tools and related supplies used by them in the repair and/or painting of motor vehicles and therefore the tax is due and payable upon the acquisition of such purchase.

R. GARY CLARK
TAX ADMINISTRATOR

DATE FILED: December 6, 1989

EFFECTIVE DATE: December 31, 1989

THIS REGULATION AMENDS AND SUPERSEDES REGULATION SU 87-12
PROMULGATED MAY 1, 1987.