

# **Bond Case Briefs**

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## **TAX - RHODE ISLAND**

### **Gunvor USA, LLC v. State by and through Division of Taxation**

**Supreme Court of Rhode Island - July 14, 2023 - A.3d - 2023 WL 4536385**

Oil trader brought a tax aggrievement case challenging Division of Taxation's imposition of motor fuel tax on sale 300,000 barrels of gasoline, by an alleged unregistered distributor, as part of a chain transaction involving six entities including oil trader as a later buyer that was contractually responsible to its seller for the tax.

The Sixth Division District Court dismissed. Oil trader petitioned for writ of certiorari, which was granted.

The Supreme Court held that futility exception to administrative exhaustion requirement applied.

Futility exception to administrative exhaustion requirement applied to oil trader's tax aggrievement case challenging Division of Taxation's imposition of motor fuel tax on sale of 300,000 barrels of gasoline, by an alleged unregistered distributor, as part of a chain transaction involving six entities including oil trader as a later buyer that was contractually responsible to its seller for the tax, where it was certain, or nearly so, that tax administrator would have denied oil trader's request for a refund of motor fuel tax, had one been made, based on Division's inflexible position in a similar case that only the entity that paid the tax had standing to challenge it.