



EVR Business Entity Reference Manual

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EVR Business Entity Reference Guide

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EVR Business Entity Reference Guide

Overview

The purpose of this manual is to provide you with a description of business entity policy and the information that you will gather for requesting the creation of entities and entity attributes using the [EVR FID Requirements Cover Sheet](#). Please use this manual in conjunction with the EVR Traditional Training Reference Guide or the EVR Lite Reference Guide for the additional policy and procedures for adding business entities in the Registry of Motor Vehicles (RMV) database Atlas. These manuals are posted on the [Atlas Business Partner Website](#); Electronic Vehicle Registration (EVR) Program; Training and Support section.

Introduction

The term “business entity” means a business enterprise that has an identity or name apart from its owner or owners. This guide includes information on titling and registration of vehicles on EVR for the following types of business entities:

- Corporations
- Partnerships
- Sole Proprietorships
- Trusts

Corporations are business entities that have filed articles of incorporation with the Massachusetts [Secretary of the Commonwealth](#) (SOC) or with a similar authority in another state. The owners of a corporation are shielded from liability for the corporation’s financial obligations.

Corporations may be foreign or domestic. Domestic corporations are those established in Massachusetts. Foreign corporations, on the other hand, are established outside of Massachusetts under the laws of another state. Foreign entities must register with the Massachusetts Secretary of the Commonwealth (SOC) to do business in Massachusetts.

Partnerships (also referred to as general partnerships) are unincorporated businesses formed by two or more persons and governed by a partnership agreement signed by the partners. The partnership agreement specifies which partners have authority to act for the partnership. Such partners are designated “general partner” or “principal partner.”

All corporation and partnership entities are required to have an Employer Identification Number (EIN) issued by the United States Department of the Treasury in order to title or register a vehicle. The EIN is also referred to as a FEIN (Federal Employer Identification Number), TIN (Tax Identification Number), or FID (Federal Identification number).

Sole proprietorships are unincorporated businesses wholly owned by an individual. If a sole proprietor has an EIN number, he or she may choose to register a vehicle as a business owner using that EIN, or he/she may decide to simply register the vehicle as any ordinary individual would – under his/her name and social security number (SSN).

Trusts are legal arrangements whereby assets owned by an individual or entity are managed by another individual or entity. Trusts may or may not have an EIN. Vehicles are registered in the Trustee’s name and with the Trustee’s social security number or Trust EIN.

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Adding a new Business Process

When you have resolved that the business is not registered or listed on Atlas, then you will complete the EVR FID Requirements Cover Sheet requesting that the entity be created. The EVR Traditional and the EVR Lite Training and Reference Guide includes information on the process for reference in addition to using this manual.

Titling and Registration Policy for Business Entities

The following section describes general characteristics of the four types of business entities and describes general titling and registration requirements for each.

Corporations

A corporation is a business that has filed the appropriate paperwork and paid the applicable fees to the Massachusetts Secretary of the Commonwealth (SOC), or to the applicable authority in another state, in order to incorporate. By incorporating, the business shields the owners from financial responsibility for business's financial liabilities.

Characteristics

- The most common types of corporations include For-Profit Corporation, Non-Profit Corporation, Professional Corporation (PC), and Limited Liability Corporation (LLC).
- A corporation may or may not have an EIN. However, in order to register a vehicle in the name of a Corporation in Massachusetts, an EIN must be provided.
- Incorporation in Massachusetts must be verified by searching on the Massachusetts Secretary of the Commonwealth (SOC) website.
- Corporations from other states doing business in Massachusetts must register with the MA SOC as "foreign corporations." Businesses registered as foreign corporations can be verified by searching on the Massachusetts Secretary of the Commonwealth (SOC) [website](#).

Required Documentation for Registration and/or Titling

- Title or Manufacturer's Certificate of Origin (MCO), and supporting documentation signed over to the name of the corporation.
- Registration and Title Application (RTA) that lists the corporation's name on Corp/Co/Organization Name field (F3) and the corporation's EIN number in the EIN/FID field (F3).
- Proof of EIN which agrees with the provided documentation, if the Corporation has **not** previously been entered.

Changing a Company Address

The following must be provided to change a company address:

- Proof of EIN listing the company name, new address, and the EIN number.
- **Proof must be less than 2 years old.**
- The new address must be listed on the SOC website.

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Corporation Name Changes

A corporate name change can only be done by the FID Department and depending type of scenario, you may not be able to complete this on EVR.

Scenario #1 – The business entity currently only has one vehicle registered to them and will be trading that vehicle towards a newly acquired vehicle. In this scenario you can send the request for the name change to the FID Department using the EVR FID Fax Cover Sheet along with the required documents. The FID will change the name in Atlas and you will then be able to complete the transaction in the new name of the business.

Scenario#2 - If the company has multiple vehicles, you will need to collect and prepare the documents for the customer and send the transaction to the Service Center. This is because the transaction that will need to be ~~processed~~ is an amendment and amendments cannot be done on EVR. All vehicles that are registered to the company **will** need to be amended.

The required documents include:

- Registration and Title Application form with insurance stamp (if amended one for each vehicle)
- Proof of EIN - **147C Letter from the IRS less than 2 years old**
- Articles of Amendment issued by Secretary of Commonwealth (SOC)
- If non-profit organization, ST-2 Certificate showing new information along with IRS 147C letter
- \$25.00 fee for each registration amendment
- \$25.00 fee for each title amendment

Note: Don't turn a customer away if they do not have the Articles of Amendment. Instead, verify that the Secretary of Commonwealth website has been updated with the new name. (Verification on the SOC website is recommended even if customer provides Articles of Amendment.)

If a new EIN has been issued, this indicates a change in ownership and should be treated as a new vehicle Title and Registration transaction.

Proof of EIN for a Corporation (Applies to both Foreign and Domestic Corporations)

Commonly accepted proof of EIN documents include:

- Form 147C
- Notice of New Employer Identification Number Assigned - Form 5372
- CP 575 notice (issued by the IRS). This is a letter sent to customers to confirm issuance of an EIN number
- Federal Tax Deposit Coupon - Form 8109
- Any other IRS form or letter that has the customer's information printed by the IRS, not by the customer, and that includes company name, address, and EIN number
- Certificate of Exemption - Form ST-2 (issued by DOR)

A Corporation will usually be listed on an IRS document as follows:

Smith Landscaping, Inc.
123 Main Street
Boston, MA 02115

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Foreign Corporations

A foreign corporation is a company that has been incorporated in another state.

Characteristics

A foreign corporation may or may not be registered with the Secretary of the Commonwealth (SOC).

There are two kinds of foreign corporations:

Foreign corporations that do business in Massachusetts

- EIN can only be added to ATLAS if the corporation has registered with the SOC. This can be verified by looking to see if the company is listed on the SOC website.
- If the company has not registered with the SOC, then the business cannot register or title any vehicles in Massachusetts.

Foreign corporations that do not do business in Massachusetts, but own one or more vehicles that are in the custody of Massachusetts residents.

- These corporations do not need to be registered with the SOC.
- However, they do need to be incorporated – to verify incorporation from another state, please see the **Verifying Incorporation** section below.

Required Documentation for Registration and/or Titling

- Title or Manufacturer's Certificate of Origin (MCO), and supporting documentation, is signed over to the name of the corporation.
- RTA form that lists the corporation's name on Corp/Co/Organization Name field (F3) and the corporation's EIN in the EIN/FID field (F2).
- Proof of EIN which agrees with the provided documentation. Refer to paragraph **Proof of EIN for a Corporation** on previous page.
- For foreign corporations **who do not** do business in MA, customer must provide proof of incorporation.
- For foreign corporations **who do** business in MA, a paper copy of the SOC website may be submitted, but finding the company listed on the SOC website is all that is required.

Changing an Address for a Foreign Corporation

To change the address of a foreign corporation the following is required:

- A request in writing to change the address.
- Letter must be signed by an officer of the company.
- Address needs to be updated on SOC website.

Verifying Incorporation

For foreign corporations doing business in Massachusetts, incorporation can be verified by looking up the business name on the SOC website. For these companies, the process is identical to verifying incorporation for a business that has incorporated in Massachusetts.

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For foreign corporations that **do not** do business in Massachusetts, but who own one or more vehicles in the custody of Massachusetts residents, their incorporation cannot be verified on the SOC website.

Since they do not do business in Massachusetts, they are not required to register with the Massachusetts SOC. This means that you will need to see adequate proof of the company's incorporation. The following suggested guidelines apply for verifying incorporation from a corporation in another state.

- The document presented should list the company name and appear to have been created by the Secretary of State's office of the state the customer claims to have incorporated in.
- It should be an application form that has been validated by the Secretary of State's office or in some fashion, such as marked "Approved" or "Received."
- If the state in which the company is incorporated has a website that provides data on corporations, this can be used to verify the provided documentation.

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Partnerships

A partnership (also referred to as a general partnership) is an unincorporated business that is owned by two or more individuals.

Characteristics

- A partnership is assigned an EIN number.
- The unincorporated business name used by a partnership is referred to as “Doing Business As” (DBA), or trade name.
- The owners of the partnership have a partnership agreement that defines which partner or partners are authorized to sign legal documents on behalf of the partnership.
- Partnerships are not required to register with the Secretary of Commonwealth (except limited partnerships). Partnerships are considered a DBA entities and vehicles must be registered and titled in the name of an authorized partner, under the partnership’s EIN number. (Please see exception in note below).

Required Documentation for Registration and/or Titling

- Title or Manufacturer’s Certificate of Origin (MCO), and supporting documentation signed over to the name of the authorized partner, or business name.
- RTA form that lists the registrant name and the DBA (if requested) In the Business owner Information section (F1-F9) and the Partnership’s EIN number in block F2.
- Proof of EIN which agrees with the documentation provided, if not already listed in ATLAS.
- Registration, title and sales tax fee (if applicable).

Note: If a Partnership requests the DBA name be added, they are required to submit a Business Certificate showing the DBA name that is issued by the city or town in which the business is located. The DBA can be added only if this certificate is presented. The DBA, if added, is appended to the owner’s name in ATLAS, for example, “**Jack Smith gen ptr DBA Smith Bros Groceries.**” (The DBA field is not used.)

Changing an Address for a Partnership

To change the address, a proof of address less than two years old is required. Either of the following is acceptable:

- Proof of EIN document listing the name, new address, and the EIN number.
- A letter on letterhead requesting the address change.

The letter must include the old address, new address, EIN number and it must be signed by the principal partner. If the entity is a Limited Partnership, the new address must be shown on the SOC website.

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Proof of EIN for a Partnership

A general partnership is usually listed on an IRS document as follows:

Smith Landscaping
Jack Smith Gen Ptr
123 Main Street
Boston, MA 02115

The DBA or business name is “Smith Landscaping” and the General Partner is Jack Smith

Note: Unless the customer specifically requests the business name be added as the DBA, and submits a copy of a valid Business Certificate, ATLAS should display “Jack Smith Gen Ptr.”

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Sole Proprietorships

A sole proprietorship is an unincorporated business owned by an individual. Unlike an incorporated company, a sole proprietorship is not required to register with the Secretary of Commonwealth (SOC).

Characteristics

- A sole proprietorship may or may not have an Employer Identification Number (EIN).
- The unincorporated business name used by a sole proprietor is referred to as “Doing Business As” (DBA), or trade name. The DBA is **not used** to title or register vehicles.
- If a sole proprietor has an EIN number, he or she may choose to include the EIN as part of his registration or he/she may decide to simply register the vehicle as any ordinary individual would – under his/her name, and license number.

Note: Because a sole proprietorship is not an incorporated business entity, vehicles must be titled and registered under the sole proprietor’s (i.e. the owner’s) name and SSN. If there is an EIN, it may also be listed.

Required Documentation for Registration and/or Titling

A sole proprietor who is registering a vehicle with an EIN number must provide his/her SSN on the application.

- If Customer **has** an EIN Number and SSN the following documents are required:
 - Title or MCO, and supporting documentation, signed over to the individual.
 - Registration and Title Application (RTA) form that lists the individual owner name in the Business Owner Information section (F1 – F9).
 - The SSN must be listed on the RTA (F7).
 - Proof of EIN which agrees with the presented documents, if the sole proprietor has not previously been entered.
- If Customer does not have an EIN, the following documents are required:
 - Title or Manufacturer’s Certificate of Origin (MCO), and supporting documentation, signed over to the individual.
 - RTA form must list the individual owner name on the Owner 1 Information section (D1 - D9).

Note: When requesting to add an EIN to ATLAS for the first time for a sole proprietor, the SSN must also be added. If the sole proprietor cannot provide a SSN, the transaction cannot be processed as a sole proprietor transaction and instead the customer will need to register the vehicle as an individual and will be subject to the same requirements as an individual.

It is also important to note that because the legal name on a Sole Proprietor is the same or similar to their first and last name there will be instances where trade credit will not be allowed. Sole proprietors are treated as a business entity if the vehicle is registered to their FID.

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Changing an Address for a Sole Proprietor

Note: When processing a transaction for a sole proprietor using ATLAS, you must verify the SSN is listed. (Previously some sole proprietors were entered without SSN numbers.)

To change the address the following documents are required:

- A request in writing to change the address.
- (Letter must be signed by the sole proprietor).
- If sole proprietor is using an EIN, proof of EIN listing the sole proprietor's name, new address, and the EIN number.
- Proof must be less than 2 years old.
- Proof of SSN, if SSN is not already listed in ATLAS.

Note: If the SSN is not listed and the sole proprietor cannot provide an SSN, the transaction cannot be processed and the customer will need to re-register all vehicles as an individual.

Changing from a Sole Proprietor to a Corporation

When a sole proprietor decides to convert to a corporation, a new EIN number is issued by the IRS. This is considered a new business entity and the following is required:

- A completed Application for Registration and Title (RTA).
- Proof of EIN.
- Previous title reassigned to the new company name.
- Articles of Organization to verify the date of organization.
- If formed within **90 days**, Motor Vehicles Sales and Use (MVU)-25 form.
- Registration, title and sales tax fee (if applicable).

Is Sales Tax Due?

When a sole proprietor incorporates, this is considered new business; however, the transaction may be tax exempt.

- If the new Corporation was organized **over** 90 days in the past, a sales tax is due.
- If the new Corporation was organized within the last 90 days, a sales tax is not due.
- In order to be eligible for the exemption, the customer must provide a copy of the Articles of Organization showing the dates. This information can be verified on the Secretary of Commonwealth's website.

Proof of EIN for a Sole Proprietor

A Sole Proprietor is usually listed on an IRS document as follows:

Nancy Smith
Nancy's Floral Shop
123 Main Street
Boston, MA 02115

The DBA name is "Nancy's Floral Shop." Since the business is unincorporated, the EIN is for the individual, not the business (DBA).

Note: A sole proprietor without an EIN, is an individual, and should be registered as such using their name and driver's license number.

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Trusts

A trust is a legal arrangement whereby money or property is managed by one person (or persons, or organizations) for the benefit of another but is owned by the trust.

Characteristics

- There are different kinds of trusts. Some of the most common trusts include a simple trust, a charity trust, a revocable trust, irrevocable Trust, and a family trust.
- A trust may or may not have an EIN number.
- A trust must be added to ATLAS under the Trust name, with the EIN Number field listing either the EIN number of the trust (if the trust has one), or the Social security number of the Trustee.
- If the trust has an EIN, then proof of EIN must be submitted before the trust can be added to ATLAS.
- A trust does not have to be registered with the Secretary of the Commonwealth (SOC).

Required Documentation for Registration and/or Titling

- Title or MCO, and supporting documentation signed over to the name of the trust or trustee.
- RTA form that lists the trust name on Corp/Co/Organization Name block (F2) and the EIN number in the EIN/FID block (F3), if applicable.
- If registering with an EIN, proof of EIN which agrees with the paperwork, if the Trust has not previously been entered.
- Documentation showing that the Trust exists, which must include:
 - Name of trust and first three pages of the Trust document.
 - Name of trustee.
 - Signature of trustee (Signature page).

Note: Irrevocable Trust is the only type of trust that a vehicle can be taken out and registered to an applicable person within the trust itself, tax free.

Changing an Address for a Trust

To change the address for a trust, the following documents are required:

- A request in writing to change the address signed by the trustee.
- Trust document, less than 2 years old showing the trust name, new address, and the EIN, if the trust has one.
- Trust document proving the trustee name with signature page.

Proof of EIN for a Trust

A Trust usually will be listed on an IRS document as follows:

Nancy Smith Trust
Jane Doe, Trustee
123 Main Street
Boston, MA 02115

A trust is entered into ATLAS using the Trust name. In the sample above, the entry in ATLAS would be **Nancy Smith Trust**.

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Document Samples

This section contains samples of documents that are often presented as proof of EIN, as well as samples of trust-related documents:

- Form 147C
- CP 575 Notice
- Form ST-2
- Trust Sample #1
- Trust Sample #2

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 Department of the Treasury
Internal Revenue Service
Ogden, UT 84201

In reply refer to: 0441900545
Jan 16, 2018 LTR 147C

[Redacted address block]

Must be same number.

Taxpayer Identification Number: [Redacted]

Form(s):

Dear Taxpayer:

Thank you for your telephone inquiry of January 16th, 2018.

Your Employer Identification Number (EIN) is [Redacted]. Please keep this letter in your permanent records. Enter your name and your EIN on all business federal tax forms and on related correspondence.

If you have any questions regarding this letter, please call our Customer Service Department at 1-800-829-0115 between the hours of 7:00 AM and 7:00 PM. If you prefer, you may write to us at the address shown at the top of the first page of this letter. When you write, please include a telephone number where you may be reached and the best time to call.

Sincerely,

Mr. Mitchell
1002899350
Customer Service Representative

Sample LTR 147C

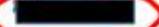
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 **IRS** DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
CINCINNATI OH 45999-0023

Date must be
fully legible

Date of this notice: 03-25-2019

Employer Identification Number:



Form: SS-4

Number of this notice: CP 575 B

For assistance you may call us at:
1-800-829-4933

IF YOU WRITE, ATTACH THE
STUB AT THE END OF THIS NOTICE.

EIN Numbers
Must match

WE ASSIGNED YOU AN EMPLOYER IDENTIFICATION NUMBER

 Thank you for applying for an Employer Identification Number (EIN). We assigned you . This EIN will identify you, your business accounts, tax returns, and documents, even if you have no employees. Please keep this notice in your permanent records.

When filing tax documents, payments, and related correspondence, it is very important that you use your EIN and complete name and address exactly as shown above. Any variation may cause a delay in processing, result in incorrect information in your account, or even cause you to be assigned more than one EIN. If the information is not correct as shown above, please make the correction using the attached tear off stub and return it to us.

Based on the information received from you or your representative, you must file the following form(s) by the date(s) shown.

Your Form 2290 becomes due the month after your vehicle is put into use.

If you have questions about the form(s) or the due date(s) shown, you can call us at the phone number or write to us at the address shown at the top of this notice. If you need help in determining your annual accounting period (tax year), see Publication 538, *Accounting Periods and Methods*.

We assigned you a tax classification based on information obtained from you or your representative. It is not a legal determination of your tax classification, and is not binding on the IRS. If you want a legal determination of your tax classification, you may request a private letter ruling from the IRS under the guidelines in Revenue Procedure 2004-1, 2004-1 I.R.B. 1 (or superseding Revenue Procedure for the year at issue). Note: Certain tax classification elections can be requested by filing Form 8832, *Entity Classification Election*. See Form 8832 and its instructions for additional information.

To obtain tax forms and publications, including those referenced in this notice, visit our Web site at www.irs.gov. If you do not have access to the Internet, call 1-800-829-3676 (TTY/TDD 1-800-829-4059) or visit your local IRS office.

Sample CP 575

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 **Form ST-2**
Certificate of Exemption **Massachusetts**
Department of
Revenue

Certification is hereby made that the organization herein is an exempt purchaser under General Laws, Chapter 64H, section 6(d) or (e). All purchases of tangible personal property by this organization are exempt from taxation under said chapter to the extent that such property is used in the conduct of the business of the purchaser. Any abuse or misuse of this certificate by any tax-exempt organization or any unauthorized use of this certificate by any individual constitutes a serious violation and will lead to revocation. Willful misuse of this Certification of Exemption is subject to criminal sanctions of up to one year in prison and \$10,000 (\$50,000 for corporations) in fines. (See reverse side.)



EXEMPTION NUMBER
000 002 039
ISSUE DATE
03/31/12
CERTIFICATE EXPIRES ON
03/31/22

NOT ASSIGNABLE OR TRANSFERABLE **COMMISSIONER OF REVENUE**

ST-2

Sample ST-2

Name and address must match information presented by customer on the IRS document.

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CERTIFICATE OF TRUSTEE AND CERTIFICATION OF TRUST

NAME OF TRUST: David R. Greene Revocable Trust

NAME OF TRUSTEE(S): David R. Greene

DATE OF TRUST: August 18, 2004 TRUST IS REVOCABLE

The undersigned hereby certifies the following:

1. That the undersigned is/are the sole/all Trustee(s) of the above designated Trust.
2. That the Trust is valid under Massachusetts law and is in full force and effect.
3. That the undersigned has/have all those powers relative to the above designated Trust which are generally granted Trustees under the laws of the Commonwealth of Massachusetts.
4. That the undersigned specifically has full and absolute power under the Trust to open depository accounts, to manage same, and to freely deposit and withdraw monies from any such account and any individual or entity shall not be bound to inquire whether the undersigned has such power or is properly exercising said power or to see to the application of any funds paid out at the direction of the undersigned.
5. That the undersigned understands and agrees only the undersigned or a duly qualified successor(s) will have access to any depository account established.
6. That any deposit, withdrawal, or other direction given by the undersigned relative to any depository account shall be a recertification that all statements made herein remain true as of the date of such deposit, withdrawal or other direction.

Sample Trust Document

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DECLARATION OF TRUST

By the execution of this Declaration of Trust ("Instrument"), DEBORAH A. BURR ("Settlor"), does hereby create the DEBORAH A. BURR LIVING TRUST ("Original Trust") and, without consideration, does transfer certain property ("property" or "corpus") to the trustees named hereafter, and does hereby direct that such property, plus any additions thereto, shall be held in trust, administered and distributed as provided hereafter in this Instrument.

ARTICLE I REVOCATION AND AMENDMENT OF THE TRUST:

Section 1.01 Revocation of The Trust: Except as ~~otherwise specifically~~ provided herein or by operation of law, the Trust may be revoked (either in whole or in part) by the Settlor at any time prior to the full distribution of the corpus thereof.

Section 1.02 Amendment of The Trust: Except as otherwise specifically provided herein or by operation of law, the Trust may be amended by the Settlor at any time prior to the full distribution of the corpus thereof.

ARTICLE II DISTRIBUTIONS DURING SETTLOR'S LIFETIMES:

Section 2.01 Mandatory Payments of the Income of the Original Trust: (a) At all times while the Settlor is living, the trustees hereof shall either pay directly to, or apply for the benefit of the Settlor, all the net income of the ORIGINAL TRUST.

(b) All payments required under the provisions of this section shall be made in quarter-annual or more frequent installments.

Section 2.02 Mandatory Payments of the Principal of the Original Trust: Notwithstanding any other provisions contained herein, the trustee hereof shall either pay to, or apply for the benefit of, the Settlor such amounts of the principal of the ORIGINAL TRUST as the trustees determine in the trustees' sole discretion may be necessary for such Settlor's:

- (1) Support in her accustomed manner of living;
- (2) Education, including college and professional education;
- (3) Health; or
- (4) Medical, dental, hospital and nursing expenses and expenses of invalidism.

Additional Sample Trust Document