

2025 -- H 5788

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO TAXATION -- SALES AND USE TAXES -- LIABILITY AND  
COMPUTATION

Introduced By: Representatives Azzinaro, J. Brien, Ackerman, Fellela, Casimiro, Spears,  
Hull, J. Lombardi, Shallcross Smith, and Kennedy

Date Introduced: February 26, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Chapter 44-18 of the General Laws entitled "Sales and Use Taxes — Liability  
2 and Computation" is hereby amended by adding thereto the following section:

3           **44-18-41. Prohibition on sales tax for core charges and refundable deposits.**

4           (a) No sales tax shall be collected on a core charge or refundable fee attributable to a  
5 recycling fee, deposit or disposal fee for a battery, or any motor vehicle equipment, part or  
6 component.

7           (b) Any refundable deposit for a battery, or any motor vehicle equipment, part or  
8 component, which is collected by a retailer shall be held in trust for the state in accordance with §  
9 23-60-3.

10          (c) The division of taxation shall promulgate rules and regulations to implement the  
11 provisions of this section.

12          (d) The division of taxation shall issue a written notice to all retailers of batteries and motor  
13 vehicle equipment and parts that no sales tax shall be charged for refundable battery deposits and  
14 core charges on any motor vehicle equipment, part or component. This notice shall be posted in a  
15 conspicuous place on the retailer's premises.

16          SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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- 1 This act would prohibit the collection of sales tax on refundable deposits for batteries and
- 2 core charges for motor vehicle equipment, parts or components.
- 3 This act would take effect upon passage.

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