

2024 -- H 8183

LC005926

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

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

Introduced By: Representatives Carson, Cortvriend, McGaw, Spears, and Slater

Date Introduced: April 18, 2024

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-18-36.1 of the General Laws in Chapter 44-18 entitled "Sales and  
2 Use Taxes — Liability and Computation" is hereby amended to read as follows:

3 **44-18-36.1. ~~Hotel tax~~ Hotel, house and condominium rental tax.**

4 (a) There is imposed a hotel tax and house and condominium rental tax of five percent (5%)  
5 upon the total consideration charged for occupancy of any space furnished for the rental of a house  
6 or condominium or by any hotel, travel packages, or room reseller or reseller as defined in § 44-  
7 18-7.3(b) in this state. ~~A house, condominium, or other resident dwelling shall be exempt from the~~  
8 ~~five percent (5%) hotel tax under this subsection if the house, condominium, or other resident~~  
9 ~~dwelling is rented in its entirety.~~ The ~~hotel~~ tax imposed by the provisions of this section is in  
10 addition to any sales tax imposed. This ~~hotel~~ tax ~~is~~ imposed by the provisions of this section shall  
11 be administered and collected by the division of taxation and unless provided to the contrary in this  
12 chapter, all the administration, collection, and other provisions of chapters 18 and 19 of this title  
13 apply. Nothing in this chapter shall be construed to limit the powers of the convention authority of  
14 the city of Providence established pursuant to the provisions of chapter 84 of the public laws of  
15 1980, except that distribution of ~~hotel~~ tax receipts for taxes imposed pursuant to the provisions of  
16 this section, shall be made pursuant to chapter 63.1 of title 42 rather than chapter 84 of the public  
17 laws of 1980.

18 (1) All sums received by the division of taxation from the tax imposed pursuant to the

1 provisions of this section for the rental of a house or condominium, including penalties, forfeitures,  
2 interest, costs of suit and fines, shall be distributed at least quarterly, credited and paid by the state  
3 treasurer to the city or town where the house or condominium is located.

4 (2) All sums collected pursuant to subsection (a)(1) of this section shall be used exclusively  
5 for municipal infrastructure improvements, riverine and coastal resiliency and housing.

6 (b) There is hereby levied and imposed, upon the total consideration charged for occupancy  
7 of any space furnished by any hotel in this state, in addition to all other taxes and fees now imposed  
8 by law, a local hotel tax at a rate of one percent (1%). The local hotel tax shall be administered and  
9 collected in accordance with subsection (a).

10 (c) All sums received by the division of taxation from the local hotel tax, penalties or  
11 forfeitures, interest, costs of suit and fines shall be distributed at least quarterly, credited and paid  
12 by the state treasurer to the city or town where the space for occupancy that is furnished by the  
13 hotel is located. Unless provided to the contrary in this chapter, all of the administration, collection,  
14 and other provisions of chapters 18 and 19 of this title shall apply.

15 (d) Notwithstanding the provisions of subsection (a) of this section, the city of Newport  
16 shall have the authority to collect from hotels located in the city of Newport the tax imposed by  
17 subsection (a) of this section.

18 (1) Within ten (10) days of collection of the tax, the city of Newport shall distribute the tax  
19 as provided in § 42-63.1-3. No later than the first day of March and the first day of September in  
20 each year in which the tax is collected, the city of Newport shall submit to the division of taxation  
21 a report of the tax collected and distributed during the six (6) month period ending thirty (30) days  
22 prior to the reporting date.

23 (2) The city of Newport shall have the same authority as the division of taxation to recover  
24 delinquent hotel taxes pursuant to chapter 44-19, and the amount of any hotel tax, penalty and  
25 interest imposed by the city of Newport until collected constitutes a lien on the real property of the  
26 taxpayer.

27 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 impose a tax of five percent (5%) upon the rental of a house or  
2           condominium. The funds from the tax would be used exclusively for infrastructure improvements,  
3           riverine and coastal resiliency and housing.

4           This act would take effect upon passage.

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