

2014 -- H 7085

=====
LC003477
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

—————
A N A C T

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

Introduced By: Representatives Ackerman, Mattiello, McNamara, Marcello, and
Blazejewski

Date Introduced: January 15, 2014

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-18-18 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 **44-18-18. Sales tax imposed.** – (a) A tax is imposed upon sales at retail in this state
4 including charges for rentals of living quarters in hotels as defined in section 42-63.1-2, rooming
5 houses, or tourist camps, at the rate of six percent (6%) of the gross receipts of the retailer from
6 the sales or rental charges; provided, that the tax imposed on charges for the rentals applies only
7 to the first period of not exceeding thirty (30) consecutive calendar days of each rental; provided,
8 further, that for the period commencing July 1, 1990, the tax rate is seven percent (7%). The tax is
9 paid to the tax administrator by the retailer at the time and in the manner provided. Excluded from
10 this tax are those living quarters in hotels, rooming houses, or tourist camps for which the
11 occupant has a written lease for the living quarters which lease covers a rental period of twelve
12 (12) months or more. In recognition of the work being performed by the Streamlined Sales and
13 Use Tax Governing Board, upon passage any federal law which authorizes states to require
14 remote sellers to collect and remit sales and use taxes, the rate imposed under section 44-18-18
15 shall be reduced from seven percent (7%) to ~~six and one-half percent (6.5%)~~ six and one-quarter
16 percent (6.25%). The ~~six and one-half percent (6.5%)~~ six and one-quarter percent (6.25%) rate
17 shall take effect on the date that the state requires remote sellers to collect and remit sale and use
18 taxes.

1 (b) The first twenty-five million dollars (\$25,000,000) of revenue generated from the
2 collection of Internet sales taxes each year pursuant to this section shall be dedicated to the Rhode
3 Island highway maintenance account as set forth in § 39-18.1-4.

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

=====
LC003477
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO TAXATION - SALES AND USE TAXES - LIABILITY AND
COMPUTATION

1 This act would provide that upon passage if any federal law authorizing a tax on Internet
2 sales, the rate imposed would be six and one-quarter percent (6.25%). This act would further
3 provide that the first twenty-five million dollars (\$25,000,000) of revenue generated from Internet
4 sales taxes each year would be dedicated to the Rhode Island highway maintenance account.

5 This act would take effect upon passage.

=====
LC003477
=====