

2019 -- H 5854

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

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A N A C T

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

Introduced By: Representatives Nardone, Filippi, and Roberts

Date Introduced: March 14, 2019

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.**

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

1 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 reduce the rate for sales and use taxes from seven percent (7%) to six and
2 one-half percent (6.5%) upon passage of federal law or court decisions authorizing states to
3 require remote sellers to collect and remit sales taxes. This would take effect on the date the state
4 requires remote sellers to collect and remit sales tax.

5 This act would take effect upon passage.

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