

2026 -- S 3084

LC005852

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

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

Introduced By: Senators Britto, McKenney, and Bissaillon

Date Introduced: March 13, 2026

Referred To: Senate 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 **44-18-18.3. Rhode Island public transit authority operations allocation.**

4 (a) All sales and use tax revenue collected from transportation network companies, as
5 defined in § 44-18-7.3, shall be deposited in a restricted receipt account for the benefit of the Rhode
6 Island public transit authority for purposes to fund paratransit transportation and RIDE Anywhere.

7 (b) There is created within the general fund a restricted receipt account known as the
8 “Rhode Island public transit authority account”. Revenue collected from transportation network
9 companies pursuant to subsection (a) of this section shall be deposited into this account and used
10 to fund operations related to paratransit transportation and RIDE Anywhere to the Rhode Island
11 public transit authority.

12 (c) The account created under this section shall be exempt from the indirect cost recovery
13 provision set forth in § 35-4-27.

14 SECTION 2. Section 35-4-27 of the General Laws in Chapter 35-4 entitled "State Funds"
15 is hereby amended to read as follows:

16 **35-4-27. Indirect cost recoveries on restricted receipt accounts.**

17 Indirect cost recoveries of ~~fifteen percent (15%)~~ ten percent (10%) of cash receipts shall
18 be transferred from all restricted receipt accounts, to be recorded as general revenues in the general

1 fund. However, there shall be no transfer from cash receipts with restrictions received exclusively:
2 (1) From contributions from nonprofit charitable organizations; (2) From the assessment of indirect
3 cost-recovery rates on federal grant funds; or (3) Through transfers from state agencies to the
4 department of administration for the payment of debt service. These indirect cost recoveries shall
5 be applied to all accounts, unless prohibited by federal law or regulation, court order, or court
6 settlement. The following restricted receipt accounts shall not be subject to the provisions of this
7 section:

- 8 Executive Office of Health and Human Services
- 9 HIV Care Grant Drug Rebates
- 10 Health System Transformation Project
- 11 Rhode Island Statewide Opioid Abatement Account
- 12 HCBS Support-ARPA
- 13 HCBS Admin Support-ARPA
- 14 Department of Human Services
- 15 Organ Transplant Fund
- 16 Veterans' home — Restricted account
- 17 Veterans' home — Resident benefits
- 18 Pharmaceutical Rebates Account
- 19 Demand Side Management Grants
- 20 Veteran's Cemetery Memorial Fund
- 21 Donations — New Veterans' Home Construction
- 22 Commodity Supplemental Food Program-Claims
- 23 Department of Health
- 24 Pandemic medications and equipment account
- 25 Miscellaneous Donations/Grants from Non-Profits
- 26 State Loan Repayment Match
- 27 Healthcare Information Technology
- 28 Department of Behavioral Healthcare, Developmental Disabilities and Hospitals
- 29 Eleanor Slater non-Medicaid third-party payor account
- 30 Hospital Medicare Part D Receipts
- 31 RICLAS Group Home Operations
- 32 Group Home Facility Improvement Fund
- 33 Commission on the Deaf and Hard of Hearing
- 34 Emergency and public communication access account

1 Department of Environmental Management
2 National heritage revolving fund
3 Environmental response fund II
4 Underground storage tanks registration fees
5 De Coppet Estate Fund
6 Rhode Island Historical Preservation and Heritage Commission
7 Historic preservation revolving loan fund
8 Historic Preservation loan fund — Interest revenue
9 Department of Public Safety
10 E-911 Uniform Emergency Telephone System
11 Forfeited property — Retained
12 Forfeitures — Federal
13 Forfeited property — Gambling
14 Donation — Polygraph and Law Enforcement Training
15 Rhode Island State Firefighter’s League Training Account
16 Fire Academy Training Fees Account
17 Attorney General
18 Forfeiture of property
19 Federal forfeitures
20 Attorney General multi-state account
21 Forfeited property — Gambling
22 Department of Administration
23 Health Insurance Market Integrity Fund
24 RI Health Benefits Exchange
25 Information Technology restricted receipt account
26 Restore and replacement — Insurance coverage
27 Convention Center Authority rental payments
28 Investment Receipts — TANS
29 OPEB System Restricted Receipt Account
30 Grants Management Administration
31 Office of Energy Resources
32 OER Reconciliation Funding
33 RGGI Executive Climate Change Coordinating Council Projects
34 Electric Vehicle Charging Stations Operating and Maintenance Account

1 Clean Transportation Programs
2 Department of Housing
3 Housing Resources and Homelessness Restricted Receipt Account
4 Housing Production Fund
5 Low-Income Housing Tax Credit Fund
6 Department of Revenue
7 Car Rental Tax/Surcharge-Warwick Share
8 DMV Modernization Project
9 Jobs Tax Credit Redemption Fund
10 Legislature
11 Audit of federal assisted programs
12 Department of Children, Youth and Families
13 Children's Trust Accounts — SSI
14 Military Staff
15 RI Military Family Relief Fund
16 RI National Guard Counterdrug Program
17 Treasury
18 Admin. Expenses — State Retirement System
19 Retirement — Treasury Investment Options
20 Defined Contribution — Administration - RR
21 Violent Crimes Compensation — Refunds
22 Treasury Research Fellowship
23 Business Regulation
24 Banking Division Reimbursement Account
25 Office of the Health Insurance Commissioner Reimbursement Account
26 Securities Division Reimbursement Account
27 Commercial Licensing and Racing and Athletics Division Reimbursement Account
28 Insurance Division Reimbursement Account
29 Historic Preservation Tax Credit Account
30 Rhode Island Cannabis Control Commission
31 Marijuana Trust Fund
32 Social Equity Assistance Fund
33 Judiciary
34 Arbitration Fund Restricted Receipt Account

- 1 Third-Party Grants
- 2 RI Judiciary Technology Surcharge Account
- 3 Department of Elementary and Secondary Education
- 4 Statewide Student Transportation Services Account
- 5 School for the Deaf Fee-for-Service Account
- 6 School for the Deaf — School Breakfast and Lunch Program
- 7 Davies Career and Technical School Local Education Aid Account
- 8 Davies — National School Breakfast & Lunch Program
- 9 School Construction Services
- 10 Office of the Postsecondary Commissioner
- 11 Tuition Savings Program Fund
- 12 Higher Education and Industry Center
- 13 IGT STEM Scholarships
- 14 Department of Labor and Training
- 15 Job Development Fund
- 16 Contractor Training Restricted Receipt Account
- 17 Workers' Compensation Administrative Account
- 18 Rhode Island Council on the Arts
- 19 Governors' Portrait Donation Fund
- 20 Statewide records management system account
- 21 [Rhode Island public transit authority account](#)
- 22 SECTION 3. This act shall take effect on July 1, 2026.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TAXATION -- SALES AND USE TAXES -- LIABILITY AND
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1 This act would establish a restricted receipt account for the benefit of the Rhode Island
2 public transit authority to fund its operations, funded by sales taxes collected from ride- share
3 companies, which account would be exempt from indirect cost recovery provisions.

4 This act would take effect on July 1, 2026.

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