

2018 -- H 7217

LC003279

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

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

Introduced By: Representatives Canario, Edwards, Donovan, Fellela, and Azzinaro

Date Introduced: January 18, 2018

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 –  
2 Liability and Computation" is hereby amended by adding thereto the following section:

3 **44-18-18.2. Annual Sales Tax Holiday.**

4 (a) Notwithstanding any general or public law to the contrary, for up to two (2) dates to  
5 be determined by the director of the department of revenue (the "director"), an excise tax shall not  
6 be imposed upon nonbusiness sales at retail of tangible personal property. For purposes of this  
7 section, tangible personal property shall not include telecommunications, tobacco products, gas,  
8 steam, oil, electricity, motor vehicles, motorboats, meals or a single item the price of which is in  
9 excess of two thousand five hundred dollars (\$2,500).

10 (b) Notwithstanding any general or public law to the contrary, for dates to be determined  
11 by the director, a vendor shall not add to the sales price, or collect from a nonbusiness purchaser,  
12 an excise upon sales at retail of tangible personal property. The director shall not require a  
13 vendor to collect and pay excise upon sales at retail of tangible personal property purchased on  
14 such dates. An excise erroneously or improperly collected during such dates shall be remitted to  
15 the department of revenue.

16 This section shall not apply to the sale of telecommunications, tobacco products, gas,  
17 steam, oil, electricity, motor vehicles, motorboats, meals or a single item the price of which is in  
18 excess of two thousand five hundred dollars (\$2,500).

1           (c) Reporting requirements imposed upon vendors of tangible personal property, by law  
2 or by regulation, including, but not limited to, the requirements for filing returns required  
3 pursuant to the general laws, shall remain in effect for sales for the dates determined by the  
4 director pursuant to this section.

5           (d) On or before December 31, 2018, the director shall certify to the comptroller the  
6 amount of sales tax forgone, as well as new revenue raised from personal and corporate income  
7 taxes and other sources pursuant to this section. The director shall file a report with the house  
8 and senate finance committees detailing the distribution of revenues which would have been  
9 deposited in each fund without this section.

10           (e) The director shall issue instructions or forms, or promulgate rules or regulations, as  
11 necessary for the implementation of this section.

12           (f) Eligible sales at retail of tangible personal property under subsections (a) and (b) of  
13 this section are restricted to those transactions occurring on the dates determined by the director  
14 pursuant to this section. Transfer of possession of or payment in full for the property shall occur  
15 on one of those days, and prior sales or layaway sales shall be ineligible.

16           (g) This section shall expire on December 31, 2021.

17           SECTION 2. This act shall take effect upon passage and shall expire on December 31,  
18 2021.

=====  
LC003279  
=====

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 create a sales tax holiday up to two (2) dates each year, as established by  
2 the director of the department of revenue. No excise or sales taxes would be collected on  
3 nonbusiness sales of tangible personal property on these dates, with the exception of sales of  
4 telecommunications, tobacco products, gas, steam, oil, electricity, motor vehicles, motorboats,  
5 meals or a single item the price of which is in excess of two thousand five hundred dollars  
6 (\$2,500).

7           This act would take effect upon passage and would expire on December 31, 2021.

=====  
LC003279  
=====