

2019 -- H 5622

LC001718

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO TAXATION -- SALES AND USE TAXES

Introduced By: Representative Patricia A. Serpa

Date Introduced: February 27, 2019

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 **44-18-21.1. Exemption for health care facilities.**

4 (a) Health care facilities licensed by the department of health as defined in § 23-17-2(8)
5 that are required by federal or state law, regulation, rule, policy or program to purchase, store,
6 use, or otherwise consume prewritten computer software delivered electronically or by load and
7 leave to deliver health care services as a normal course of business shall be exempt from liability
8 of use tax under the provisions of § 44-18-21 for services as defined in § 44-18-7.1(g)(v).

9 (b) Health care facilities licensed by the department of health as defined in § 23-17-2(8)
10 that are required by federal or state law, regulation, rule, policy or program to purchase, store,
11 use, or otherwise consume vendor-hosted prewritten computer software to deliver health care
12 services as a normal course of business shall be exempt from liability of use tax under the
13 provisions of § 44-18-21 for services as defined in § 44-18-7.1(g)(vii).

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO TAXATION -- SALES AND USE TAXES

1 This act would provide for a use tax exemption for all health care facilities licensed by
2 the department of health that are required by a federal or state government entity to purchase,
3 store, use, or otherwise consume prewritten computer software delivered electronically or by load
4 and leave or to purchase, store, use, or otherwise consume vendor-hosted prewritten computer
5 software in order to provide health care services.

6 This act would take effect upon passage.

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