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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

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

Introduced By: Representatives Speakman, and Knight

Date Introduced: February 09, 2024

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-18-18.1 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 **44-18-18.1. Local meals and beverage tax.**

4 (a) There is hereby levied and imposed, upon every purchaser of a meal and/or beverage,  
5 in addition to all other taxes and fees now imposed by law, a local meals and beverage tax upon  
6 each and every meal and/or beverage sold within the state of Rhode Island in or from an eating  
7 and/or drinking establishment, whether prepared in the eating and/or drinking establishment or not  
8 and whether consumed at the premises or not, at a rate of one percent of the gross receipts. The tax  
9 shall be paid to the tax administrator by the retailer at the time and in the manner provided.

10 (b) All sums received by the division of taxation under this section as taxes, penalties, or  
11 forfeitures, interest, costs of suit, and fines shall be distributed at least quarterly and credited and  
12 paid by the state treasurer to the city or town where the meals and beverages are delivered.

13 (c) When used in this section, the following words have the following meanings:

14 (1) "Beverage" means all nonalcoholic beverages, as well as alcoholic beverages, beer,  
15 lager beer, ale, porter, wine, similar fermented malt, or vinous liquor.

16 (2) "Eating and/or drinking establishment" means and includes [retail liquor stores with a](#)  
17 [Class A liquor license](#), restaurants, bars, taverns, lounges, cafeterias, lunch counters, drive-ins,  
18 roadside ice cream and refreshment stands, fish-and-chip places, fried chicken places, pizzerias,

1 food-and-drink concessions, or similar facilities in amusement parks, bowling alleys, clubs,  
2 caterers, drive-in theatres, industrial plants, race tracks, shore resorts or other locations, lunch carts,  
3 mobile canteens and other similar vehicles, and other like places of business that furnish or provide  
4 facilities for immediate consumption of food at tables, chairs, or, counters or from trays, plates,  
5 cups, or other tableware, or in parking facilities provided primarily for the use of patrons in  
6 consuming products purchased at the location. Ordinarily, eating establishment does not mean and  
7 include food stores and supermarkets. Eating establishments does not mean “vending machines,” a  
8 self-contained automatic device that dispenses for sale foods, beverages, or confection products.  
9 Retailers selling prepared foods in bulk, either in customer-furnished containers or in the seller’s  
10 containers, for example “Soup and Sauce” establishments, are deemed to be selling prepared foods  
11 ordinarily for immediate consumption and, as such, are considered eating establishments.

12 (3) “Meal” means any prepared food or beverage offered or held out for sale by an eating  
13 and/or drinking establishment for the purpose of being consumed by any person to satisfy the  
14 appetite and that is ready for immediate consumption. All such food and beverage, unless otherwise  
15 specifically exempted or excluded herein shall be included, whether intended to be consumed on  
16 the seller’s premises or elsewhere, whether designated as breakfast, lunch, snack, dinner, supper,  
17 or by some other name, and without regard to the manner, time, or place of service.

18 (d) This local meals and beverage tax shall be administered and collected by the division  
19 of taxation, and unless provided to the contrary in this chapter, all of the administration, collection,  
20 and other provisions of chapters 18 and 19 of this title apply.

21 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 impose the local meals and beverage tax on retail liquor stores with a Class
- 2 A liquor license.
- 3 This act would take effect upon passage.

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