



Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations
Department of Revenue

June 22, 2012

ADV 2012-14

Advisory:

Rhode Island tax update

The Rhode Island Division of Taxation has issued several Notices to provide guidance to certain retailers and others about some recently enacted changes in state tax law. Following is a summary:

- [Notice 2012-01](#) describes how little cigars will be taxed the same as cigarettes, \$3.50 per pack of 20, effective July 1, 2012.
- [Notice 2012-02](#) is for all Rhode Island cigarette dealers. It says that, effective July 1, 2012, the tax levied on the sale of cigarettes will be \$3.50 per pack of 20, up from \$3.46 now. It also describes the inventory that cigarette dealers must make after the close of business on June 30, 2012, and the related return and payment of tax – known as a “floor tax” – that they must file with the Tax Division on or before July 10, 2012.
- [Notice 2012-03](#) is for all Rhode Island cigarette distributors. It describes the tax on cigarettes effective July 1, 2012, and other items.
- [Notice 2012-04](#) is for those subject to the state’s beverage containers tax. It explains how the tax has been broadened to include all non-alcoholic drinks for human consumption – except milk, but including beer and other malt beverages.
- [Notice 2012-05](#) explains that, effective July 1, 2012, the rental vehicle surcharge will be 8 percent of the gross receipts per vehicle, up from 6 percent now. (The surcharge will continue to be subject to sales tax.)
- [Notice 2012-06](#) provides details about the repeal of the tax on package tour and scenic and sightseeing transportation services.

The agency’s Excise Tax section is in the process of mailing copies of the Notices to those who are subject to the various taxes. Each mailing will include other documents as required. Anyone with questions may call the Excise Tax section at (401) 574-8955 from 8:30 a.m. to 4:00 p.m. business days.

Sales tax booklets

The Tax Division has begun mailing sales tax coupon booklets to retailers in time for the start of the new fiscal year on July 1, 2012. The booklets include sales tax permits, which retailers need in order to legally conduct business in Rhode Island. A separate mailing of sales tax permits went to those retailers that do not use coupons because they remit sales and use tax electronically.

New chief of Personal Income Tax

Leo R. Lebeuf has been promoted to the rank of chief of the Rhode Island Division of Taxation's Personal Income Tax section. He succeeds Linda Riendeau, who retired. The changes were announced by Tax Administrator David M. Sullivan.

"We are fortunate to have had Linda's expertise. She developed a broad knowledge of tax issues, and we thank her for her many years of service," Sullivan said. "I am pleased to welcome Leo as her successor. He was chosen from among a very strong field of candidates. Leo's strong work ethic, tax knowledge, and his ability to work in collaboration with others to get the job done will serve him well in his new position," Sullivan said.

Riendeau's retirement capped 34 years of state service, including 28 with the Tax Division. She worked in several sections at the agency, including Compliance & Collections and Personal Income Tax. She served as chief of the Personal Income Tax section since December 2007. Her retirement is effective June 22, 2012

Lebeuf, a 1996 graduate of Bryant University, joined the Tax Division later that year as a revenue officer in the Compliance & Collections section. He has also worked in Field Audit and Corporate Tax. He currently serves as principal revenue agent in Corporate Tax. He will assume his new duties on July 2.

Tax Administrator elected to national post

Tax Administrator David M. Sullivan has been elected as an officer of the Federation of Tax Administrators (FTA), a national organization based in Washington, D.C. Sullivan, who formerly served as a member of the FTA's Board of Trustees, was elected as Secretary on June 20, 2012.

The FTA was organized in 1937 to improve the quality of state tax administration by providing services to state tax authorities and administrators. It serves the principal tax collection agencies of the 50 states, the District of Columbia, Puerto Rico, and New York City. Its work is directed and governed by an 18-member Board of Trustees, which is made up of tax administrators representing all regions of the country.

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