



Rhode Island Department of Revenue

Division of Taxation

July 18, 2016

Notice 2016-04 Motor Fuel Tax

Propane Used for Electricity Generation

SECTION 1: PURPOSE

This statement provides notification of an amendment to the Rhode Island motor fuel tax statutes as it applies to propane used for electricity generation. The amendment took effect July 9, 2016.

SECTION 2: DESCRIPTION

Rhode Island General Laws § 31-36-1(4) defines “fuels” that are subject to the Rhode Island motor fuel tax and lists certain fuels that are not subject to the tax.

Under recently enacted legislation, effective July 9, 2016, propane that is used for the generation of electricity is not subject to the Rhode Island motor fuel tax.

SECTION 3: CITATION

Rhode Island House Bill 8228A, and Rhode Island Senate Bill 2989A, which were approved by the Rhode Island General Assembly in June 2016 and which took effect on July 9, 2016, amending Rhode Island General Laws § 31-36-1.

SECTION 4: CONTACT PERSON

For questions about this notice, contact the Rhode Island Division of Taxation's Excise Tax section, by e-mail at Tax.Excise@tax.ri.gov, by telephone at (401) 574-8955, or by mail to the Rhode Island Division of Taxation, One Capitol Hill, Providence, R.I. 02908.