



Rhode Island Department of Revenue

Division of Taxation

NOTICE:

To ALL NON-COLLECTING RETAILERS

Please be advised that there is a new Rhode Island law¹ that may affect you. Below is a concise summary of what you need to know about it:

- 1.) Under the law, you are considered a non-collecting retailer if you do at least 1 of the following:
 - Use in-state software to make sales at retail of taxable goods/services;
 - Sell, lease, deliver, or participate in any activity relating to the sale, lease, or delivery of taxable goods/services, including:
 - Use of a referrer, retail sale facilitator, or other third party for direct response marketing or referral;
 - Use of a sales process including listing, branding, selling, soliciting, processing, fulfilling, or exchanging;
 - Offer taxable goods/services for sale through retail sale facilitators;
 - Are related to a person with physical presence in this state.

- 2.) You must comply with the requirements of #3 below if in the preceding calendar year you had:
 - \$100,000 in gross revenue from the sale of taxable goods/services delivered in Rhode Island; or
 - 200 or more transactions of taxable goods/services delivered in Rhode Island.

- 3.) If you do any of the activities in #1 above that qualifies you as a non-collecting retailer, here is what the law requires you to do starting on July 15, 2017 or two weeks after the law passes, whichever is later:
 - Register, collect, and remit sales tax; or
 - Do all of the following:
 - Post the Website Notice on your website;
 - Notify the customer at the time of purchase (Checkout Notice);
 - Notify the customer within 48 hours of purchase (48-Hour Notice);
 - Send customer with \$100+ in annual purchases the Annual Notice by January 31st; and
 - Provide by February 15th each year the Annual Attestation that the notice requirements were fulfilled.

¹ Rhode Island House Bill 5175, Substitute A as amended, Article 8, to be codified at Rhode Island General Laws § 44-18.2-1 *et seq.*

Please note that this concise summary is not a substitute for the law itself. Refer to the law for specific details on any of its provisions.

You may contact the Rhode Island Division of Taxation with any questions or concerns at (401) 574-8955 or tax.excise@tax.ri.gov. Visit our website at www.tax.ri.gov for more information.

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