

State of Rhode Island and Providence Plantations
Rhode Island Department of Revenue
Division of Taxation

Public Notice of Proposed Rule-Making

Pursuant to the provisions of RIGL §42-35-3(a)(1) and in accordance with the Administrative Procedures Act (Chapter 42-35 of the General Laws), the Division of Taxation hereby gives notice of its intent to repeal regulation SU 87-112 Typographers.

The purpose of this rule making process is to repeal SU 87-122 in light of Regulation 08-01 Advertising Agencies. This repeal shall take effect January 1, 2011.

The proposed rule to be repealed and concise summary of non-technical requirements and proposed new rules are available for public inspection at www.tax.ri.gov, in person at The Rhode Island Division of Taxation, or requested by e-mail at mcanole@tax.ri.gov or by calling Michael Canole at (401) 574-8729.

In the development of the proposed regulation, consideration was given to: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) significant economic impact on small business. No alternative approach, duplication, or overlap was identified based upon available information.

All interested parties are invited to submit written or oral comments concerning the proposed regulations by Wednesday, November 24, 2010 to Michael Canole, Rhode Island Division of Taxation, One Capitol Hill, Providence, RI – telephone number (401) 574-8729 or via, e-mail at mcanole@tax.ri.gov. A public hearing to consider the proposed regulation will be held on Wednesday, November 24, 2010 at the Rhode Island Division of Taxation, One Capitol Hill, Providence, RI, at which time and place all persons interested therein will be heard. The room is accessible to the disabled and interpreter services for the hearing impaired will be provided if requested 48 hours prior to the hearing. Requests for this service can be made in writing to Michael Canole at Rhode Island Division of Taxation, One Capitol Hill, Providence, RI 02908 or by calling 401 574-8729.

Rhode Island Department of Revenue

Division of Taxation

**Concise Summary of ALL Non-technical requirements pursuant to
RIGL Section 42-35-3(a)(1)**

Rules and Regulation on Typographers - Repealed

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of Regulation 08-01 Advertising Agencies. This repeal shall take effect
January 1, 2011.**

~~State of Rhode Island - Division of Taxation~~

~~Sales and Use Tax~~

~~Regulation SU 87-112~~

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~~Typographers~~

~~A. Composition or setting of type by a typographer in such a manner that produces a camera ready proof or a hard copy that is transferred to the customer is a sale of tangible personal property. The true object sought in the transaction is the camera ready proof. The typographer in this type of transaction is a retailer and is required to register as such and collect and remit the tax. Cross Reference: "Manufacturing Property and Public Utilities Service Used In"~~

~~B. Composition or the setting of type by a typographer is not subject to the tax where title to the metal type, forms or other property constituting such type is retained by the typographer. The transaction is regarded as constituting the sale of a service and not a sale or transfer of tangible personal property.~~

~~The retention of title will be presumed when records maintained by the typographer reflect the return of type metal by issuance of credit slips or other documentation.~~

~~In such instance the typographer is a consumer and must pay the tax as measured by the cost of all materials, supplies and equipment acquired.~~

~~R. GARY CLARK
TAX ADMINISTRATOR~~

~~DATE: May 1, 1987~~