

280-RICR-20-70-5

TITLE 280 – DEPARTMENT OF REVENUE

CHAPTER 20 – DIVISION OF TAXATION

SUBCHAPTER 70 – SALES AND USE TAX

Part 5 - Pet Care Services (Except Veterinary and Testing Laboratories Services)

5.1 Purpose

This regulation implements R.I. Gen. Laws Chapters 44-18 and 44-19. These Chapters provide for Sales and Use Taxes Liability and Computation, and Sales and Use Taxes Enforcement and Collection, in regard to taxation of pet care services (except veterinary and testing laboratories services).

5.2 Authority

This regulation is promulgated pursuant to R.I. Gen. Laws Chapters 44-18 and 44-19, as amended. These rules have been prepared in accordance with the requirements of R.I. Gen. Laws Chapter 44-1 and § 44-19-33.

5.3 Application

The terms and provisions of these rules and regulations shall be liberally construed to permit the Department of Revenue to effectuate the purposes of R.I. Gen. Laws Chapters 44-18 and 44-19 and other applicable state laws and regulations.

5.4 Severability

If any provision of these rules and regulations or the application thereof to any person or circumstances is held invalid by a court of competent jurisdiction, the validity of the remainder of the rules and regulations shall not be affected thereby.

5.5 Definitions

- A. “Person” means and includes any individual, partnership, association, corporation, estate, trust, fiduciary, limited liability company, limited liability partnership or any other legal entity.
- B. “Pet care services (except veterinary and testing laboratories services)” (NAICS § 812910) means establishments engaged in providing pet care services (except veterinary and testing laboratories services), including but not limited to boarding, grooming, sitting, and training pets.

- C. "Services" means all activities engaged in for other persons for a fee, retainer, commission, or other monetary charge, which activities involve the performance of a service in this state as distinguished from selling property. In determining what a service is, the intended use, principal objective or ultimate objective of the contracting parties shall not be controlling. For the purposes of this rule, services rendered by an employee for his employer are not taxable.

5.6 Taxation of Pet Care Services (Except Veterinary and Testing Laboratories Services)

- A. For the period commencing October 1, 2012, sales and use tax at the rate as provided in R.I. Gen. Laws §§ 44-18-18 and 44-18-20 is imposed on receipts from the sale of pet care services (except veterinary and testing laboratories services) provided in this state.
- B. Any person furnishing pet care services (except veterinary and testing laboratories services) in this State is a retailer as provided in R.I. Gen. Laws § 44-18-15, and is thus required to file a Business Application and Registration form with the Tax Administrator. They must also charge, collect, and remit Rhode Island sales and use tax.

Example 1:

An individual purchases the following pet care and veterinary services:

Medical procedure for pet	\$1,000.00
Overnight stay for observation in conjunction w/ medical procedure	\$200.00
Shampoo	\$50.00*
Nail clipping	\$10.00*
Sub total	\$1,260.00
Sales Tax (* items subject to sales tax)	\$4.20
Total	\$1,264.20

Example 2:

A family goes on vacation and purchases the following pet care services:

Overnight stay for one week	\$500.00*
Shampoo	\$50.00*
Nail clipping	\$10.00*
Sub total	\$560.00
Sales Tax (* items subject to sales tax)	\$39.20
Total	\$599.20