

280-RICR-20-70-7

TITLE 280 – DEPARTMENT OF REVENUE

CHAPTER 20 – DIVISION OF TAXATION

SUBCHAPTER 70 – SALES AND USE TAX

Part 7 – Social Clubs

7.1 Purpose

This regulation implements R.I. Gen. Laws Chapter 44-18.1. This regulation provides for Social Clubs.

7.2 Authority

This regulation is promulgated pursuant to R.I. Gen. Laws § 44-18.1 as amended, R.I. Gen. Laws §§ 44-1-4, 44-18.1-1 and 44-19-33. Additionally these regulations have been prepared in accordance with the requirements of R.I. Gen. Laws Chapter 42-35 - Rhode Island Administrative Procedures Act.

7.3 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 Chapter 44-18.1 and other applicable state laws and regulations.

7.4 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.

7.5 Golf and Country Clubs

- A. Sales of tangible personal property, including food and beverages and rentals of golf carts and other equipment, by golf and country clubs, whether made to members or other persons are taxable and such clubs must obtain a sales tax permit.
- B. Charges by the club for other than the sales of tangible personal property such as membership dues assessments are not charges for tangible personalty and, as such, are not taxable.

7.6 Social and Fraternal Organizations

A. Sales to

1. Generally, the sale of tangible personal property to social and fraternal organizations is taxable. Such organizations include fraternal societies, trade or professional associations, lodges, orders and their auxiliaries and other similar organizations. These organizations are not exempt under the provisions of § 44-18-30(5). The tax applies whether such sales are made to members or other persons.

B. Sales by

1. If such an organization operates a cafeteria, soda fountain or other eating or beverage facility or sells athletic equipment or other tangible personal property, it must obtain a sales tax permit and pay the tax to the state on total receipts from such sales.