

2023 -- H 5784

LC001650

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO AGRICULTURE AND FORESTRY -- FORESTRY AND FOREST PRODUCT OPERATIONS

Introduced By: Representatives Cotter, Edwards, Potter, Baginski, Speakman, Casimiro, Kazarian, Chippendale, McNamara, and Kennedy

Date Introduced: February 22, 2023

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 2 of the General Laws entitled "AGRICULTURE AND FORESTRY"  
2 is hereby amended by adding thereto the following chapter:

3 CHAPTER 28

4 FORESTRY AND FOREST PRODUCT OPERATIONS

5 **2-28-1. Short title.**

6 This chapter shall be known and may be cited as the "Forestry Parity Act."

7 **2-28-2. Legislative findings.**

8 The general assembly finds and declares:

9 (1) That maintaining forests is vital to maintain both biodiversity, and ecosystem services,  
10 including carbon sequestration in the state;

11 (2) That forests are more likely to be maintained if they provide economic value;

12 (3) That providing for the economic viability of the forest products industry is an interest  
13 of the state;

14 (4) That forest conservation is given the same status as farm and open space conservation  
15 under the chapter 27 of title 44 ("taxation of farm, forest, and open space land"), but that elsewhere  
16 in the general laws forestry, and the production of forest products, are not given the same benefits,  
17 including protections from taxation, and protections as agriculture; and

18 (5) That it is in the interest of the state, in order to protect economic viability of forests and

1 to provide for their conservation for the future benefit and enjoyment of the people of the state.

2 **2-28-3. Purpose.**

3 It is purpose of this chapter to provide parity of treatment, under the law, with farming and  
4 agriculture operations to forestry and forest product operations.

5 **2-28-4. Definitions.**

6 When used in this chapter, the following words and phrases are construed as follows:

7 (1) "Forest-based business" shall have the same meaning as defined in § 2-27-2.

8 (2) "Forest land" shall have the same meaning as defined in § 2-27-2.

9 (3) "Forest management" shall have the same meaning as defined in § 2-27-2.

10 (4) "Forest product operations" means any and all trade occupations involving the  
11 harvesting, production, maintaining, and sale of forest products originating in the state, including,  
12 but not limited to:

13 (i) Arboriculture, logging, land clearing; and

14 (ii) Kiln drying, operations of firewood, saw milling, lumber, pallets, biochar, mulch,  
15 compost, biomass, wood chips, saw dust, timbers, posts, beams, shingles, and artisan tree carvings,  
16 seasonal greens and berries.

17 (5) "Forest property owner" means a person who owns "forest land" or leases "forest land"  
18 for a period of five (5) years or more, which lease permits the conduct of some or all "forest product  
19 operations" on the "forest land".

20 (6) "Person" shall have the same meaning as defined in § 43-3-6.

21 **2-28-5. Declaration of policies.**

22 The general assembly finds and declares that it is the policy of the state to promote an  
23 environment in which forest operations and forest-based businesses are safeguarded against  
24 nuisance actions arising out of conflicts between forestry operations and urban and suburban land  
25 uses, in a manner consistent with the provisions of chapter 23 of title 2 ("right to farm act"), and to  
26 protect forest landowners with forest management plans from state administrative actions and  
27 regulations above and beyond the restrictions on farms and agricultural operations on the same  
28 subject.

29 **2-28-6. Intentional and negligent actions.**

30 The provisions of § 2-28-5 do not apply to forestry operations conducted in a malicious or  
31 negligent manner, or to forestry operations conducted in violation of federal or state law.

32 SECTION 2. Chapter 31-1 of the General Laws entitled "Definitions and General Code  
33 Provisions" is hereby amended by adding thereto the following section:

34 **31-1-8.1. Forestry vehicle.**

1 “Forestry vehicle” means every vehicle which is designed for and used for forest product  
2 operations purposes, as defined in § 2-28-4, and used by the owner of the vehicle or family  
3 member(s) or employee(s) or designees of the owner, in the conduct of the owner’s forestry product  
4 operations, which use shall include the delivery of forest products produced by the forester but shall  
5 not include commercial hire for non-forestry product operation uses, including, but not limited to,  
6 hauling of sand and gravel, snow plowing, other than directly on the vehicle owner’s forest land.  
7 For an owner to qualify as having forestry purposes, the owner shall provide evidence that he or  
8 she meets the requirements of § 44-18-30.

9 SECTION 3. Chapter 31-3 of the General Laws entitled "Registration of Vehicles" is  
10 hereby amended by adding thereto the following section:

11 **31-3-31.4. Registration of forestry vehicles.**

12 (a) Forestry vehicles, as defined in § 31-1-8.1, equipped with rubber tires while being used  
13 in forestry and operated on highways shall be registered on a form furnished by the administrator  
14 of the division of motor vehicles and shall be assigned a special number plate with a suitable symbol  
15 or letter indicating the usage of the forestry vehicle.

16 (b) The administrator of the division of motor vehicles shall promulgate rules and  
17 regulations for the inspection of forestry vehicles.

18 (c) Forestry plates may be displayed on vehicles used in the delivery of forestry products  
19 produced by the forester/forest product operator; however, forestry plates shall not be displayed on  
20 vehicles used for delivery of products not produced from forest product operations.

21 (d) Any forestry vehicle, as defined in § 31-1-8.1, that is not required to be registered other  
22 than pursuant to the provisions of § 31-1-8.1, and that is covered by a liability insurance policy  
23 applicable to forest land and/or forest product operations, shall be deemed to satisfy the liability  
24 insurance as required by § 31-3-3(c) if the liability policy provides liability coverage for operation  
25 of the vehicle, in limits meeting or exceeding, the provisions of § 31-32-24. Documentation of such  
26 insurance, including the name of the carrier, policy, number, and effective date, may be required  
27 by the division of motor vehicles for the registration of said vehicle and for the renewal of such  
28 registration.

29 SECTION 4. Section 42-64-5 of the General Laws in Chapter 42-64 entitled "Rhode Island  
30 Commerce Corporation" is hereby amended to read as follows:

31 **42-64-5. Purposes.**

32 The Rhode Island commerce corporation is authorized, created, and established to be an  
33 agency under the jurisdiction of the state’s lead agency for economic development, the executive  
34 office of commerce, and to be the operating agency of the state to carry out the policies and

1 procedure as established by the secretary, governor and the board of directors for the following  
2 purposes:

3 (1) To promote and encourage the preservation, expansion, and sound development of new  
4 and existing industry, business, commerce, agriculture, [forestry](#), tourism, and recreational facilities  
5 in the state, which will promote the economic development of the state and the general welfare of  
6 its citizens; and

7 (2) With respect to real property other than federal land or land related to federal land, to  
8 undertake any project, except a residential facility; and

9 (3) With respect to federal land or land related to federal land, to undertake any project,  
10 except as those responsibilities are assigned to the Quonset Development Corporation; and

11 (4) To create an organization that is responsive to the needs and interests of businesses of  
12 all sizes within the state of Rhode Island and to be structured to be customer centric to enhance  
13 commerce in the state utilizing all available resources.

14 SECTION 5. Section 44-5-12.1 of the General Laws in Chapter 44-5 entitled "Levy and  
15 Assessment of Local Taxes" is hereby amended to read as follows:

16 **44-5-12.1. Assessment of tangible personal property.**

17 (a) All tangible personal property subject to taxation shall be assessed for taxation based  
18 on the original purchase price (new or used) including all costs such as freight and installation.  
19 Assets will be classified and depreciated as defined in this section.

20 (b) The following classification and depreciation table shall be used in determining the  
21 assessed value of tangible personal property.

22 **State of Rhode Island Tangible Property Classification**

	<b>Class I</b>	<b>Class II</b>	<b>Class III</b>
<b>Class of Assets</b>	<b>Short Life</b>	<b>Mid-Life</b>	<b>Long Life</b>
<b>Age</b>	<b>1-5 yrs</b>	<b>6-12 yrs</b>	<b>13+ yrs</b>
23			
24			
25			
26	1	95	95
27	2	80	90
28	3	60	85
29	4	30	80
30	5	20	75
31	6	20	70
32	7	20	65
33	8	20	60
34	9	20	55

1	10	20	30	50
2	11	20	30	45
3	12	20	30	40
4	13	20	30	35
5	14	20	30	30
6	15+	20	30	30

7 Assets Shall Not be Trended

8 (c) Assets shall be classified on an annual basis by the Rhode Island Association of  
9 Assessing Officers' Personal Property Committee based on the following table:

10	INDUSTRY GROUP IN YEARS	CLASS
11	Agriculture <a href="#">and forestry</a> machinery and equipment	II
12	Aircraft and all helicopters	II
13	Amusement and theme parks	II
14	Apparel and fabricated textile manufacturing	II
15	Automobile repair shops	II
16	Bakeries and confectionery production	II
17	Barber and beauty shops	II
18	Billboards	III
19	Brewery equipment not used directly in manufacturing	II
20	Cable television, headend facilities:	II
21	Microwave systems	II
22	Program origination	II
23	Service and test	II
24	Subscriber connection and distribution	II
25	Canneries and frozen food production	II
26	Cement processing	III
27	Chemical and allied production	II
28	Clay products processing	III
29	Cold storage and ice-making equipment	III
30	Cold storage warehouse equipment	II
31	Computers, personal computers (PC), laptops, tablets, cellphones,	
32	mainframe/servers, peripherals, keyboard, mouse	I
33	Condiments, processing	II
34	Construction equipment, general construction, backhoes,	

1	forklifts, loaders, cranes, unregistered vehicles	II
2	Dairy products processing	II
3	Data handling equipment, except computers	II
4	printers, copiers, bridges, routers and gateways	II
5	Distilling	II
6	Electrical equipment not used in manufacturing	II
7	Electronic equipment	II
8	Fabricated metal products/special tools	II
9	Fishing equipment, excluding boats and barges, lines, nets	I
10	Food and beverage production	II
11	Fur processing	II
12	Gas distribution, total distribution equipment	III
13	Glass and glass products/special tools	II
14	Grain and grain mill products processing	III
15	Gypsum products	III
16	Hand tools	II
17	Hospital furnishings and equipment	II
18	Hotel and motel furnishings and equipment	II
19	Jewelry products and pens	II
20	Knitwear and knit products, ex, work uniforms	I
21	Laundry equipment	II
22	Leather and leather products	II
23	Logging, timber cutting	II
24	Marine construction	II
25	Meatpacking	II
26	Medical and dental supply production	II
27	Metalworking machinery processing	II
28	Mining and quarrying	II
29	Motion picture and television production	II
30	Motor vehicle and parts/special tools	II
31	Office furniture and equipment	II
32	Optical lenses and instrument processing	II
33	Paints and varnishes	I
34	Petroleum refining	III

1	pipeline transportation	III
2	Plastics manufacturing	I/II
3	Plastic products processing/special tools	II
4	Primary metals production, nonferrous and foundry products	III
5	special tools	III
6	Primary steel mill products	III
7	Printing and publishing	II
8	Professional and scientific instruments	II
9	Radio and television, broadcasting	II
10	Railroad transportation equipment	II
11	locomotive	II
12	Recreation and amusement	II
13	Retail trades, fixtures and equipment	II
14	Residential furniture	II
15	Restaurant and bar equipment	II
16	Restaurant equipment, fast foods	II
17	Rubber products processing/special tools	II
18	Sawmills, permanent/portable	II
19	Service establishments	II
20	Ship and boat building equipment/special tools	II
21	Soft drink processing and bottling	II
22	Stone products processing	III
23	Telecommunications, local and interstate	II
24	analog switching	II
25	circuit, digital, analog, optic	II
26	information/origination equipment	I/II
27	smart phones	I
28	metallic cable	III
29	fiber cable, poles, conduit	III
30	all other equipment	II
31	Telecommunications, cellular	
32	analog/digital switching	II
33	radio frequency channel and control	II
34	power equipment	II

1	antennae	II
2	towers	III
3	transmission equipment	II
4	cellular phones	I
5	Textile products, including finishing and dyeing	II
6	yarn, thread and woven fabrics	II
7	Theater equipment	II
8	Utilities/power production	III
9	generation, transmission, or distribution equipment	III
10	Waste reduction and resource recovery	II
11	Water transportation	III
12	vessels, barges and tugs	III
13	Water utilities	III
14	Wharves, docks and piers	III
15	Wholesale trade fixtures and equipment	II
16	Wood products and furniture manufacturing	II

17 (d) Any industry, group, or asset not enumerated in subsection (c) of this section, shall be  
18 categorized as class II.

19 SECTION 6. Chapter 44-5 of the General Laws entitled "Levy and Assessment of Local  
20 Taxes" is hereby amended by adding thereto the following section:

21 **44-5-42.2. Exemption of certain forestry product operations property.**

22 (a) All forestry product operations machinery, including motor vehicles with forestry  
23 registration plates, is exempt from taxation.

24 (b) Cities and towns may tax forestry product operations buildings at a rate that reflects the  
25 actual costs incurred by the city or town in providing services to those buildings.

26 SECTION 7. Section 44-18-30 of the General Laws in Chapter 44-18 entitled "Sales and  
27 Use Taxes — Liability and Computation" is hereby amended to read as follows:

28 **44-18-30. Gross receipts exempt from sales and use taxes.**

29 There are exempted from the taxes imposed by this chapter the following gross receipts:

30 (1) Sales and uses beyond constitutional power of state. From the sale and from the storage,  
31 use, or other consumption in this state of tangible personal property the gross receipts from the sale  
32 of which, or the storage, use, or other consumption of which, this state is prohibited from taxing  
33 under the Constitution of the United States or under the constitution of this state.

34 (2) Newspapers.



1 (i) From the sale and from the storage, use, or other consumption in this state of any  
2 newspaper.

3 (ii) “Newspaper” means an unbound publication printed on newsprint that contains news,  
4 editorial comment, opinions, features, advertising matter, and other matters of public interest.

5 (iii) “Newspaper” does not include a magazine, handbill, circular, flyer, sales catalog, or  
6 similar item unless the item is printed for, and distributed as, a part of a newspaper.

7 (3) School meals. From the sale and from the storage, use, or other consumption in this  
8 state of meals served by public, private, or parochial schools, school districts, colleges, universities,  
9 student organizations, and parent-teacher associations to the students or teachers of a school,  
10 college, or university whether the meals are served by the educational institutions or by a food  
11 service or management entity under contract to the educational institutions.

12 (4) Containers.

13 (i) From the sale and from the storage, use, or other consumption in this state of:

14 (A) Non-returnable containers, including boxes, paper bags, and wrapping materials that  
15 are biodegradable and all bags and wrapping materials utilized in the medical and healing arts,  
16 when sold without the contents to persons who place the contents in the container and sell the  
17 contents with the container.

18 (B) Containers when sold with the contents if the sale price of the contents is not required  
19 to be included in the measure of the taxes imposed by this chapter.

20 (C) Returnable containers when sold with the contents in connection with a retail sale of  
21 the contents or when resold for refilling.

22 (D) Keg and barrel containers, whether returnable or not, when sold to alcoholic beverage  
23 producers who place the alcoholic beverages in the containers.

24 (ii) As used in this subdivision, the term “returnable containers” means containers of a kind  
25 customarily returned by the buyer of the contents for reuse. All other containers are “non-returnable  
26 containers.”

27 (5)(i) Charitable, educational, and religious organizations. From the sale to, as in defined  
28 in this section, and from the storage, use, and other consumption in this state, or any other state of  
29 the United States of America, of tangible personal property by hospitals not operated for a profit;  
30 “educational institutions” as defined in subdivision (18) not operated for a profit; churches,  
31 orphanages, and other institutions or organizations operated exclusively for religious or charitable  
32 purposes; interest-free loan associations not operated for profit; nonprofit, organized sporting  
33 leagues and associations and bands for boys and girls under the age of nineteen (19) years; the  
34 following vocational student organizations that are state chapters of national vocational student

1 organizations: Distributive Education Clubs of America (DECA); Future Business Leaders of  
2 America, Phi Beta Lambda (FBLA/PBL); Future Farmers of America (FFA); Future Homemakers  
3 of America/Home Economics Related Occupations (FHA/HERD); Vocational Industrial Clubs of  
4 America (VICA); organized nonprofit golden age and senior citizens clubs for men and women;  
5 and parent-teacher associations; and from the sale, storage, use, and other consumption in this state,  
6 of and by the Industrial Foundation of Burrillville, a Rhode Island domestic nonprofit corporation.

7 (ii) In the case of contracts entered into with the federal government, its agencies, or  
8 instrumentalities, this state, or any other state of the United States of America, its agencies, any  
9 city, town, district, or other political subdivision of the states; hospitals not operated for profit;  
10 educational institutions not operated for profit; churches, orphanages, and other institutions or  
11 organizations operated exclusively for religious or charitable purposes, the contractor may purchase  
12 such materials and supplies (materials and/or supplies are defined as those that are essential to the  
13 project) that are to be utilized in the construction of the projects being performed under the contracts  
14 without payment of the tax.

15 (iii) The contractor shall not charge any sales or use tax to any exempt agency, institution,  
16 or organization but shall in that instance provide his or her suppliers with certificates in the form  
17 as determined by the division of taxation showing the reason for exemption and the contractor's  
18 records must substantiate the claim for exemption by showing the disposition of all property so  
19 purchased. If any property is then used for a nonexempt purpose, the contractor must pay the tax  
20 on the property used.

21 (6) Gasoline. From the sale and from the storage, use, or other consumption in this state  
22 of: (i) Gasoline and other products taxed under chapter 36 of title 31 and (ii) Fuels used for the  
23 propulsion of airplanes.

24 (7) Purchase for manufacturing purposes.

25 (i) From the sale and from the storage, use, or other consumption in this state of computer  
26 software, tangible personal property, electricity, natural gas, artificial gas, steam, refrigeration, and  
27 water, when the property or service is purchased for the purpose of being manufactured into a  
28 finished product for resale and becomes an ingredient, component, or integral part of the  
29 manufactured, compounded, processed, assembled, or prepared product, or if the property or  
30 service is consumed in the process of manufacturing for resale computer software, tangible personal  
31 property, electricity, natural gas, artificial gas, steam, refrigeration, or water.

32 (ii) "Consumed" means destroyed, used up, or worn out to the degree or extent that the  
33 property cannot be repaired, reconditioned, or rendered fit for further manufacturing use.

34 (iii) "Consumed" includes mere obsolescence.

1 (iv) "Manufacturing" means and includes: manufacturing, compounding, processing,  
2 assembling, preparing, or producing.

3 (v) "Process of manufacturing" means and includes all production operations performed in  
4 the producing or processing room, shop, or plant, insofar as the operations are a part of and  
5 connected with the manufacturing for resale of tangible personal property, electricity, natural gas,  
6 artificial gas, steam, refrigeration, or water and all production operations performed insofar as the  
7 operations are a part of and connected with the manufacturing for resale of computer software.

8 (vi) "Process of manufacturing" does not mean or include administration operations such  
9 as general office operations, accounting, collection, or sales promotion, nor does it mean or include  
10 distribution operations that occur subsequent to production operations, such as handling, storing,  
11 selling, and transporting the manufactured products, even though the administration and  
12 distribution operations are performed by, or in connection with, a manufacturing business.

13 (8) State and political subdivisions. From the sale to, and from the storage, use, or other  
14 consumption by, this state, any city, town, district, or other political subdivision of this state. Every  
15 redevelopment agency created pursuant to chapter 31 of title 45 is deemed to be a subdivision of  
16 the municipality where it is located.

17 (9) Food and food ingredients. From the sale and storage, use, or other consumption in this  
18 state of food and food ingredients as defined in § 44-18-7.1(l).

19 For the purposes of this exemption "food and food ingredients" shall not include candy,  
20 soft drinks, dietary supplements, alcoholic beverages, tobacco, food sold through vending  
21 machines, or prepared food, as those terms are defined in § 44-18-7.1, unless the prepared food is:

22 (i) Sold by a seller whose primary NAICS classification is manufacturing in sector 311,  
23 except sub-sector 3118 (bakeries);

24 (ii) Sold in an unheated state by weight or volume as a single item;

25 (iii) Bakery items, including: bread, rolls, buns, biscuits, bagels, croissants, pastries,  
26 donuts, danish, cakes, tortes, pies, tarts, muffins, bars, cookies, tortillas; and

27 is not sold with utensils provided by the seller, including: plates, knives, forks, spoons,  
28 glasses, cups, napkins, or straws.

29 (10) Medicines, drugs, and durable medical equipment. From the sale and from the storage,  
30 use, or other consumption in this state, of:

31 (i) "Drugs" as defined in § 44-18-7.1(h)(i), sold on prescriptions, medical oxygen, and  
32 insulin whether or not sold on prescription. For purposes of this exemption drugs shall not include  
33 over-the-counter drugs and grooming and hygiene products as defined in § 44-18-7.1(h)(iii).

34 (ii) Durable medical equipment as defined in § 44-18-7.1(k) for home use only, including,

1 but not limited to: syringe infusers, ambulatory drug delivery pumps, hospital beds, convalescent  
2 chairs, and chair lifts. Supplies used in connection with syringe infusers and ambulatory drug  
3 delivery pumps that are sold on prescription to individuals to be used by them to dispense or  
4 administer prescription drugs, and related ancillary dressings and supplies used to dispense or  
5 administer prescription drugs, shall also be exempt from tax.

6 (11) Prosthetic devices and mobility enhancing equipment. From the sale and from the  
7 storage, use, or other consumption in this state, of prosthetic devices as defined in § 44-18-7.1(t),  
8 sold on prescription, including, but not limited to: artificial limbs, dentures, spectacles, eyeglasses,  
9 and artificial eyes; artificial hearing devices and hearing aids, whether or not sold on prescription;  
10 and mobility enhancing equipment as defined in § 44-18-7.1(p), including wheelchairs, crutches,  
11 and canes.

12 (12) Coffins, caskets, urns, shrouds and burial garments. From the sale and from the  
13 storage, use, or other consumption in this state of coffins, caskets, burial containers, urns, urn liners,  
14 urn vaults, grave liners, grave vaults, burial tent setups, prayer cards, shrouds, and other burial  
15 garments that are ordinarily sold by a funeral director as part of the business of funeral directing.

16 (13) Motor vehicles sold to nonresidents.

17 (i) From the sale, subsequent to June 30, 1958, of a motor vehicle to a bona fide nonresident  
18 of this state who does not register the motor vehicle in this state, whether the sale or delivery of the  
19 motor vehicle is made in this state or at the place of residence of the nonresident. A motor vehicle  
20 sold to a bona fide nonresident whose state of residence does not allow a like exemption to its  
21 nonresidents is not exempt from the tax imposed under § 44-18-20. In that event, the bona fide  
22 nonresident pays a tax to Rhode Island on the sale at a rate equal to the rate that would be imposed  
23 in his or her state of residence not to exceed the rate that would have been imposed under § 44-18-  
24 20. Notwithstanding any other provisions of law, a licensed motor vehicle dealer shall add and  
25 collect the tax required under this subdivision and remit the tax to the tax administrator under the  
26 provisions of chapters 18 and 19 of this title. When a Rhode Island licensed, motor vehicle dealer  
27 is required to add and collect the sales and use tax on the sale of a motor vehicle to a bona fide  
28 nonresident as provided in this section, the dealer in computing the tax takes into consideration the  
29 law of the state of the nonresident as it relates to the trade-in of motor vehicles.

30 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may  
31 require any licensed motor vehicle dealer to keep records of sales to bona fide nonresidents as the  
32 tax administrator deems reasonably necessary to substantiate the exemption provided in this  
33 subdivision, including the affidavit of a licensed motor vehicle dealer that the purchaser of the  
34 motor vehicle was the holder of, and had in his or her possession a valid out-of-state motor vehicle

1 registration or a valid out-of-state driver's license.

2 (iii) Any nonresident who registers a motor vehicle in this state within ninety (90) days of  
3 the date of its sale to him or her is deemed to have purchased the motor vehicle for use, storage, or  
4 other consumption in this state, and is subject to, and liable for, the use tax imposed under the  
5 provisions of § 44-18-20.

6 (14) Sales in public buildings by blind people. From the sale and from the storage, use, or  
7 other consumption in all public buildings in this state of all products or wares by any person  
8 licensed under § 40-9-11.1.

9 (15) Air and water pollution control facilities. From the sale, storage, use, or other  
10 consumption in this state of tangible personal property or supplies acquired for incorporation into  
11 or used and consumed in the operation of a facility, the primary purpose of which is to aid in the  
12 control of the pollution or contamination of the waters or air of the state, as defined in chapter 12  
13 of title 46 and chapter 23 of title 23, respectively, and that has been certified as approved for that  
14 purpose by the director of environmental management. The director of environmental management  
15 may certify to a portion of the tangible personal property or supplies acquired for incorporation  
16 into those facilities or used and consumed in the operation of those facilities to the extent that that  
17 portion has as its primary purpose the control of the pollution or contamination of the waters or air  
18 of this state. As used in this subdivision, "facility" means any land, facility, device, building,  
19 machinery, or equipment.

20 (16) Camps. From the rental charged for living quarters, or sleeping, or housekeeping  
21 accommodations at camps or retreat houses operated by religious, charitable, educational, or other  
22 organizations and associations mentioned in subsection (5), or by privately owned and operated  
23 summer camps for children.

24 (17) Certain institutions. From the rental charged for living or sleeping quarters in an  
25 institution licensed by the state for the hospitalization, custodial, or nursing care of human beings.

26 (18) Educational institutions. From the rental charged by any educational institution for  
27 living quarters, or sleeping, or housekeeping accommodations or other rooms or accommodations  
28 to any student or teacher necessitated by attendance at an educational institution. "Educational  
29 institution" as used in this section means an institution of learning not operated for profit that is  
30 empowered to confer diplomas, educational, literary, or academic degrees; that has a regular  
31 faculty, curriculum, and organized body of pupils or students in attendance throughout the usual  
32 school year; that keeps and furnishes to students and others records required and accepted for  
33 entrance to schools of secondary, collegiate, or graduate rank; and no part of the net earnings of  
34 which inures to the benefit of any individual.

1 (19) Motor vehicle and adaptive equipment for persons with disabilities.

2 (i) From the sale of: (A) Special adaptations; (B) The component parts of the special  
3 adaptations; or (C) A specially adapted motor vehicle; provided that the owner furnishes to the tax  
4 administrator an affidavit of a licensed physician to the effect that the specially adapted motor  
5 vehicle is necessary to transport a family member with a disability or where the vehicle has been  
6 specially adapted to meet the specific needs of the person with a disability. This exemption applies  
7 to not more than one motor vehicle owned and registered for personal, noncommercial use.

8 (ii) For the purpose of this subsection the term “special adaptations” includes, but is not  
9 limited to: wheelchair lifts, wheelchair carriers, wheelchair ramps, wheelchair securements, hand  
10 controls, steering devices, extensions, relocations, and crossovers of operator controls, power-  
11 assisted controls, raised tops or dropped floors, raised entry doors, or alternative signaling devices  
12 to auditory signals.

13 (iii) From the sale of: (a) Special adaptations, (b) The component parts of the special  
14 adaptations, for a “wheelchair accessible taxicab” as defined in § 39-14-1, and/or a “wheelchair  
15 accessible public motor vehicle” as defined in § 39-14.1-1.

16 (iv) For the purpose of this subdivision the exemption for a “specially adapted motor  
17 vehicle” means a use tax credit not to exceed the amount of use tax that would otherwise be due on  
18 the motor vehicle, exclusive of any adaptations. The use tax credit is equal to the cost of the special  
19 adaptations, including installation.

20 (20) Heating fuels. From the sale and from the storage, use, or other consumption in this  
21 state of every type of heating fuel.

22 (21) Electricity and gas. From the sale and from the storage, use, or other consumption in  
23 this state of electricity and gas.

24 (22) Manufacturing machinery and equipment.

25 (i) From the sale and from the storage, use, or other consumption in this state of tools, dies,  
26 molds, machinery, equipment (including replacement parts), and related items to the extent used in  
27 an industrial plant in connection with the actual manufacture, conversion, or processing of tangible  
28 personal property, or to the extent used in connection with the actual manufacture, conversion, or  
29 processing of computer software as that term is utilized in industry numbers 7371, 7372, and 7373  
30 in the standard industrial classification manual prepared by the Technical Committee on Industrial  
31 Classification, Office of Statistical Standards, Executive Office of the President, United States  
32 Bureau of the Budget, as revised from time to time, to be sold, or that machinery and equipment  
33 used in the furnishing of power to an industrial manufacturing plant. For the purposes of this  
34 subdivision, “industrial plant” means a factory at a fixed location primarily engaged in the

1 manufacture, conversion, or processing of tangible personal property to be sold in the regular  
2 course of business;

3 (ii) Machinery and equipment and related items are not deemed to be used in connection  
4 with the actual manufacture, conversion, or processing of tangible personal property, or in  
5 connection with the actual manufacture, conversion, or processing of computer software as that  
6 term is utilized in industry numbers 7371, 7372, and 7373 in the standard industrial classification  
7 manual prepared by the Technical Committee on Industrial Classification, Office of Statistical  
8 Standards, Executive Office of the President, United States Bureau of the Budget, as revised from  
9 time to time, to be sold to the extent the property is used in administration or distribution operations;

10 (iii) Machinery and equipment and related items used in connection with the actual  
11 manufacture, conversion, or processing of any computer software or any tangible personal property  
12 that is not to be sold and that would be exempt under subdivision (7) or this subdivision if purchased  
13 from a vendor or machinery and equipment and related items used during any manufacturing,  
14 converting, or processing function is exempt under this subdivision even if that operation, function,  
15 or purpose is not an integral or essential part of a continuous production flow or manufacturing  
16 process;

17 (iv) Where a portion of a group of portable or mobile machinery is used in connection with  
18 the actual manufacture, conversion, or processing of computer software or tangible personal  
19 property to be sold, as previously defined, that portion, if otherwise qualifying, is exempt under  
20 this subdivision even though the machinery in that group is used interchangeably and not otherwise  
21 identifiable as to use.

22 (23) Trade-in value of motor vehicles. From the sale and from the storage, use, or other  
23 consumption in this state of so much of the purchase price paid for a new or used automobile as is  
24 allocated for a trade-in allowance on the automobile of the buyer given in trade to the seller, or of  
25 the proceeds applicable only to the automobile as are received from the manufacturer of  
26 automobiles for the repurchase of the automobile whether the repurchase was voluntary or not  
27 towards the purchase of a new or used automobile by the buyer. For the purpose of this subdivision,  
28 the word "automobile" means a private passenger automobile not used for hire and does not refer  
29 to any other type of motor vehicle.

30 (24) Precious metal bullion.

31 (i) From the sale and from the storage, use, or other consumption in this state of precious  
32 metal bullion, substantially equivalent to a transaction in securities or commodities.

33 (ii) For purposes of this subdivision, "precious metal bullion" means any elementary  
34 precious metal that has been put through a process of smelting or refining, including, but not limited

1 to: gold, silver, platinum, rhodium, and chromium, and that is in a state or condition that its value  
2 depends upon its content and not upon its form.

3 (iii) The term does not include fabricated precious metal that has been processed or  
4 manufactured for some one or more specific and customary industrial, professional, or artistic uses.

5 (25) Commercial vessels. From sales made to a commercial ship, barge, or other vessel of  
6 fifty (50) tons burden or over, primarily engaged in interstate or foreign commerce, and from the  
7 repair, alteration, or conversion of the vessels, and from the sale of property purchased for the use  
8 of the vessels including provisions, supplies, and material for the maintenance and/or repair of the  
9 vessels.

10 (26) Commercial fishing vessels. From the sale and from the storage, use, or other  
11 consumption in this state of vessels and other watercraft that are in excess of five (5) net tons and  
12 that are used exclusively for “commercial fishing,” as defined in this subdivision, and from the  
13 repair, alteration, or conversion of those vessels and other watercraft, and from the sale of property  
14 purchased for the use of those vessels and other watercraft including provisions, supplies, and  
15 material for the maintenance and/or repair of the vessels and other watercraft and the boats nets,  
16 cables, tackle, and other fishing equipment appurtenant to or used in connection with the  
17 commercial fishing of the vessels and other watercraft. “Commercial fishing” means taking or  
18 attempting to take any fish, shellfish, crustacea, or bait species with the intent of disposing of it for  
19 profit or by sale, barter, trade, or in commercial channels. The term does not include subsistence  
20 fishing, i.e., the taking for personal use and not for sale or barter; or sport fishing; but shall include  
21 vessels and other watercraft with a Rhode Island party and charter boat license issued by the  
22 department of environmental management pursuant to § 20-2-27.1 that meet the following criteria:  
23 (i) The operator must have a current United States Coast Guard (U.S.C.G.) license to carry  
24 passengers for hire; (ii) U.S.C.G. vessel documentation in the coast wide fishery trade; (iii)  
25 U.S.C.G. vessel documentation as to proof of Rhode Island home port status or a Rhode Island boat  
26 registration to prove Rhode Island home port status; and (iv) The vessel must be used as a  
27 commercial passenger carrying fishing vessel to carry passengers for fishing. The vessel must be  
28 able to demonstrate that at least fifty percent (50%) of its annual gross income derives from charters  
29 or provides documentation of a minimum of one hundred (100) charter trips annually; and (v) The  
30 vessel must have a valid Rhode Island party and charter boat license. The tax administrator shall  
31 implement the provisions of this subdivision by promulgating rules and regulations relating thereto.

32 (27) Clothing and footwear. From the sales of articles of clothing, including footwear,  
33 intended to be worn or carried on or about the human body for sales prior to October 1, 2012.  
34 Effective October 1, 2012, the exemption will apply to the sales of articles of clothing, including



1 footwear, intended to be worn or carried on or about the human body up to two hundred and fifty  
2 dollars (\$250) of the sales price per item. For the purposes of this section, “clothing or footwear”  
3 does not include clothing accessories or equipment or special clothing or footwear primarily  
4 designed for athletic activity or protective use as these terms are defined in § 44-18-7.1(f). In  
5 recognition of the work being performed by the streamlined sales and use tax governing board,  
6 upon passage of any federal law that authorizes states to require remote sellers to collect and remit  
7 sales and use taxes, this unlimited exemption will apply as it did prior to October 1, 2012. The  
8 unlimited exemption on sales of clothing and footwear shall take effect on the date that the state  
9 requires remote sellers to collect and remit sales and use taxes.

10 (28) Water for residential use. From the sale and from the storage, use, or other  
11 consumption in this state of water furnished for domestic use by occupants of residential premises.

12 (29) Bibles. [Unconstitutional; see *Ahlburn v. Clark*, 728 A.2d 449 (R.I. 1999); see Notes  
13 to Decisions.] From the sale and from the storage, use, or other consumption in the state of any  
14 canonized scriptures of any tax-exempt nonprofit religious organization including, but not limited  
15 to, the Old Testament and the New Testament versions.

16 (30) Boats.

17 (i) From the sale of a boat or vessel to a bona fide nonresident of this state who does not  
18 register the boat or vessel in this state or document the boat or vessel with the United States  
19 government at a home port within the state, whether the sale or delivery of the boat or vessel is  
20 made in this state or elsewhere; provided, that the nonresident transports the boat within thirty (30)  
21 days after delivery by the seller outside the state for use thereafter solely outside the state.

22 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may  
23 require the seller of the boat or vessel to keep records of the sales to bona fide nonresidents as the  
24 tax administrator deems reasonably necessary to substantiate the exemption provided in this  
25 subdivision, including the affidavit of the seller that the buyer represented himself or herself to be  
26 a bona fide nonresident of this state and of the buyer that he or she is a nonresident of this state.

27 (31) Youth activities equipment. From the sale, storage, use, or other consumption in this  
28 state of items for not more than twenty dollars (\$20.00) each by nonprofit Rhode Island  
29 eleemosynary organizations, for the purposes of youth activities that the organization is formed to  
30 sponsor and support; and by accredited elementary and secondary schools for the purposes of the  
31 schools or of organized activities of the enrolled students.

32 (32) Farm equipment. From the sale and from the storage or use of machinery and  
33 equipment used directly for commercial farming and agricultural production; including, but not  
34 limited to: tractors, ploughs, harrows, spreaders, seeders, milking machines, silage conveyors,

1 balers, bulk milk storage tanks, trucks with farm plates, mowers, combines, irrigation equipment,  
2 greenhouses and greenhouse coverings, graders and packaging machines, tools and supplies and  
3 other farming equipment, including replacement parts appurtenant to or used in connection with  
4 commercial farming and tools and supplies used in the repair and maintenance of farming  
5 equipment. "Commercial farming" means the keeping or boarding of five (5) or more horses or the  
6 production within this state of agricultural products, including, but not limited to, field or orchard  
7 crops, livestock, dairy, and poultry, or their products, where the keeping, boarding, or production  
8 provides at least two thousand five hundred dollars (\$2,500) in annual gross sales to the operator,  
9 whether an individual, a group, a partnership, or a corporation for exemptions issued prior to July  
10 1, 2002. For exemptions issued or renewed after July 1, 2002, there shall be two (2) levels. Level I  
11 shall be based on proof of annual, gross sales from commercial farming of at least twenty-five  
12 hundred dollars (\$2,500) and shall be valid for purchases subject to the exemption provided in this  
13 subdivision except for motor vehicles with an excise tax value of five thousand dollars (\$5,000) or  
14 greater. Level II shall be based on proof of annual gross sales from commercial farming of at least  
15 ten thousand dollars (\$10,000) or greater and shall be valid for purchases subject to the exemption  
16 provided in this subdivision including motor vehicles with an excise tax value of five thousand  
17 dollars (\$5,000) or greater. For the initial issuance of the exemptions, proof of the requisite amount  
18 of annual gross sales from commercial farming shall be required for the prior year; for any renewal  
19 of an exemption granted in accordance with this subdivision at either level I or level II, proof of  
20 gross annual sales from commercial farming at the requisite amount shall be required for each of  
21 the prior two (2) years. Certificates of exemption issued or renewed after July 1, 2002, shall clearly  
22 indicate the level of the exemption and be valid for four (4) years after the date of issue. This  
23 exemption applies even if the same equipment is used for ancillary uses, or is temporarily used for  
24 a non-farming or a non-agricultural purpose, but shall not apply to motor vehicles acquired after  
25 July 1, 2002, unless the vehicle is a farm vehicle as defined pursuant to § 31-1-8 and is eligible for  
26 registration displaying farm plates as provided for in § 31-3-31.

27 (33) Forestry product operations equipment. From the sale and from the storage or use of  
28 machinery and equipment used directly for forest product operations engaged in commercial  
29 production including, but not limited to: chainsaws, tree chippers, mulch grinders, chip screeners,  
30 sawdust blowers, conveyors, power generators, firewood processors, log skidders, wood splitters,  
31 disc cleaners, tumblers, shaving mills, loaders, forklifts, firewood kilns, pallet kilns, lumber kilns,  
32 sawdust dryers, forwarders, sawmills, resaws, edgers, planers, debarkers, live log decks, green  
33 chains, tractors, winches, tree harvesters, feller bunchers, log loaders, slashers, delimiters, grapples,  
34 bucket trucks, tree cranes, stump grinders. "Forest product operations" shall have the same meaning

1 as defined in § 2-28-4 and commercial production shall include operations that generate at least  
2 five thousand dollars (\$5,000) in annual gross sales by the forest property owner as defined in § 2-  
3 28-4, whether an individual, a group, a partnership, or a corporation. There shall be two (2) levels  
4 of exemptions. Level I shall be based on proof of annual average, over three (3) consecutive years,  
5 of gross sales of at least five thousand dollars (\$5,000) but less than fifty thousand dollars (\$50,000)  
6 from forest product operations by the forest property owner or forest lessee and shall be valid for  
7 purchases subject to the exemption provided in this subsection except for motor vehicles with a  
8 value of five thousand dollars (\$5,000) or greater. Level II shall be based on proof of annual gross  
9 sales from forest product operations of at least fifty thousand dollars (\$50,000) or greater and shall  
10 be valid for all purchases subject to the exemption provided in this subsection including all forestry  
11 plate motor vehicles registered pursuant to § 31-3-31.4. For the initial issuance of the exemptions,  
12 proof of the requisite amount of annual gross sales from forest product operations shall be required  
13 for the prior three (3) year average for level I or for two (2) prior years for level II. For any renewal  
14 of an exemption granted in accordance with this subsection at either level I or level II, proof of  
15 gross annual or average sales from forestry product operations at the requisite amount shall be  
16 required for each of the prior two (2) years for level II, and for the average of the three (3) prior  
17 years for level I certificates of exemption issued or renewed after July 1, 2023. Certificates shall  
18 clearly indicate the level of the exemption and be valid for four (4) years after the date of issue.  
19 This exemption applies even if the same equipment is used for ancillary uses, or is temporarily used  
20 for a non-forestry or a non-forest products operation, but shall not apply to motor vehicles acquired  
21 after July 1, 2023, unless the vehicle is a forestry vehicle as defined pursuant to § 31-1-8.1 and is  
22 eligible for registration displaying forestry plates as provided for in § 31-3-31.4.

23 ~~(33)~~(34) Compressed air. From the sale and from the storage, use, or other consumption  
24 in the state of compressed air.

25 ~~(34)~~(35) Flags. From the sale and from the storage, consumption, or other use in this state  
26 of United States, Rhode Island or POW-MIA flags.

27 ~~(35)~~(36) Motor vehicle and adaptive equipment to certain veterans. From the sale of a  
28 motor vehicle and adaptive equipment to and for the use of a veteran with a service-connected loss  
29 of or the loss of use of a leg, foot, hand, or arm, or any veteran who is a double amputee, whether  
30 service connected or not. The motor vehicle must be purchased by and especially equipped for use  
31 by the qualifying veteran. Certificate of exemption or refunds of taxes paid is granted under rules  
32 or regulations that the tax administrator may prescribe.

33 ~~(36)~~(37) Textbooks. From the sale and from the storage, use, or other consumption in this  
34 state of textbooks by an “educational institution,” as defined in subsection (18) of this section, and

1 any educational institution within the purview of § 16-63-9(4), and used textbooks by any purveyor.

2 ~~(37)~~(38) Tangible personal property and supplies used in on-site hazardous waste  
3 recycling, reuse, or treatment. From the sale, storage, use, or other consumption in this state of  
4 tangible personal property or supplies used or consumed in the operation of equipment, the  
5 exclusive function of which is the recycling, reuse, or recovery of materials (other than precious  
6 metals, as defined in subdivision (24)(ii) of this section) from the treatment of “hazardous wastes,”  
7 as defined in § 23-19.1-4, where the “hazardous wastes” are generated in Rhode Island solely by  
8 the same taxpayer and where the personal property is located at, in, or adjacent to a generating  
9 facility of the taxpayer in Rhode Island. The taxpayer shall procure an order from the director of  
10 the department of environmental management certifying that the equipment and/or supplies as used  
11 or consumed, qualify for the exemption under this subdivision. If any information relating to secret  
12 processes or methods of manufacture, production, or treatment is disclosed to the department of  
13 environmental management only to procure an order, and is a “trade secret” as defined in § 28-21-  
14 10(b), it is not open to public inspection or publicly disclosed unless disclosure is required under  
15 chapter 21 of title 28 or chapter 24.4 of title 23.

16 ~~(38)~~(39) Promotional and product literature of boat manufacturers. From the sale and from  
17 the storage, use, or other consumption of promotional and product literature of boat manufacturers  
18 shipped to points outside of Rhode Island that either: (i) Accompany the product that is sold; (ii)  
19 Are shipped in bulk to out-of-state dealers for use in the sale of the product; or (iii) Are mailed to  
20 customers at no charge.

21 ~~(39)~~(40) Food items paid for by food stamps. From the sale and from the storage, use, or  
22 other consumption in this state of eligible food items payment for which is properly made to the  
23 retailer in the form of U.S. government food stamps issued in accordance with the Food Stamp Act  
24 of 1977, 7 U.S.C. § 2011 et seq.

25 ~~(40)~~(41) Transportation charges. From the sale or hiring of motor carriers as defined in §  
26 39-12-2(12) to haul goods, when the contract or hiring cost is charged by a motor freight tariff filed  
27 with the Rhode Island public utilities commission on the number of miles driven or by the number  
28 of hours spent on the job.

29 ~~(41)~~(42) Trade-in value of boats. From the sale and from the storage, use, or other  
30 consumption in this state of so much of the purchase price paid for a new or used boat as is allocated  
31 for a trade-in allowance on the boat of the buyer given in trade to the seller or of the proceeds  
32 applicable only to the boat as are received from an insurance claim as a result of a stolen or damaged  
33 boat, towards the purchase of a new or used boat by the buyer.

34 ~~(42)~~(43) Equipment used for research and development. From the sale and from the

1 storage, use, or other consumption of equipment to the extent used for research and development  
2 purposes by a qualifying firm. For the purposes of this subsection, “qualifying firm” means a  
3 business for which the use of research and development equipment is an integral part of its  
4 operation and “equipment” means scientific equipment, computers, software, and related items.

5 ~~(43)~~(44) Coins. From the sale and from the other consumption in this state of coins having  
6 numismatic or investment value.

7 ~~(44)~~(45) Farm structure construction materials. Lumber, hardware, and other materials  
8 used in the new construction of farm structures, including production facilities such as, but not  
9 limited to: farrowing sheds, free stall and stanchion barns, milking parlors, silos, poultry barns,  
10 laying houses, fruit and vegetable storages, rooting cellars, propagation rooms, greenhouses,  
11 packing rooms, machinery storage, seasonal farm worker housing, certified farm markets, bunker  
12 and trench silos, feed storage sheds, and any other structures used in connection with commercial  
13 farming.

14 ~~(45)~~(46) Telecommunications carrier access service. Carrier access service or  
15 telecommunications service when purchased by a telecommunications company from another  
16 telecommunications company to facilitate the provision of telecommunications service.

17 ~~(46)~~(47) Boats or vessels brought into the state exclusively for winter storage, maintenance,  
18 repair, or sale. Notwithstanding the provisions of §§ 44-18-10, 44-18-11 and 44-18-20, the tax  
19 imposed by § 44-18-20 is not applicable for the period commencing on the first day of October in  
20 any year up to and including the 30th day of April next succeeding with respect to the use of any  
21 boat or vessel within this state exclusively for purposes of: (i) Delivery of the vessel to a facility in  
22 this state for storage, including dry storage and storage in water by means of apparatus preventing  
23 ice damage to the hull, maintenance, or repair; (ii) The actual process of storage, maintenance, or  
24 repair of the boat or vessel; or (iii) Storage for the purpose of selling the boat or vessel.

25 ~~(47)~~(48) Jewelry display product. From the sale and from the storage, use, or other  
26 consumption in this state of tangible personal property used to display any jewelry product;  
27 provided that title to the jewelry display product is transferred by the jewelry manufacturer or seller  
28 and that the jewelry display product is shipped out of state for use solely outside the state and is not  
29 returned to the jewelry manufacturer or seller.

30 ~~(48)~~(49) Boats or vessels generally. Notwithstanding the provisions of this chapter, the tax  
31 imposed by §§ 44-18-20 and 44-18-18 shall not apply with respect to the sale and to the storage,  
32 use, or other consumption in this state of any new or used boat. The exemption provided for in this  
33 subdivision does not apply after October 1, 1993, unless prior to October 1, 1993, the federal ten  
34 percent (10%) surcharge on luxury boats is repealed.

1           ~~(49)~~(50) Banks and regulated investment companies interstate toll-free calls.  
2 Notwithstanding the provisions of this chapter, the tax imposed by this chapter does not apply to  
3 the furnishing of interstate and international, toll-free terminating telecommunication service that  
4 is used directly and exclusively by or for the benefit of an eligible company as defined in this  
5 subdivision; provided that an eligible company employs on average during the calendar year no  
6 less than five hundred (500) “full-time equivalent employees” as that term is defined in § 42-64.5-  
7 2. For purposes of this section, an “eligible company” means a “regulated investment company” as  
8 that term is defined in the Internal Revenue Code of 1986, 26 U.S.C. § 851, or a corporation to the  
9 extent the service is provided, directly or indirectly, to or on behalf of a regulated investment  
10 company, an employee benefit plan, a retirement plan or a pension plan, or a state-chartered bank.

11           ~~(50)~~(51) Mobile and manufactured homes generally. From the sale and from the storage,  
12 use, or other consumption in this state of mobile and/or manufactured homes as defined and subject  
13 to taxation pursuant to the provisions of chapter 44 of title 31.

14           ~~(51)~~(52) Manufacturing business reconstruction materials.

15           (i) From the sale and from the storage, use, or other consumption in this state of lumber,  
16 hardware, and other building materials used in the reconstruction of a manufacturing business  
17 facility that suffers a disaster, as defined in this subdivision, in this state. “Disaster” means any  
18 occurrence, natural or otherwise, that results in the destruction of sixty percent (60%) or more of  
19 an operating manufacturing business facility within this state. “Disaster” does not include any  
20 damage resulting from the willful act of the owner of the manufacturing business facility.

21           (ii) Manufacturing business facility includes, but is not limited to, the structures housing  
22 the production and administrative facilities.

23           (iii) In the event a manufacturer has more than one manufacturing site in this state, the sixty  
24 percent (60%) provision applies to the damages suffered at that one site.

25           (iv) To the extent that the costs of the reconstruction materials are reimbursed by insurance,  
26 this exemption does not apply.

27           ~~(52)~~(53) Tangible personal property and supplies used in the processing or preparation of  
28 floral products and floral arrangements. From the sale, storage, use, or other consumption in this  
29 state of tangible personal property or supplies purchased by florists, garden centers, or other like  
30 producers or vendors of flowers, plants, floral products, and natural and artificial floral  
31 arrangements that are ultimately sold with flowers, plants, floral products, and natural and artificial  
32 floral arrangements or are otherwise used in the decoration, fabrication, creation, processing, or  
33 preparation of flowers, plants, floral products, or natural and artificial floral arrangements,  
34 including descriptive labels, stickers, and cards affixed to the flower, plant, floral product, or

1 arrangement, artificial flowers, spray materials, floral paint and tint, plant shine, flower food,  
2 insecticide, and fertilizers.

3 ~~(53)~~(54) Horse food products. From the sale and from the storage, use, or other  
4 consumption in this state of horse food products purchased by a person engaged in the business of  
5 the boarding of horses.

6 ~~(54)~~(55) Non-motorized recreational vehicles sold to nonresidents.

7 (i) From the sale, subsequent to June 30, 2003, of a non-motorized recreational vehicle to  
8 a bona fide nonresident of this state who does not register the non-motorized recreational vehicle  
9 in this state, whether the sale or delivery of the non-motorized recreational vehicle is made in this  
10 state or at the place of residence of the nonresident; provided that a non-motorized recreational  
11 vehicle sold to a bona fide nonresident whose state of residence does not allow a like exemption to  
12 its nonresidents is not exempt from the tax imposed under § 44-18-20; provided, further, that in  
13 that event the bona fide nonresident pays a tax to Rhode Island on the sale at a rate equal to the rate  
14 that would be imposed in his or her state of residence not to exceed the rate that would have been  
15 imposed under § 44-18-20. Notwithstanding any other provisions of law, a licensed, non-motorized  
16 recreational vehicle dealer shall add and collect the tax required under this subdivision and remit  
17 the tax to the tax administrator under the provisions of chapters 18 and 19 of this title. Provided,  
18 that when a Rhode Island licensed, non-motorized recreational vehicle dealer is required to add and  
19 collect the sales and use tax on the sale of a non-motorized recreational vehicle to a bona fide  
20 nonresident as provided in this section, the dealer in computing the tax takes into consideration the  
21 law of the state of the nonresident as it relates to the trade-in of motor vehicles.

22 (ii) The tax administrator, in addition to the provisions of §§ 44-19-27 and 44-19-28, may  
23 require any licensed, non-motorized recreational vehicle dealer to keep records of sales to bona fide  
24 nonresidents as the tax administrator deems reasonably necessary to substantiate the exemption  
25 provided in this subdivision, including the affidavit of a licensed, non-motorized recreational  
26 vehicle dealer that the purchaser of the non-motorized recreational vehicle was the holder of, and  
27 had in his or her possession a valid out-of-state non-motorized recreational vehicle registration or  
28 a valid out-of-state driver's license.

29 (iii) Any nonresident who registers a non-motorized recreational vehicle in this state within  
30 ninety (90) days of the date of its sale to him or her is deemed to have purchased the non-motorized  
31 recreational vehicle for use, storage, or other consumption in this state, and is subject to, and liable  
32 for, the use tax imposed under the provisions of § 44-18-20.

33 (iv) "Non-motorized recreational vehicle" means any portable dwelling designed and  
34 constructed to be used as a temporary dwelling for travel, camping, recreational, and vacation use

1 that is eligible to be registered for highway use, including, but not limited to, “pick-up coaches” or  
2 “pick-up campers,” “travel trailers,” and “tent trailers” as those terms are defined in chapter 1 of  
3 title 31.

4 ~~(55)~~(56) Sprinkler and fire alarm systems in existing buildings. From the sale in this state  
5 of sprinkler and fire alarm systems; emergency lighting and alarm systems; and the materials  
6 necessary and attendant to the installation of those systems that are required in buildings and  
7 occupancies existing therein in July 2003 in order to comply with any additional requirements for  
8 such buildings arising directly from the enactment of the Comprehensive Fire Safety Act of 2003  
9 and that are not required by any other provision of law or ordinance or regulation adopted pursuant  
10 to that act. The exemption provided in this subdivision shall expire on December 31, 2008.

11 ~~(56)~~(57) Aircraft. Notwithstanding the provisions of this chapter, the tax imposed by §§  
12 44-18-18 and 44-18-20 shall not apply with respect to the sale and to the storage, use, or other  
13 consumption in this state of any new or used aircraft or aircraft parts.

14 ~~(57)~~(58) Renewable energy products. Notwithstanding any other provisions of Rhode  
15 Island general laws, the following products shall also be exempt from sales tax: solar photovoltaic  
16 modules or panels, or any module or panel that generates electricity from light; solar thermal  
17 collectors, including, but not limited to, those manufactured with flat glass plates, extruded plastic,  
18 sheet metal, and/or evacuated tubes; geothermal heat pumps, including both water-to-water and  
19 water-to-air type pumps; wind turbines; towers used to mount wind turbines if specified by or sold  
20 by a wind turbine manufacturer; DC to AC inverters that interconnect with utility power lines; and  
21 manufactured mounting racks and ballast pans for solar collector, module, or panel installation. Not  
22 to include materials that could be fabricated into such racks; monitoring and control equipment, if  
23 specified or supplied by a manufacturer of solar thermal, solar photovoltaic, geothermal, or wind  
24 energy systems or if required by law or regulation for such systems but not to include pumps, fans  
25 or plumbing or electrical fixtures unless shipped from the manufacturer affixed to, or an integral  
26 part of, another item specified on this list; and solar storage tanks that are part of a solar domestic  
27 hot water system or a solar space heating system. If the tank comes with an external heat exchanger  
28 it shall also be tax exempt, but a standard hot water tank is not exempt from state sales tax.

29 ~~(58)~~(59) Returned property. The amount charged for property returned by customers upon  
30 rescission of the contract of sale when the entire amount exclusive of handling charges paid for the  
31 property is refunded in either cash or credit, and where the property is returned within one hundred  
32 twenty (120) days from the date of delivery.

33 ~~(59)~~(60) Dietary supplements. From the sale and from the storage, use, or other  
34 consumption of dietary supplements as defined in § 44-18-7.1(l)(v), sold on prescriptions.



1           ~~(60)~~(61) Blood. From the sale and from the storage, use, or other consumption of human  
2 blood.

3           ~~(61)~~(62) Agricultural products for human consumption. From the sale and from the  
4 storage, use, or other consumption of livestock and poultry of the kinds of products that ordinarily  
5 constitute food for human consumption and of livestock of the kind the products of which ordinarily  
6 constitute fibers for human use.

7           ~~(62)~~(63) Diesel emission control technology. From the sale and use of diesel retrofit  
8 technology that is required by § 31-47.3-4.

9           ~~(63)~~(64) Feed for certain animals used in commercial farming. From the sale of feed for  
10 animals as described in subsection (61) of this section.

11           ~~(64)~~(65) Alcoholic beverages. From the sale and storage, use, or other consumption in this  
12 state by a Class A licensee of alcoholic beverages, as defined in § 44-18-7.1, excluding beer and  
13 malt beverages; provided, further, notwithstanding § 6-13-1 or any other general or public law to  
14 the contrary, alcoholic beverages, as defined in § 44-18-7.1, shall not be subject to minimum  
15 markup.

16           ~~(65)~~(66) Seeds and plants used to grow food and food ingredients. From the sale, storage,  
17 use, or other consumption in this state of seeds and plants used to grow food and food ingredients  
18 as defined in § 44-18-7.1(I)(i). “Seeds and plants used to grow food and food ingredients” shall not  
19 include marijuana seeds or plants.

20           ~~(66)~~(67) Feminine hygiene products. From the sale and from the storage, use, or other  
21 consumption of tampons, panty liners, menstrual cups, sanitary napkins, and other similar products  
22 the principal use of which is feminine hygiene in connection with the menstrual cycle.

23           ~~(67)~~(68) “Breast pump collection and storage supplies” means items of tangible personal  
24 property used in conjunction with a breast pump to collect milk expressed from a human breast and  
25 to store collected milk until it is ready for consumption. “Breast pump collection and storage  
26 supplies” include, but are not limited to, breast shields and breast shield connectors; breast pump  
27 tubes and tubing adaptors; breast pump valves and membranes; backflow protectors and backflow  
28 protector adaptors; bottles and bottle caps specific to the operation of the breast pump; breast milk  
29 storage bags; and related items sold as part of a breast pump kit pre-packaged by the breast pump  
30 manufacturer. “Breast pump collection and storage supplies” does not include: bottles and bottle  
31 caps not specific to the operation of the breast pump; breast pump travel bags and other similar  
32 carrying accessories, including ice packs, labels, and other similar products, unless sold as part of  
33 a breast pump kit pre-packed by the breast pump manufacturer; breast pump cleaning supplies,  
34 unless sold as part of a breast pump kit pre-packaged by the breast pump manufacturer; nursing

1 bras, bra pads, breast shells, and other similar products; and creams, ointments, and other similar  
2 products that relieve breastfeeding-related symptoms or conditions of the breasts or nipples.

3 ~~(68)~~(69) Trade-in value of motorcycles. From the sale and from the storage, use, or other  
4 consumption in this state of so much of the purchase price paid for a new or used motorcycle as is  
5 allocated for a trade-in allowance on the motorcycle of the buyer given in trade to the seller, or of  
6 the proceeds applicable only to the motorcycle as are received from the manufacturer of  
7 motorcycles for the repurchase of the motorcycle whether the repurchase was voluntary or not  
8 towards the purchase of a new or used motorcycle by the buyer. For the purpose of this subsection,  
9 the word "motorcycle" means a motorcycle not used for hire and does not refer to any other type  
10 of motor vehicle.

11 SECTION 8. Section 44-27-1 of the General Laws in Chapter 44-27 entitled "Taxation of  
12 Farm, Forest, and Open Space Land" is hereby amended to read as follows:

13 **44-27-1. Legislative declaration.**

14 It is declared:

15 (1) That it is in the public interest to encourage the preservation of farm, forest, and open  
16 space land in order to maintain a readily available source of food, ~~and~~ farm and forest products  
17 close to the metropolitan areas of the state, to conserve the state's natural resources, and to provide  
18 for the welfare and happiness of the inhabitants of the state.

19 (2) That it is in the public interest to prevent the forced conversion of farm, forest, and open  
20 space land to more intensive uses as the result of economic pressures caused by the assessment for  
21 purposes of property taxation at values incompatible with their preservation as farm, forest, and  
22 open space land.

23 (3) That the necessity in the public interest of the enactment of the provisions of this chapter  
24 is a matter of legislative determination.

25 SECTION 9. Section 45-24-37 of the General Laws in Chapter 45-24 entitled "Zoning  
26 Ordinances" is hereby amended to read as follows:

27 **45-24-37. General provisions — Permitted uses.**

28 (a) The zoning ordinance shall provide a listing of all land uses and/or performance  
29 standards for uses that are permitted within the zoning use districts of the municipality. The  
30 ordinance may provide for a procedure under which a proposed land use that is not specifically  
31 listed may be presented by the property owner to the zoning board of review or to a local official  
32 or agency charged with administration and enforcement of the ordinance for an evaluation and  
33 determination of whether the proposed use is of a similar type, character, and intensity as a listed  
34 permitted use. Upon such determination, the proposed use may be considered to be a permitted use.

1 (b) Notwithstanding any other provision of this chapter, the following uses are permitted  
2 uses within all residential zoning use districts of a municipality and all industrial and commercial  
3 zoning use districts except where residential use is prohibited for public health or safety reasons:

- 4 (1) Households;
- 5 (2) Community residences; and
- 6 (3) Family daycare homes.

7 (c) Any time a building or other structure used for residential purposes, or a portion of a  
8 building containing residential units, is rendered uninhabitable by virtue of a casualty such as fire  
9 or flood, the owner of the property is allowed to park, temporarily, mobile and manufactured home,  
10 or homes, as the need may be, elsewhere upon the land, for use and occupancy of the former  
11 occupants for a period of up to twelve (12) months, or until the building or structure is rehabilitated  
12 and otherwise made fit for occupancy. The property owner, or a properly designated agent of the  
13 owner, is only allowed to cause the mobile and manufactured home, or homes, to remain  
14 temporarily upon the land by making timely application to the local building official for the  
15 purposes of obtaining the necessary permits to repair or rebuild the structure.

16 (d) Notwithstanding any other provision of this chapter, appropriate access for people with  
17 disabilities to residential structures is allowed as a reasonable accommodation for any person(s)  
18 residing, or intending to reside, in the residential structure.

19 (e) Notwithstanding any other provision of this chapter, an accessory dwelling unit in an  
20 owner-occupied residence that complies with §§ 45-24-31 and 45-24-73 shall be permitted as a  
21 reasonable accommodation for family members with disabilities or who are sixty-two (62) years of  
22 age or older, or to accommodate other family members.

23 (f) When used in this section the terms “people with disabilities” or “member, or members,  
24 with disabilities” means a person(s) who has a physical or mental impairment that substantially  
25 limits one or more major life activities, as defined in § 42-87-1(7).

26 (g) Notwithstanding any other provisions of this chapter, plant agriculture ~~is a permitted~~  
27 use and forest product operations, as defined in § 2-28-4 are permitted uses within all zoning  
28 districts of a municipality, including all industrial and commercial zoning districts, except where  
29 prohibited for public health or safety reasons or the protection of wildlife habitat.

30 SECTION 10. Construction. This act, being necessary for the welfare of the state and its  
31 inhabitants, shall be construed liberally so as to effectuate its purposes.

32 SECTION 11. Severability. If any clause, sentence, paragraph, section, or part of this act  
33 shall be adjudged by any court of competent jurisdiction to be invalid, that judgment shall not  
34 affect, impair, or invalidate the remainder of this act but shall be confined in its operation to the

1 clause, sentence, paragraph, section, or part directly involved in the controversy in which that  
2 judgment shall have been rendered.

3 SECTION 12. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO AGRICULTURE AND FORESTRY -- FORESTRY AND FOREST PRODUCT  
OPERATIONS

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1           This act would establish sales and use tax exemptions for commercial forest product  
2 operations with gross sales of at least five thousand dollars (\$5,000). The exemption is provided in  
3 two (2) levels with the distinction being operations generating less than fifty thousand dollars  
4 (\$50,000) in average sales would be limited to an exemption on motor vehicles up to five thousand  
5 dollars (\$5,000) in value. Exempt would be machinery and equipment to include, but not limited  
6 to: sawmills, tractors, forklifts, log skidders, chainsaws and power generators. Additionally, the act  
7 would create a new motor vehicle registration for "forestry vehicles". Additionally, this act would  
8 provide that all forestry product operations machinery, including motor vehicles with forestry  
9 registration plates would be exempt from taxation. Municipalities may tax forestry product  
10 operations buildings at a rate that reflects the actual cost incurred by the municipality in providing  
11 services to these buildings. This act would also provide that forest product operations are permitted  
12 uses within all zoning districts of a municipality except where prohibited for public health or safety  
13 reasons or the protection of wildlife habitat.

14           This act would take effect upon passage.

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