

2011 -- S 0580

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2011

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A N A C T

RELATING TO TAXATION - ADVERTISING

Introduced By: Senators Ciccone, and DiPalma

Date Introduced: March 10, 2011

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 44-18-7 of the General Laws in Chapter 44-18 entitled "Sales and  
2 Use Taxes - Liability and Computation" is hereby amended to read as follows:

3           **44-18-7. Sales defined.** -- "Sales" means and includes:

4           (1) Any transfer of title or possession, exchange, barter, lease, or rental, conditional or  
5 otherwise, in any manner or by any means of tangible personal property for a consideration.  
6 "Transfer of possession", "lease", or "rental" includes transactions found by the tax administrator  
7 to be in lieu of a transfer of title, exchange, or barter.

8           (2) The producing, fabricating, processing, printing, or imprinting of tangible personal  
9 property for a consideration for consumers who furnish either directly or indirectly the materials  
10 used in the producing, fabricating, processing, printing, or imprinting.

11           (3) The furnishing and distributing of tangible personal property for a consideration by  
12 social, athletic, and similar clubs and fraternal organizations to their members or others.

13           (4) The furnishing, preparing, or serving for consideration of food, meals, or drinks,  
14 including any cover, minimum, entertainment, or other charge in connection therewith.

15           (5) A transaction whereby the possession of tangible personal property is transferred, but  
16 the seller retains the title as security for the payment of the price.

17           (6) Any withdrawal, except a withdrawal pursuant to a transaction in foreign or interstate  
18 commerce, of tangible personal property from the place where it is located for delivery to a point  
19 in this state for the purpose of the transfer of title or possession, exchange, barter, lease, or rental,

1 conditional or otherwise, in any manner or by any means whatsoever, of the property for a  
2 consideration.

3 (7) A transfer for a consideration of the title or possession of tangible personal property,  
4 which has been produced, fabricated, or printed to the special order of the customer, or any  
5 publication.

6 (8) The furnishing and distributing of electricity, natural gas, artificial gas, steam,  
7 refrigeration, ~~and water-~~ [and advertising services provided by a newspaper of general circulation](#)  
8 [including papers engaged in interstate commerce.](#)

9 (9) (i) The furnishing for consideration of intrastate, interstate and international  
10 telecommunications service sourced in this state in accordance with subsections 44-18.1(15) and  
11 (16) and all ancillary services, any maintenance services of telecommunication equipment other  
12 than as provided for in subdivision 44-18-12(b)(ii). For the purposes of chapters 18 and 19 of this  
13 title only, telecommunication service does not include service rendered using a prepaid telephone  
14 calling arrangement.

15 (ii) Notwithstanding the provisions of paragraph (i) of this subdivision, in accordance  
16 with the Mobile Telecommunications Sourcing Act (4 U.S.C. sections 116 -- 126), subject to the  
17 specific exemptions described in 4 U.S.C. section 116(c), and the exemptions provided in  
18 sections 44-18-8 and 44-18-12, mobile telecommunications services that are deemed to be  
19 provided by the customer's home service provider are subject to tax under this chapter if the  
20 customer's place of primary use is in this state regardless of where the mobile  
21 telecommunications services originate, terminate or pass through. Mobile telecommunications  
22 services provided to a customer, the charges for which are billed by or for the customer's home  
23 service provider, shall be deemed to be provided by the customer's home service provider.

24 (10) The furnishing of service for transmission of messages by telegraph, cable, or radio  
25 and the furnishing of community antenna television, subscription television, and cable television  
26 services.

27 (11) The rental of living quarters in any hotel, rooming house, or tourist camp.

28 (12) The transfer for consideration of prepaid telephone calling arrangements and the  
29 recharge of prepaid telephone calling arrangements sourced to this state in accordance with  
30 sections 44-18.1-11 and 44-18.1-15. "Prepaid telephone calling arrangement" means and includes  
31 prepaid calling service and prepaid wireless calling service.

32 SECTION 2. This act shall take effect upon passage.

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TAXATION - ADVERTISING

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1           This act would impose a sales and use tax on all advertising services provided by  
2 newspapers of general circulation including papers that are engaged in interstate commerce.

3           This act would take effect upon passage.

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