



Rhode Island Department of Revenue

Division of Taxation

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TAX ADMINISTRATION

ADVISORY FOR TAXPAYERS AND TAX PROFESSIONALS
JUNE 14, 2021

Reminder about sales tax exemption certificates

Organizations may need to renew theirs in order to stay current

PROVIDENCE, R.I. – The Rhode Island Division of Taxation today issued the following reminder for charitable, educational, and religious organizations:

If you hold a Rhode Island sales and use tax exemption certificate, and that certificate was issued on or before July 1, 2017, it will automatically expire on June 30, 2021. To keep current, renew your exemption certificate by July 1, 2021.

For more information, including the form to use to renew your exemption certificate, please use the following link: <http://www.tax.ri.gov/exemptOrg/>.

Background and explanation

Under Rhode Island law, a qualified exempt organization may apply to the Division of Taxation for a sales tax exemption certificate.

The exemption certificate enables the organization to make purchases at retail without paying sales tax -- as long as the exemption certificate is presented prior to the sale and the sale is a qualified purchase for the organization.

Under the old law, certificates of exemption from the Rhode Island sales and use tax did not expire.

However, legislation enacted in the 2017 session of the Rhode Island General Assembly made two key changes when it comes to certificates of exemption.¹

- As of July 1, 2017, sales tax exemption certificates are valid for four years from the date of issuance.
- Sales tax exemption certificates issued on or before July 1, 2017, expire on June 30, 2021.

DETAILS ONLINE

The Rhode Island Division of Taxation just launched a webpage that serves as a handy resource for information about sales and use tax exemption certificates.

For example, the page contains the form for applying for a certificate, the form for renewing a certificate, and contact details if you need more information. To view the new webpage use the following link or the QR code below.

<http://www.tax.ri.gov/exemptOrg/>



¹ See Rhode Island Public Law 2017, chapter 302, article 8, section 10, since codified at Rhode Island General Laws § 44-18-30.1 ("Application for certificate of exemption – Fees"): <http://webserver.rilegislature.gov/Statutes/TITLE44/44-18/44-18-30.1.HTM>

All charitable, educational, and religious organizations that hold Rhode Island sales and use tax exemption certificates should check their certificates to determine when they will expire. Organizations that hold certificates issued on or before July 1, 2017, should renew them prior to July 1, 2021. A certificate of exemption must be renewed prior to the expiration date of the certificate.

To renew, use Form EXO-REN (“Sales & Use Exemption for an Exempt Organization”):
http://www.tax.ri.gov/exemptOrg/ExemptOrgRen_w.pdf.

Mail your completed form, along with a \$25.00 check or money order made payable to the Rhode Island Division of Taxation, to:

RI Division of Taxation
Audit & Investigation Section
One Capitol Hill
Providence, RI 02908

If you have any questions, or if any information on your original application has changed, contact the Division’s Audit & Investigation Section at (401) 574-8962 -- the line is typically staffed from 8:30 a.m. to 3:30 p.m. business days -- or email: Tax.Audit@tax.ri.gov.

For background information, forms, and other details involving sales tax exemption certificates, see the Division’s new webpage: <http://www.tax.ri.gov/exemptOrg/> (screenshot below)

The screenshot shows the website for the State of Rhode Island Division of Taxation, Department of Revenue. The page title is "Sales Tax Exempt Organizations Information". The main content area includes a section titled "Sales Tax Exempt Organizations" with the following text: "R.I. Gen. Laws 44-18-30.1 allows for a qualified exempt organization to apply for a Sales Tax Exemption Certificate. This Exemption Certificate will enable the organization to make purchases at retail without paying sales tax as long as the Exemption Certificate is presented prior to the sale and the sale is a qualified purchase for the organization. In 2017, the Rhode Island General Assembly passed new legislation that established that Sales Tax Exemption Certificates are to be valid for four (4) years from the date of issuance. The legislation also established that Exemption Certificates issued on or before July 1, 2017 would expire on June 30, 2021. For more information: [Notice to Taxpayers](#)". Below this is a section titled "Who is eligible?" with the text: "In accordance with R.I. Gen. Laws § 44-18-30(5)(i) Charitable, educational, and religious organizations may be exempt". On the right side of the page, there is a sidebar titled "Important Information" with a list of links: "E-File Income Tax", "E-File and E-Payment Mandate", "Internet/Mail Order Cigarette Purchase FAQ", "Report Fraud Using Online Tip Tool", "Voluntary Disclosure Information", and "Software Developers Information - UPDATED 02/06/2021". The left sidebar contains a navigation menu with items like Home, Administrative Decisions, Advisories, Combined Reporting and related topics, Declaratory Rulings, Electronic Funds Transfer (EFT), Employer Tax (UI Tax), and Forms.

The Rhode Island Division of Taxation has normal operating hours from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <http://www.tax.ri.gov/contact>
