



**NOTICE:
TO ALL RHODE ISLAND CIGARETTE DEALERS**

This Notice is to inform you that the 2024 session of the Rhode Island General Assembly enacted into law legislation increasing the tax levied upon the sale of cigarettes. The new rate, of two hundred twenty-five (225) mills per cigarette, increases the tax from \$4.25 per package of 20 cigarettes to \$4.50. This increase is effective at 12:01 a.m. on September 3, 2024.

Please be advised that personnel from the Rhode Island Division of Taxation may conduct an inventory count verification. In lieu of completed inventory counts, the Division of Taxation has the right to estimate.

Please note the following:

- 1) A Cigarette Floor Stock Tax Return (enclosed) is required to be completed after the close of business on September 2, 2024, and returned to the Division of Taxation with full payment on or before September 16, 2024.¹ **Failure to remit the floor stock tax return may result in a full audit of your business.**
- 2) The revised Minimum Price List detailing the new prices at which cigarettes may be sold at wholesale and at retail levels will be posted on the Division of Taxation's website at www.tax.ri.gov.
- 3) These filings will **not** be subject to Rhode Island's Electronic Filing Mandate and will not be available for filing or payment on the Rhode Island Taxpayer Portal. You must file using the enclosed Cigarette Floor Stock Tax Return. Return the completed form to the Division of Taxation by mail or by using the Division's drop box located at One Capitol Hill, with payment by check.

Please note: The prepaid sales tax will also increase to \$0.88 per pack of 20. This prepaid sales tax amount is collected from licensed cigarette distributors in conjunction with the collection of the cigarette tax payment as part of the cigarette stamp purchase.

Contact Information

For questions about this Notice, contact the Rhode Island Division of Taxation's Excise Tax Section by telephone at (401) 574-8955, by email: Tax.Excise@tax.ri.gov, or by mail: Rhode Island Division of Taxation, One Capitol Hill, Providence, R.I. 02908.

Notice 2024-05
August 5, 2024

¹ The official inventory measuring point associated with the floor tax is 12:01 a.m. on September 3, 2024. Retailers that do not operate at that time should complete their cigarette inventory at close of business on September 2, 2024.