



Rhode Island Department of Revenue  
Division of Taxation

NOTICE:  
TO ALL RHODE ISLAND CIGARETTE DISTRIBUTORS

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. The prepaid sales tax will also increase to \$0.88 per pack of 20.<sup>1</sup>

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 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.
- 2) An updated Cigarette Stamp Purchase Price List, Cigarette Stamp Requisition Form, Cigarette Stamp Rolling Paper Requisition Form, Monthly Report for Cigarette Distributor, and Monthly Report for Rolling Paper Distributor, all of which detail the new tax rate change, will be posted on the Division of Taxation's website at [www.tax.ri.gov](http://www.tax.ri.gov).
- 3) 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](http://www.tax.ri.gov).
- 4) 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.

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](mailto:Tax.Excise@tax.ri.gov), or by mail: Rhode Island Division of Taxation, One Capitol Hill, Providence, R.I. 02908.

<sup>1</sup> The prepaid sales tax amount is determined by calculating the average retail price of all brands of cigarettes in accordance with the statutory minimum prices as of April 1st each year and calculating the sales tax on the average retail price as determined. Rhode Island General Laws § 44-19-10.1 provide for an increase as frequently as each year. Out of courtesy to the potential impact on business processes of an annual increase in prepaid sales tax, the Division generally implements the increase when there are other statutory changes that impact the taxation of this industry. The last increase occurred in 2014.