

Do I need a license to sell ENDS, known as vape, products at retail?

Yes, a Cigarette Dealer License is required to sell ENDS products. If you currently hold a Cigarette Dealer License, you do not need to apply for a new license.

If you do not hold a Cigarette Dealer License, you may apply at: www.ri.gov/taxation/BAR/.

The sale of flavored ENDS products is prohibited.

The sale, or offer for sale of, or the possession with intent to sell or to offer for sale, of flavored ENDS products to individuals within Rhode Island is prohibited.

“Flavored electronic nicotine-delivery system product” means any electronic nicotine-delivery system product that imparts a characterizing flavor.

Examples of characterizing flavors may include, but are not limited to, any fruit, mint, chocolate, honey, or spice or which impart a cooling or numbing sensation.

The taste or aroma of tobacco or menthol is not considered a characterizing flavor.

Minimum Age Requirements

Under federal and state law, it is illegal for retailers to sell any tobacco product—including ENDS products and cigarettes—to anyone under age 21.

The law applies to all retailers and stores, with no exceptions.

Contact Us

State of Rhode Island Division of Taxation

Excise Tax Section
One Capitol Hill
Providence, RI 02908

Phone: (401) 574-8955

Email: Tax.Excise@tax.ri.gov

Website: www.tax.ri.gov

Taxpayer Portal: www.taxportal.ri.gov

For More Information

For more information on products impacted by legislative changes scan the QR code to visit our website.



STATE OF RHODE ISLAND

Division of Taxation

Department of Revenue



**Taxation of Electronic
Nicotine-Delivery System
(ENDS) Products**

About This Document

The goal of the Division of Taxation is to promote compliance with all state tax obligations. Imperative to this goal is fostering voluntary compliance with the tax laws by instilling public confidence through professional, impartial, and ethical conduct.

Business owners in Rhode Island are responsible for several different state taxes. This document is designed to promote and encourage compliance with Rhode Island tax laws, as well as a better understanding of how tax applies to your business.



Summary

Effective January 1, 2025, Rhode Island law imposes an excise tax on ENDS products, commonly known as vapes. A tax is imposed on ENDS products at a rate of either (1) \$0.50 per milliliter of the electronic liquid contained within an ENDS product that is prefilled and not refillable, or (2) 10% of the wholesale cost of any other ENDS product.

What is the ENDS tax?

There are two primary types of delivery systems used to heat electronic liquid to produce a vapor that is then inhaled.

1. The “closed system,” which consists of a single-use, disposable vapor product prefilled with electronic liquid or a vapor product and “pods” or “cartridges” that are prefilled, sealed by the manufacturer and not to be refilled.
2. The “open system,” which consists of any ENDS or vapor product that is refillable and/or any other ENDS product, other than a closed system product.

Both systems, and all the products used in those systems, are subject to the ENDS tax.

What proof is needed to demonstrate that the ENDS tax has been paid?

Any retailer having ENDS products in their possession must maintain records on the premises and ensure permanency and accessibility for inspection by the Division of Taxation. The records should include sales invoices from a licensed distributor and the invoices must include that the ENDS tax has been paid.



\$0.50 per milliliter of the electronic liquid contained within an ENDS product that is prefilled and not refillable.



10% of the wholesale cost of any other ENDS product.

Do I need to purchase ENDS products from a Rhode Island licensed distributor?

Yes, all purchases of ENDS products must be made from a Rhode Island licensed distributor as of January 1, 2025.

You may review the Rhode Island Licensed Distributor Listing on our website to ensure you are purchasing ENDS products from a distributor with a Rhode Island license:

<https://tax.ri.gov/tax-sections/sales-excise-taxes/cigarette-tax>

All ENDS products purchased from anyone other than distributor with a Rhode Island license are contraband.