

deference to the recommendations of the first-tier decision-maker. *See Ret. Bd. of Emps.' Ret. Sys. v. Corrente*, 174 A.3d 1221, 1237-38 (R.I. 2017) (citing *Johnston Ambulatory Surgical Assocs., Ltd. v. Nolan*, 755 A.2d 799, 807 (R.I. 2000); *Envtl. Scientific Corp. v. Durfee*, 621 A.2d 200, 209 (R.I. 1993)).

In this matter, the Tax Administrator relies on the material facts as presented by the Hearing Officer and, as detailed below, submits the following analysis in modifying the Decision and rejecting the Recommendation of the Hearing Officer.

ORDER

After a careful review of the Hearing Officer's Decision and Recommendation, the Tax Administrator modifies the Hearing Officer's Decision and Recommendation, and:

- i) adopts Sections I.-III., IV. but for one modified fact,² V. A.-C., VI., and VII. 1.-2.;
- ii) modifies Sections V. D.³ and VII. 3. as discussed below; and
- iii) modifies Section VIII., the Recommendation, to order that (the "Taxpayer") license shall be suspended for twelve (12) days to begin on the 31st day after the

² The Tax Administrator modifies one fact within Section IV. (Material Facts) on page 6:

On December 9, 2024, the Taxpayer emailed the Division staff and requests that she call to discuss the Taxpayer's matter and indicated that if he did not hear from the Division by the end of the week, he had been instructed to transfer the matter to administrative hearing.

This fact is inaccurate. The fact should read:

On December 9, 2024, the **Division staff** emailed the **Taxpayer** and requests that **he** call to discuss the Taxpayer's matter and indicated that if **she** did not hear from the **Taxpayer** by the end of the week, **she** had been instructed to transfer the matter to administrative hearing.

See Division's Exhibit 16 (email from Mosca to Lombardi of Dec. 9, 2024) (emphasis added).

³ There are date references in Section V. D. (Whether the Suspension was Served) that reflect inaccurate years. The events at issue took place in December 2024, rather than December 2025. Therefore, references to December 11, 2025 and December 13, 2025 on page 9 of the Decision and Recommendation should read December 11, 2024 and December 13, 2024.

execution of this decision.

The Hearing Officer opined that it “stands to reason the Taxpayer was prepared to serve the suspension after paying the [stipulated] penalty and signing the Stipulation,” Decision and Recommendation of 8-9, and she gave the Taxpayer credit for serving four (4) days of the license suspension. This is despite the Hearing Officer’s recitation of multitudinous instances where she found the Taxpayer not credible. The Hearing Officer noted in her Decision and Recommendation that the Taxpayer’s testimony contradicted itself regarding when he became aware that there was an issue with the suspension (either December 13, 2024 or March 2025). She noted that the “Taxpayer’s records were spotty at best,” that it “is unclear . . . why a new register caused there to be no records for the old register,” that the “Taxpayer also did not provide an explanation for the gap in the sales tax return’s gross sales versus the receipts and Z-tapes.” *Id.* at 9.

The Hearing Officer accepted the evidence presented by the Division’s principal tax auditor at the hearing. The auditor testified that he could not reconcile the records provided by the Taxpayer for December 2024 because “there is significant missing information” and the numbers provided “were so far off.” *Id.* at 3-4. The Hearing Officer noted that the Taxpayer skirted the issue of explaining the gap in the sales tax returns’ gross sales versus the receipts and Z-tapes and stated that “[o]ne third of the month was missing for the receipts, but the remaining receipts did not show anything near 2/3 of the gross receipts in sales.” *Id.* at 9. She further points out that “the Division did not have all the Taxpayer’s records to determine whether tobacco was sold during the suspension” and reiterated that there “was a large discrepancy in the amount of sales that the receipts and Z-tapes showed as compared to the Taxpayer’s gross sales.” *Id.* at 10.

Additionally, the Hearing Officer found unpersuasive the Taxpayer’s assertions that it was unaware the Division did not sign the settlement stipulation until three months after December 31,

2024, and, therefore, the Taxpayer did not preserve the security camera footage from December 2024,⁴ which the Hearing Officer highlighted “could have been another way for the Taxpayer to have tried to demonstrate it had served its suspension.” Decision and Recommendation at 9. The Hearing Officer found instead that “the Taxpayer had notice by December 11 and 13, 202[4], the Division would not be signing the Stipulation.” *Id.* She further found the Taxpayer’s testimony that “he did not know about the issue with the suspension until March, 2025[.]” to be contradicted by the Taxpayer’s own testimony “requesting credit for time served.” *Id.* The Hearing Officer added that the “Taxpayer’s attorney was in contact with the Taxpayer in January, 2025 to sign the new stipulation[.]” and the “Division sent the Order to Show Cause to the Taxpayer on February 7, 2025 so before March, 2025.” *Id.*

Based on the Hearing Officer’s well-reasoned recitation of the evidence, one would have predicted that she would have then found that the Taxpayer had not presented any evidence to prove it had served even a portion of the license suspension. However, she turned course and gave the Taxpayer credit for serving four (4) days of the suspension.

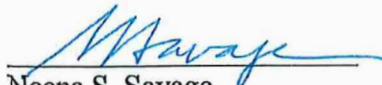
The evidence does not support the Taxpayer’s position that it served the license suspension, nor does it support the Hearing Officer’s decision to impose an eight (8) day license suspension and give the Taxpayer credit for serving four (4) days of the stipulated suspension term. The Taxpayer should serve the entire twelve (12) day license suspension that had been agreed to by the parties.⁵

Therefore, it is hereby ORDERED that the Hearing Officer’s Decision and

⁴ On cross-examination, the Taxpayer testified that although the business’s security cameras were functioning during the month of December 2024, the “cameras automatically erase after three (3) months[.]” and therefore “he is unable to provide camera footage for the dates of the suspension.” Decision and Recommendation at 5.

⁵ As a reminder, the Notice of License Suspension reflected a forty (40) day license suspension. Therefore, the imposition of twelve (12) days is a drastic reduction.

Recommendation is modified. Pursuant to R.I. Gen. Laws 44-20-8, the Taxpayer's license shall be suspended for twelve (12) days to begin on the 31st day after the execution of this decision.


Neena S. Savage
Tax Administrator

Date: 4/24/26

ENTERED as Administrative Order No. 2026-06 on the 24th day of April 2026.

CERTIFICATION

I hereby certify that on this 24th day of April 2026, a copy of the above Order Modifying Hearing Officer's Decision and Recommendation was sent by first class mail and electronic delivery to the Taxpayer's attorney's address on record with the Division and by electronic delivery to Matthew R. Williamson, Esquire, Department of Revenue, Division of Taxation, One Capitol Hill, Providence, R.I. 02908.



STATE OF RHODE ISLAND

DIVISION OF TAXATION

ADMINISTRATIVE HEARING

FINAL DECISION AND ORDER

#2026-06

**STATE OF RHODE ISLAND
DEPARTMENT OF REVENUE
DIVISION OF TAXATION
ONE CAPITOL HILL
PROVIDENCE, RHODE ISLAND 02908**

IN THE MATTER OF:

:
:
: **SC 24-038; 25-T-010**
:
: **other tobacco tax**
:

Taxpayer.

:

DECISION

I. INTRODUCTION

The above-entitled matter came for hearing pursuant to an Order to Show Cause, Notice of Pre-Hearing Conference, and Appointment of Hearing Officer (“Order to Show Cause”) issued on February 7, 2025 to the above-captioned taxpayer (“Taxpayer”) by the Division of Taxation (“Division”) in response to a request for hearing. A hearing was held on December 19, 2025. The parties were represented by counsel, and they rested on the record.

II. JURISDICTION

The Division has jurisdiction over this matter pursuant to R.I. Gen. Laws § 44-1-1 *et seq.*, R.I. Gen. Laws § 44-20-1 *et seq.*, and the 280-RICR-20-00-2 *Administrative Hearing Procedures* (“Hearing Regulation”).

III. ISSUE

Whether the Taxpayer served the agreed to suspension, and, if not, what suspension should be imposed. The Taxpayer contends that it served the 12 day suspension of its cigarette dealer’s license in December, 2024 despite there not being a fully executed settlement agreement. The Division contended the evidence does not support the Taxpayer’s position.

IV. MATERIAL FACTS

The parties stipulated to the following facts:¹

1. The Division inspected the Taxpayer's store premises in Providence, R.I. on September 5, 2024.
2. During the inspection, Division agents discovered untaxed and unstamped cigarettes and/or rolling papers on the store premises.
3. The cigarettes and/or rolling papers were seized by Division agents on September 5, 2024.
4. This constitutes the Taxpayer's fourth violation of Rhode Island's tobacco laws. The Taxpayer's three (3) previous violations took place in 2021.
5. A Notice of License Suspension was issued on September 30, 2024, imposing a 40 day suspension of the Taxpayer's Cigarette Dealer's License.
6. A Notice of Assessment was issued on September 30, 2024, seeking cigarette tax of _____ plus penalties in the amount of _____ for a total assessment of _____.
7. Both the Notice of License Suspension and the Notice of Assessment were lawfully issued against the Taxpayer in this matter.
8. In November 2024, the Division and the Taxpayer agreed to a settlement in principle which included a reduction of the assessment from _____ to _____ and a reduction of the suspension period of the Taxpayer's Cigarette Dealer's License from 40 days to 12 days.
9. The Division emailed a Stipulation of Settlement and Dismissal ("Stipulation") to the Taxpayer's attorney on November 20, 2024. A copy of the Stipulation is pre-marked as Division Supplemental Exhibit Two (2).
10. The Stipulation provided the Taxpayer would serve a 12 day suspension from December 9, 2024 through December 20, 2024, inclusive.
11. The Taxpayer made a payment of _____ on December 5, 2024.
12. The Division received a copy of the Stipulation bearing the signatures of the Taxpayer and the Taxpayer's attorney on December 13, 2024 via email
13. The Division did not sign the Stipulation.
14. All of the Division's pre-marked Exhibits and Supplemental Exhibits are admitted.

¹ The stipulation was read into the record from a December 11, 2025 email.

Principal Tax Auditor (“Auditor”), testified on behalf of the Division. He testified the Division did not sign the Stipulation because it had not been signed in a timely manner by the Taxpayer. He testified when the Division received the Stipulation it was five (5) days into the proposed suspension period, and he would not send inspectors out until there was a fully executed Stipulation. He testified that since there was not a fully executed Stipulation, the Taxpayer is subject to the full 40 day suspension.

The Auditor testified he reviewed the records submitted by the Taxpayer regarding its December, 2024 sales. He testified the Taxpayer’s sales tax remittance in December, 2024 was relatively similar to the Taxpayer’s sales tax remittances for November, 2024 and January, 2025. He testified the remittances were in December, in November, and in January. Supplemental Exhibit Five (5). He testified that evidence does not show a change in sales.

The Auditor testified that Supplemental Exhibit (6) contains copies of receipts provided by the Taxpayer for December, 2024 from which he prepared a spreadsheet. Supplemental Exhibit Seven (7) (spreadsheet derived from December, 2024 receipts). He testified the receipts show gross sales of for December, 2024 when the Taxpayer’s sales tax return showed gross sales of in December, 2024. Supplemental Exhibit Ten (10) (Taxpayer’s sales tax return for December, 2024). He testified the December, 2024 receipts do not include receipts from December 1 to December 10. He testified the amount between the receipts and gross sales cannot be reconciled because so much information is missing.

The Auditor testified that Supplemental Exhibit Eight (8) are the Z-tapes (daily summary of sales) provided by the Taxpayer for December, 2024. He testified he created a spreadsheet based on the Z-tapes. Supplemental Exhibit Nine (9) (spreadsheet for Z-tapes). He testified the Z-tapes show that small amounts of tobacco tax were collected between December 9 to 20, 2024. He

testified the Z-tapes show total sales of . He testified he cannot reconcile the records since so much was missing and the numbers were so far off.

On cross-examination, the Auditor testified the Division received the receipts for December 11 to December 20, 2024. Supplemental Exhibit Six (6). He testified there is so much missing information, and he only can answer based on what was provided which shows that tobacco sales tax was collected. He testified the receipts do not show sales of tobacco between December 11 to December 20. He testified that after December 20, the receipts show tobacco sales. He testified the receipts that were provided were only for a small amount of sales and did not show tobacco sales during the proposed suspension period. He testified the Z-tape summary shows tobacco tax collected during the suspension period² and there are no tobacco sales in the receipt summary but there is so much missing information from the Taxpayer.

The Auditor testified that no one went to the Taxpayer to confirm that it was serving the suspension, because there was not a fully executed Stipulation. He testified the Division received the signed Stipulation five (5) days after the start of the suspension period. He testified that no one went to the Taxpayer after the Division received the Stipulation signed by the Taxpayer and its attorney. He testified the only evidence they have is from the Taxpayer and there is significant missing information so he cannot conclude the Taxpayer did not sell tobacco products because there is over missing in gross receipts

On redirect, the Auditor testified there was no way to verify that the receipts provided were all the receipts that would have been generated by the Taxpayer for December, 2024. He testified there were gross sales of and taxable sales were so the Taxpayer was missing most of those records. He testified the Taxpayer's records showed sales of 33 tobacco packs in

² The Z-tapes show under in tobacco tax being collected on December 13, 14, 16, 17, and 20, 2024. Division's Exhibit Nine (9).

December, 2024. He testified that based on the Taxpayer's prepaid tax receipts and doing the math, the Taxpayer purchased 800 to 900 packs of cigarettes for the month of November and month of December in 2024. Supplemental Exhibit Ten (10) (shows prepaid cigarette tax for December, 2024 on sales return for December, 2024).

("Owner") testified on the Taxpayer's behalf. He testified he agreed and entered into the Stipulation to pay an administrative penalty and serve a 12 day suspension. He testified that he served the suspension from December 9 to December 20, 2024. He testified that he removed tobacco products and kept them at home and did not make any sales of tobacco during that period. He testified he provided all the receipts for December 11 to December 31, 2024. He testified that his father started working at the store on December 9, 2024 since they let a worker go because of the suspension. He testified he had a register on site but his father brought a new register on December 9, 2024 and his father entered the tobacco tax on nontobacco products. He testified there were no receipts prior to December 9, 2024 because of the new register. When asked about the difference in the receipts and gross sales in December, 2024, he testified there is now a ban on vapes. He testified that during the suspension period, he did not sell any tobacco products.

On cross-examination, the Owner testified the security cameras were working at the time of the inspection and the cameras automatically erase after three (3) months. He testified he only became aware the Division did not sign the Stipulation until three (3) months after December 31, 2024 when he received a letter. He testified he is unable to provide camera footage for the dates of the suspension.

Based on the exhibits, this is the timeline for the negotiations and discussion and signing of the Stipulation. These are taken from emails between the Taxpayer's attorney and Division staff. Division's Exhibit 16 and Division's Supplemental Exhibits Three (3) and Four (4).

On November 19, 2024, the Taxpayer accepted the Division's settlement offer. This included a 12 day suspension of its cigarette dealer's license.

On November 19, 2024, the Division replied to the Taxpayer's acceptance and indicated that she would obtain the suspension dates and include them in the Stipulation.

On November 20, 2024, the Division forwarded the Stipulation to the Taxpayer. The Division's email indicated the suspension dates in the Stipulation were for December 9 to 20, 2024.

On December 4, 2024, the Division informed the Taxpayer that it needed the signed Stipulation by the end of the week – December 6 – in order to start the suspension on December 9, 2024.

On December 9, 2024, the Taxpayer emailed the Division staff and requested that she call to discuss the Taxpayer's matter and indicated that if he did not hear from the Division by the end of the week, he had been instructed to transfer the matter to administrative hearing.

On December 11, 2024, the Division wrote the Taxpayer that it received the attorney's voicemail on Tuesday (December 10, 2024) and left a message to call so they could speak about the Stipulation and get new dates for the Taxpayer's suspension as the proposed dates were for that week.

On December 12, 2024, the Division sent the Taxpayer a revised stipulation with new suspension dates of January 27 to February 7, 2025 as the original start date had already passed. The Division's email indicated the Taxpayer's attorney had said the Stipulation had not been sent as he was awaiting payment of the penalty; however, the Division noted the Stipulation could have been submitted without payment as payment was due 30 days after the date the Stipulation was to be executed. The Division also noted the settlement sum had already been received.

On December 13, 2024, the Taxpayer notified that Division that he learned that his client (Taxpayer) had already paid the penalty. The Taxpayer indicated that apparently the Stipulation was not forwarded to the Division immediately, but the Taxpayer (client) has already removed tobacco products from the store starting on the original date of December 9, 2024 so could the Taxpayer receive credit for the time already served.

On December 13, 2024, the Division received the Stipulation signed by the Taxpayer and its attorney. Supplement Exhibit Two (2) (Stipulation signed by Taxpayer and attorney).³

On December 18, 2024, the Division informed the Taxpayer that it could not give credit for any suspension time that may have occurred prior to receiving a fully executed settlement stipulation so the Taxpayer would need to sign a new stipulation with new suspension dates. It forwarded a new stipulation and indicated the Taxpayer should return it by December 27, 2025.

³ The Stipulation is accidentally dated December 15, 2025 by the attorney, but the parties agreed and the exhibits show the Stipulation signed by the Taxpayer and its attorney was received by the Division on December 13, 2024. Division's Exhibit 16 and Division's Supplement Exhibit Three (3).

On January 6, 2025, the Division sent the Taxpayer's attorney the revised settlement with new suspension dates. The Division indicated a copy had previously been sent to the attorney.

On January 7, 2025, the Taxpayer's attorney's office told the Division the Taxpayer had an appointment to come to the office the next day to sign the new proposed stipulation.

On January 21, 2025, the Division wrote the Taxpayer to see if the attorney had connected with his client. The Division again sent the new stipulation and indicated it would need to be signed and received by the Division by January 24, 2025 for the revised suspension dates of January 27 through February 7, 2025 to take effect.

V. DISCUSSION

A. Legislative Intent

The Rhode Island Supreme Court has consistently held that it effectuates legislative intent by examining a statute in its entirety and giving words their plain and ordinary meaning. *In re Falstaff Brewing Corp.*, 637 A.2d 1047 (R.I. 1994). If a statute is clear and unambiguous, "the Court must interpret the statute literally and must give the words of the statute their plain and ordinary meanings." *Oliveira v. Lombardi*, 794 A.2d 453, 457 (R.I. 2002) (citation omitted). The Supreme Court has also established that it will not interpret legislative enactments in a manner that renders them nugatory or that would produce an unreasonable result. See *Defenders of Animals v. DEM*, 553 A.2d 541 (R.I. 1989) (internal citation omitted). In cases where a statute may contain ambiguous language, the Supreme Court has consistently held that the legislative intent must be considered. *Providence Journal Co. v. Rodgers*, 711 A.2d 1131 (R.I. 1998).

B. Relevant Statutes

R.I. Gen. Laws § 44-20-12 imposes tax on cigarettes sold. R.I. Gen. Law § 44-20-13.2 imposes tax on OTP and requires records to be kept on premises. Inspections of cigarette dealers are allowed by R.I. Gen. Laws § 44-20-40.1. R.I. Gen. Laws § 44-20-51.1⁴ provides for administrative

⁴ R.I. Gen. Laws § 44-20-51.1 provides as follows:

Civil penalties. (a) Whoever omits, neglects, or refuses to comply with any duty imposed upon him/her by this chapter, or to do, or cause to be done, any of the things required by this chapter, or does

penalties for the violation of the tax laws. In addition, R.I. Gen. Laws § 44-20-8⁵ provides for the suspension or revocation of a cigarette dealer's license.

C. Arguments

The Taxpayer argued that it served the suspension of its cigarette dealer's license so should be credited for it even though the Stipulation was not fully executed.

The Division argued there was no evidence to show the Taxpayer served the suspension for the time period in the Stipulation so the Taxpayer should serve a further suspension.

D. Whether the Suspension was Served

On December 9, 2024, the Taxpayer's lawyer requested to speak to Division staff and said if he did not hear from the Division by the end of the week, he had been instructed to put the matter into administrative hearing. It was unclear if the Division and Taxpayer then spoke, but the Taxpayer signed the Stipulation, and it was received by the Division on December 13, 2024. The Taxpayer had paid the administrative penalty on December 5, 2024. It stands to reason the

anything prohibited by this chapter, shall, in addition to any other penalty provided in this chapter, be liable as follows:

(1) For a first offense in a twenty-four-month (24) period, a penalty of not more than ten (10) times the retail value of the cigarettes and/or other tobacco products involved; and

(2) For a second or subsequent offense in a twenty-four-month (24) period, a penalty of not more than twenty-five (25) times the retail value of the cigarettes and/or other tobacco products involved.

(b) Whoever fails to pay any tax imposed by this chapter at the time prescribed by law or regulations, shall, in addition to any other penalty provided in this chapter, be liable for a penalty of one thousand dollars (\$1,000) or not more than five (5) times the tax due but unpaid, whichever is greater.

(c) When determining the amount of a penalty sought or imposed under this section, evidence of mitigating or aggravating factors, including history, severity, and intent, shall be considered.

⁵ R.I. Gen. Laws § 44-20-8 provides in part as follows:

Suspension or revocation of license. The tax administrator may suspend or revoke any license under this chapter for failure of the licensee to comply with any provision of this chapter or with any provision of any other law or ordinance relative to the sale or purchase of cigarettes or other tobacco products. The tax administrator may also suspend or revoke any license for failure of the licensee to comply with any provision of chapter 19 of title 44 and chapter 13 of title 6, and, for the purpose of determining whether the licensee is complying with any provision of chapter 13 of title 6, the tax administrator and his or her authorized agents are empowered, in addition to authority conferred by § 44-20-40, to examine the books, papers, and records of any licensee. *** Any person aggrieved by the suspension or revocation may apply to the administrator for a hearing as provided in § 44-20-47, and may further appeal to the district court as provided in § 44-20-48.

Taxpayer was prepared to serve the suspension after paying the penalty and signing the Stipulation. However, the Taxpayer had notice by December 11 and 13, 2025, the Division would not be signing the Stipulation. On December 11, 2025, the Taxpayer's attorney was informed that new dates were needed for the suspension. On December 13, 2025, the Taxpayer's attorney requested the revised stipulation give the Taxpayer credit for the time already served.

The Owner testified he did not know about the issue with the suspension until March, 2025. This is contradicted by the Owner requesting credit for time served. The Taxpayer's attorney was in contact with the Taxpayer in January, 2025 to sign the new stipulation. The Division sent the Order to Show Cause to the Taxpayer on February 7, 2025 so before March, 2025. The Division brought up the issue of security cameras and could they have been used by the Taxpayer to show it did not sell tobacco during the suspension period prior to the cameras automatically erasing in mid March, 2025. It would appear that could have been another way for the Taxpayer to have tried to demonstrate it had served its suspension.

The Taxpayer's records were spotty at best. It is unclear to the undersigned why a new register caused there to be no records for the old register. The Taxpayer also did not provide an explanation for the gap in the sales tax return's gross sales versus the receipts and Z-tapes. Instead of providing an explanation, the Owner testified there was a change in the law about vapes which did not explain the discrepancies in the records. One third of the month was missing for the receipts, but the remaining receipts did not show anything near 2/3 of the gross receipts in sales.

The remittances of the sales tax did not indicate much change in the way of sales. There was no testimony as to how much in tobacco sales the Taxpayer usually makes each month in order to see whether not selling tobacco would impact the sales. However, for a convenience store that sells tobacco – and orders 800 to 900 packs of cigarettes for a month – it would be expected that

after 12 days of not selling tobacco, there would be a reduction in sales. But if the Taxpayer only did not sell tobacco the two (2) or three (3) days, there might not be such a dip.

The Taxpayer did not provide all the receipts or Z-tapes for the suspension period. During the suspension period, the Taxpayer collected small amounts of tobacco tax which the Owner explained as errors by his father. However, the Division did not have all the Taxpayer's records to determine whether tobacco was sold during the suspension. There was a large discrepancy in the amount of sales that the receipts and Z-tapes showed as compared to the Taxpayer's gross sales.

The records were incomplete and did not show what was being sold so it cannot be concluded based on the records the Taxpayer served the 12 day suspension. It cannot be concluded on all of the evidence the Taxpayer served the entire 12 day suspension. However, as the Taxpayer paid the administrative penalty and requested credit for time served once it found out about the suspension dispute with Division, it would appear the Taxpayer intended to serve the suspension and began serving the suspension.

However, the Taxpayer's attorney had notice by December 11, 2024 that the suspension period was not valid. By December 13, 2024, the Taxpayer requested credit for time served of the suspension. Assuming the Taxpayer and its attorney spoke by December 12 -- after the Division emailed the Taxpayer's attorney on the 11th and prior to the 13th when the attorney requested the credit served - it is logical the Taxpayer stopped serving the suspension by that day and requested credit for time served. There is no evidence that can support making a finding the Taxpayer completed the 12 days of suspension.

Based on the foregoing, the Taxpayer should complete the 12 day suspension period in the Stipulation and serve an eight (8) day suspension of its cigarette dealer's license subject to the conditions contained in the Stipulation.

VI. FINDINGS OF FACT

1. A Notice was issued to the Taxpayer on February 7, 2025.
2. A hearing was held on December 19, 2025 with the record closing, and the parties resting on the record.
3. The facts contained in Section IV and V are reincorporated by reference herein.

VII. CONCLUSIONS OF LAW

Based on the testimony and facts presented:


1. The Division has jurisdiction over this matter pursuant to R.I. Gen. Laws § 44-1-1 *et seq.*, R.I. Gen. Laws § 44-20-1 *et seq.*, and 280-RICR-20-00-2 *Administrative Hearing Procedures*.
2. The Taxpayer did not complete the 12 day suspension as provided for in the Stipulation.
3. The Taxpayer's cigarette dealer's license shall be suspended for eight (8) days.

VIII. RECOMMENDATION

Based on the above analysis, the Hearing Officer recommends as follows:

Pursuant to R.I. Gen. Laws § 44-20-8, the Taxpayer's cigarette dealer's license shall be suspended for eight (8) days effective on the 31st day after the execution of this decision subject to the conditions set forth in the Stipulation.

Date: January 16, 2026


Catherine R. Warren
Hearing Officer

ORDER

I have read the Hearing Officer's Decision and Recommendation in this matter, and I hereby take the following action with regard to the Decision and Recommendation:

____ ADOPT
____ REJECT
 MODIFY

Dated: 4/24/26

Neena S. Savage
Neena S. Savage
Tax Administrator

NOTICE OF APPELLATE RIGHTS

THIS DECISION CONSTITUTES A FINAL ORDER OF THE DIVISION. THIS ORDER MAY BE APPEALED TO THE SIXTH DIVISION DISTRICT COURT PURSUANT TO THE FOLLOWING WHICH STATES AS FOLLOWS:

R.I. Gen. Laws § 44-20-48 Appeal to district court.

Any person aggrieved by any decision of the tax administrator under the provisions of this chapter may appeal the decision within thirty (30) days thereafter to the sixth (6th) division of the district court. The appellant shall at the time of taking an appeal file with the court a bond of recognizance to the state, with surety to prosecute the appeal to effect and to comply with the orders and decrees of the court in the premises. These appeals are preferred cases, to be heard, unless cause appears to the contrary, in priority to other cases. The court may grant relief as may be equitable. If the court determines that the appeal was taken without probable cause, the court may tax double or triple costs, as the case demands; and, upon all those appeals, which may be denied, costs may be taxed against the appellant at the discretion of the court. In no case shall costs be taxed against the state, its officers, or agents. A party aggrieved by a final order of the court may seek review of the order in the supreme court by writ of certiorari in accordance with the procedures contained in § 42-35-16.

CERTIFICATION

I hereby certify that on the 24th day of April, 2026 a copy of the above Decision and Notice of Appellate Rights was sent by first class mail, postage prepaid and by electronic delivery to the Taxpayer's attorney's address on record with the Division and by electronic delivery to Matthew Williamson, Esquire, Department of Revenue, Division of Taxation, One Capitol Hill, Providence, R.I. 02908.

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