



Rhode Island Department of Revenue Division of Taxation

NOTICE:

To all Rhode Island Cigarette, Tobacco, and ENDS Distributors

This Notice is to inform you that the prepaid sales tax on cigarettes will increase to \$0.95 per pack of 20 starting with purchases on and after **July 1, 2026**.

R.I. Gen. Laws § 44-19-10.1 requires the tax administrator to determine the amount of prepaid sales based on the minimum price of standard brands of cigarettes on April 1st of each year. The prepaid sales tax amount is collected from licensed Cigarette, Tobacco, and ENDS Distributors in conjunction with the collection of the cigarette tax payment as part of the cigarette stamp purchase. This cost is passed on to retailers on their purchase of the packs of cigarettes from these distributors.

The prepaid sales tax on cigarettes, as calculated on April 1, 2025, increased to \$0.90 per pack of 20 in line with R.I. Gen. Laws § 44-19-10.1, for cigarette stamp purchases as of July 1, 2025. The average retail price was calculated based on a \$12.92 per pack average price of a pack of 20 cigarettes resulting in a prepaid sales tax amount of \$0.90 per pack.

As of April 1, 2026, the average retail price is calculated to be \$13.61 resulting in a prepaid sales tax of \$0.95. **Starting with cigarette stamp purchases as of July 1, 2026, the prepaid sales tax will increase to \$0.95.** Invoices to retailers should reflect this increase. This tax is filed on Form RI T-11 on the Rhode Island Tax Portal, which will be updated by July 1, 2026 to support this change.

2025 prepaid sales tax calculation

As of April 1, 2025, the Rhode Island prepaid sales tax on cigarettes was calculated to be \$0.90 per pack of 20. The tax is computed using the average retail price.

- As of April 1, 2025, the average retail price was calculated to be \$12.92 per pack of 20.
- This is multiplied by the Rhode Island sales tax rate of 7%.

Average retail price per pack of 20:	\$12.92
Sales tax rate:	x 7%
Prepaid sales tax amount on and after April 1, 2025:	\$0.90

2026 prepaid sales tax calculation

As of April 1, 2026, the Rhode Island prepaid sales tax on cigarettes is calculated to be \$0.95 per pack of 20. The tax is computed using the average retail price.

- As of April 1, 2026, the average retail price is calculated to be \$13.61 per pack of 20.
- This is multiplied by the Rhode Island sales tax rate of 7%.

Average retail price per pack of 20:	\$13.61
Sales tax rate:	x 7%
New prepaid sales tax amount on and after April 1, 2026:	\$0.95

Contact Information

For questions about this Notice, contact the Rhode Island Division of Taxation's Excise Tax Section by email at Tax.Excise@tax.ri.gov, by telephone at (401) 574-8955, 8:30 a.m. and 3:30 p.m. on business days, or by mail: Rhode Island Division of Taxation, One Capitol Hill, Providence, R.I. 02908.

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