

NOTICE

TO ALL RHODE ISLAND CIGARETTE DISTRIBUTORS

The 2015 session of the Rhode Island General Assembly enacted into law legislation increasing the tax levied upon the sale of cigarettes. The new rate increases the tax from \$3.50 per package of 20 cigarettes to \$3.75, and from \$4.37 per package of 25 cigarettes to \$4.69. This increase is effective at 12:01 a.m. on August 1, 2015. The prepaid sales tax will remain the same at \$0.58 per pack.

The new cigarette tax rate is 187.5 mills for each cigarette, which is \$0.187 per cigarette.

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

Please note the following:

- 1) A Cigarette Floor Stock Tax Return is required to be completed after the close of business on July 31, 2015, and returned to this office with full payment on or before August 10, 2015.
- 2) This Notice will be mailed to distributors and will include an updated Cigarette Stamp Purchase Price List, Cigarette Stamp Requisition Form, and Cigarette Stamp Rolling Paper Requisition Form, all which detail the new tax rate change.
- 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.

Should you have any questions, please call Susanna Coburn, in the Excise Tax section, at (401) 574-8892.

July 2015
Notice 2015-09

David Sullivan
Tax Administrator