



Rhode Island Department of Revenue

Division of Taxation

June 25, 2018

NOTICE TO ALL PROVIDERS OF INVESTIGATION, GUARD, AND ARMORED CAR SERVICES

This Notice is to inform you that as a result of legislation enacted in the 2018 session of the Rhode Island General Assembly, Rhode Island sales and use tax must be applied to all investigation, guard, and armored car services on and after July 1, 2018.¹

If you are a provider of investigation, guard, and/or armored car services, you must:

- Register with the Rhode Island Division of Taxation.
- Pay the annual \$10 sales tax permit fee.
- Collect and remit Rhode Island's 7 percent sales and use tax on transactions.
- Remit the tax to the Division of Taxation on a monthly or quarterly basis (see form for details).
- File an annual reconciliation each January.

Sales and use tax forms are available on the following page of the Division of Taxation's website:
http://www.tax.ri.gov/taxforms/sales_excise/sales_use.php.

To register with the Division of Taxation, complete the Business Application and Registration (BAR) Form: http://www.tax.ri.gov/forms/2017/Misc/TX_BAR_092017.pdf.

When you register, the Division will mail you forms to remit (send in) the tax. The forms will let you know how often you must file. (In general, if your average monthly tax liability is \$200 or less, you will remit the tax quarterly. Otherwise, you will remit monthly.) The calendar showing due dates for sales and use tax for 2018 is available through the following link:

<http://www.tax.ri.gov/documents/information/2018/2018%20TXCLDR%20SALES.pdf>.

Which services are subject to tax?

In general, you must register, collect the tax, and remit the tax if you are engaged in providing one or more of the following: (1) investigation and detective services; (2) guard and patrol services; and/or (3) picking up and delivering money, receipts, or other valuable items with personnel and equipment to protect such properties while in transit.

¹ House Bill 7200, Substitute A as amended, article 4, section 10, signed into law June 22, 2018.

All investigation, guard, and armored car services listed under North American Industry Classification System (NAICS) code 56161 are included for purposes of the tax. The list includes, but is not limited to, the services listed in the table below.

Services subject to tax starting July 1, 2018, include the following	
Armored car services	Background check services
Bodyguard services	Bounty hunting services
Guard dog services	Detective agencies
Guard services	Fingerprint services
Parking security services	Investigation services
Patrol services, security	Private investigators
Personal protection services	Lie detection services
Property protection services	Missing person tracing services
Protection services	Private detective services
Protective guard services	Private investigation services
Security guard services	Skip tracing services
Security patrol services	

Example: ABC Security Inc. sends a security guard to patrol XYZ Warehouse Corp.'s property in Smithfield, Rhode Island, for a number of hours each night. For that service, ABC Security charges XYZ Warehouse \$5,000 a month. ABC Security must register with the Rhode Island Division of Taxation, obtain a Rhode Island sales permit, and – beginning July 1, 2018 – collect and remit Rhode Island's 7 percent sales and use tax.

Example	
Fee that ABC Security charges to XYZ Warehouse	\$ 5,000
Rhode Island 7% sales/use tax	\$ 350
Total collected by ABC Security from XYZ Warehouse	\$ 5,350
Tax remitted by ABC Security to Division of Taxation	\$ 350

For general information on sales/use tax, see: <http://www.tax.ri.gov/help/faq.php>. To perform a NAICS code search, see: <https://www.census.gov/eos/www/naics/>.

Contact Information

For questions about this Notice or about the sales/use tax or related subjects, contact the Rhode Island Division of Taxation's Excise Tax section by telephone at (401) 574-8955, by email: Tax.Excise@tax.ri.gov, or by mail: Rhode Island Division of Taxation, One Capitol Hill, Providence, R.I. 02908.

**June 2018
Notice 2018-01**