

280-RICR-20-70-8

TITLE 280 – DEPARTMENT OF REVENUE

CHAPTER 20 – DIVISION OF TAXATION

SUBCHAPTER 70 – SALES AND USE TAX

PART 8 – Finance Charges

8.1 Purpose

This regulation implements R.I. Gen. Laws Chapters 44-18 and 44-19. These Chapters provide for Sales and Use Taxes Liability and Computation, and Sales and Use Taxes Enforcement and Collection, in regard to taxation of finance charges.

8.2 Authority

This regulation is promulgated pursuant to R.I. Gen. Laws Chapters 44-18 and 44-19, as amended. These rules have been prepared in accordance with the requirements of R.I. Gen. Laws Chapter 44-1 and § 44-19-33.

8.3 Application

The terms and provisions of these rules and regulations shall be liberally construed to permit the Department of Revenue to effectuate the purposes of R.I. Gen. Laws Chapters 44-18 and 44-19 and other applicable state laws and regulations.

8.4 Severability

If any provision of these rules and regulations or the application thereof to any person or circumstances is held invalid by a court of competent jurisdiction, the validity of the remainder of the rules and regulations shall not be affected thereby.

8.5 Finance Charges

Finance, carrying, interest, insurance or other charges, which are in addition to the established cash selling price, in connection with credit sales of tangible personal property are not subject to the tax if separately stated on any evidence of sale.

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