

TITLE 280 – DEPARTMENT OF REVENUE

CHAPTER 20 – DIVISION OF TAXATION

SUBCHAPTER 70 – SALES AND USE TAX

Part 16 – Florists

16.1 Purpose

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

16.2 Authority

These rules and regulations are promulgated pursuant to R.I. Gen. Laws §§ 44-1-4 and 44-19-33. The rules and regulations have been prepared in accordance with the requirements of R.I. Gen. Laws § 42-35-1 *et seq.* of the Rhode Island Administrative Procedures Act.

16.3 Florists

- A. Sales at retail by florists or other producers or sellers of flowers, wreaths, bouquets, potted plants, hospital baskets, funeral designs, and any and all other flowers, plants, or merchandise sold by them, are sales of tangible personal property to which the tax applies.
- B. Where florists conduct transactions through a florist telegraphic delivery association, or otherwise by telephone, telegraph, internet, or other means of telecommunication with other florists, the following rules will apply in the computation of the tax:
 - 1. On all orders taken by a Rhode Island florist (first florist) and transmitted to a second florist in Rhode Island or elsewhere, for delivery by the second florist either in Rhode Island or elsewhere, the first florist will be held liable for the collection and remittance of the tax on the total selling price of the flowers and other merchandise included in the sale.
 - 2. In cases where Rhode Island florists (second florist) receive instructions from other florists located either within or outside of Rhode Island, for the

delivery of flowers, the second florist will not be held liable for the tax with respect to gross sales which he may realize from the transaction. In such instances, if the order originated in Rhode Island, the tax will be payable by the first florist who first received the order and transmitted instructions to the second florist.

- C. Supplies and materials purchased by florists which are used in the decoration, fabrication, creation, processing or preparation of flowers, plants, floral products, including descriptive labels, stickers and cards affixed to floral products are exempt from the sales and use tax.

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