

~~State of Rhode Island -- Division of Taxation
Cigarette Tax~~

~~Regulation CIG-95-02~~

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~~Vending Machine Operators~~

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~~A. LICENSING~~

~~1. Each vending machine is considered a retail outlet. Each vending machine owner must file an application with the Division of Taxation and shall pay the fee for each machine. A numbered license will be furnished for each individual machine.~~

~~2. No person shall cause or allow a cigarette vending machine to be operated unless a Division of Taxation marker tab is attached showing that the machine has been licensed by the Division of Taxation. The fee for each license is twenty five dollars (\$25.00). Any licensed machine may be moved from one place to another. Any person who operates machines in violation of these provisions is subject to the same penalties in section 44-20-3 for the sale of cigarettes without a license. When a machine is in use or service (i.e., on location, accessible to cigarette purchasers and containing or ready to contain cigarettes) it must have a vending machine tab affixed.~~

~~3. In addition to affixing a Division of Taxation tab to each machine owned and operated, each operator must have his or her name and address plainly marked on each vending machine in use.~~

~~4. Vending machine dealers licenses and prenumbered decal tabs (indicating proper licensing of cigarette vending machines) are furnished by the Division of Taxation to each licensed operator. Licenses must be kept in the operator's files and the decal tabs must be affixed to the inner panel of the vending machine (inside the glass) or any other place on the machine where the tax is visible for inspection by agents of the Division of Taxation.~~

~~If the machine is sold or otherwise disposed of, the license must be returned to the Division of Taxation and the tab must be removed from the machine. Licenses and tabs are not transferable.~~

~~As of May 31 of each year, enough prenumbered decal tabs for the current year will be issued to vending machine operators to indicate proper licensing of cigarette vending machines controlled as of that date. Prior year tabs must be removed from the vending machines and current year tabs must be affixed by July 15 of the current year.~~

~~B. REPORTS~~

~~Periodic reports on the number of vending machines in operation, their location and other pertinent information shall be required from operators of vending machines.~~

~~1. Monthly Report of Vending Machine Operators~~

~~On or before the tenth of the month, each vending machine operator must file a report (Form T-302). The report covers the prior month and indicates the following:~~

- ~~a. the number of machines controlled by the operator at the end of the prior month,~~
- ~~b. the number of machines acquired during the month including the model number(s) of machines, manufacturer's name and address and from whom the machine was purchased,~~
- ~~c. the number of machines sold or disposed of including the model number(s), manufacturer's name and address and to whom the machine was sold, and~~
- ~~d. the inventory of machines controlled at the end of the month.~~

~~If an operator has vending machines purchased outside Rhode Island, he or she must prove that the use tax has been paid as a condition of getting vending machine licenses.~~

~~2. Vending Machine Operators Annual Inventory & Report~~

~~Each May 31, operators of five or more cigarette vending machines must report the following information to the Division of Taxation on Form T-5A:~~

- ~~a. location of each machine by street and number,~~
- ~~b. name of each location,~~
- ~~c. city or town where vending machines are located,~~
- ~~d. number of the license affixed to each machine, and~~
- ~~e. any machines not on location but in inventory.~~

~~Inventories of vending machines listed on the T-5A will be audited against the license files at the Division of Taxation and the information and forms are subject to field verification.~~

~~Vending machine tabs are issued in accordance with the list of locations reported to the Division of Taxation prior to June 1 of the current year. A Form T-5A must be prepared and filed with each new application for any additional vending machine licenses.~~

~~C. PHYSICAL REQUIREMENTS FOR CIGARETTES SOLD~~

~~1. Sealed Packages~~

~~Cigarettes, if sold in vending machines, must be in sealed packages which bear the Rhode Island tax indicia in the proper denomination. The sale of individual cigarettes is prohibited.~~

~~2. Visibility of Indicia~~

~~In all machines constructed with windows in front or top of the case, cigarettes must be loaded so that the Rhode Island tax indicia are clearly visible from the outside. The use of paper or other materials to blank out windows in cigarette vending machines is prohibited.~~

~~R. GARY CLARK TAX ADMINISTRATOR~~

~~EFFECTIVE DATE: JANUARY 1, 1995~~

~~THIS REGULATION AMENDS AND SUPERCEDES REGULATION CIG89-2
PROMULGATED DECEMBER 31, 1989.~~