

State of Rhode Island and Providence Plantations
Rhode Island Department of Revenue
Division of Taxation

Public Notice of Proposed Rule-Making

Pursuant to the provisions of 42-35-2(a)(1) of the General Laws of Rhode Island, and in accordance with the Administrative Procedures Act Chapter 42-35 of the General Laws, the Division of Taxation hereby gives notice of its intent to repeal a regulation regarding Motor Fuel Tax – MF 89-5.

The purpose of this rule making is to repeal regulation Motor Fuel Tax – MF 89-5 identified by ERLID Number 4449, the content of which is being merged into Regulation “Motor Fuel Tax identified 280-RICR-20-50-1. Repeal of this regulation shall take effect twenty (20) days after filing with the Secretary of State’s Office.

The proposed regulation and concise summary of non-technical requirements and proposed new rules are available for public inspection at www.tax.ri.gov, in person at The Rhode Island Division of Taxation, or requested by e-mail at Michael.Canole@tax.ri.gov or by calling Michael Canole at (401) 574-8729.

In the development of the proposed regulation, consideration was given to: (1) alternative approaches; (2) overlap or duplication with other statutory and regulatory provisions; and (3) whether the regulation, in and of itself, would have significant economic impact on small business. No alternative approach, duplication, or overlap was identified based upon available information.

All interested parties are invited to submit written or oral comments concerning the proposed regulations by Thursday, December 7, 2017 to Michael Canole, Rhode Island Division of Taxation, One Capitol Hill, Providence, RI – telephone number (401) 574-8729 or via e-mail at Michael.Canole@tax.ri.gov. A public hearing to consider the proposed regulation will be held on Wednesday, November 29, 2017 at 1:30 p.m. at the Rhode Island Division of Taxation, One Capitol Hill, Providence, RI, at which time and place all persons interested therein will be heard. The room is accessible to the disabled and interpreter services for the hearing impaired will be provided if requested 48 hours prior to the hearing. Requests for this service can be made in writing to Michael Canole at the Rhode Island Division of Taxation, One Capitol Hill, Providence, RI 02908 or by calling (401) 574-8729.

Rhode Island Department of Revenue

Division of Taxation

Concise summary of all non-technical requirements pursuant to RIGL Section 42-35-2(a)(1) for Rules and Regulations regarding “regulation Motor Fuel Tax – MF 89-05.

The purpose of this rule making is to repeal regulation Motor Fuel Tax – MF 89-5 identified by ERLID Number 4449, the content of which is being merged into Regulation “Motor Fuel Tax identified by 280-RICR-20-50-1.

The repeal of this regulation shall take effect twenty days after filing with the Secretary of State’s Office.

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

~~Motor Fuel Tax~~

~~Regulation MF 89-5~~

~~Marine Diesel~~

~~I. Diesel fuel used for the propulsion of marine craft is not considered a motor fuel under the Rhode Island gasoline tax law. Any Rhode Island licensed distributor or special distributor selling marine diesel must obtain a "Marine Diesel Purchase Certificate" from the purchaser in order to exempt a sale from the Rhode Island motor fuel tax.~~

~~II. Use of Exemption Certificate~~

~~In making marine diesel purchases a purchaser must furnish a Rhode Island licensed distributor or special distributor with a "Marine Diesel Purchase Certificate" (form attached) for each purchase in order to be exempt from the Rhode Island motor fuel taxes. This certificate must contain the required information and signature. In the event that all purchases will be for marine purposes on an on-going basis, one "Marine Diesel Purchase Certificate" may be issued marked "blanket" in the date of purchase area of the form.~~

~~The certification may be furnished only in the case where the purchaser intends to sell or use the marine diesel for marine purposes. If a purchaser gives an exemption certificate and thereafter sells or uses all or a portion of the marine diesel purchased for purposes other than "marine" he or she must report and pay on the taxable gallons as a distributor or special distributor.~~

~~The acceptance of a properly executed certificate relieves the distributor from the burden of proof only if accepted in good faith from a person engaged in an activity which is for sale or use of fuel for marine purposes. If a "Marine Diesel Purchase Certificate" is not furnished by the purchaser, the distributor must collect and report the applicable Rhode Island motor fuel taxes for that sale event though the invoice indicates "marine diesel."~~

~~In order that the Division of Taxation may verify a distributor's marine diesel sales upon audit, it is necessary that distributors retain executed "Marine Diesel Purchase Certificates."~~

~~If a distributor lists marine diesel sales for which he or she has no certificates, the Division of Taxation will presume such sales as taxable and make an assessment of the tax against the distributor.~~

~~R. GARY CLARK TAX ADMINISTRATOR~~

~~DATE FILED: December 6, 1989~~

~~EFFECTIVE DATE: December 31, 1989~~