

~~Rhode Island — Division of Taxation~~

~~Sales and Use Tax~~

~~Regulation SU 88-104~~

~~Tax Collections — Trust Funds~~

~~Tax collection as property held in trust for the state. — All taxes collected by any retailer from purchasers in accordance with the provisions of the Sales and Use Tax Law, and all taxes collected by any retailer from purchasers under color of said provisions, shall constitute a trust fund for the state until paid to the Tax Administrator. Such trust shall be enforceable against:~~

~~(a) such retailer,~~

~~(b) any officer, agent, servant or employee of any corporate retailer responsible for either the collection or payment, or both of said tax,~~

~~(c) any person receiving any part of such fund without consideration, or knowing that the retailer or any officer, agent, servant or employee of any corporate retailer is committing a breach of trust, and~~

~~(d) their estates, heirs, and representatives; provided, however, that a purchaser to whom a refund has been properly made, or any person who receives payment of a lawful obligation of the retailer from such fund, shall be presumed to have received the same in good faith and without any knowledge of the breach of trust.~~

~~Penalty for misappropriation. — Any retailer and any officer, agent, servant or employee of any corporate retailer responsible for either the collection or payment of said tax, who appropriates or converts the tax collected to his or her own use or to any use other than the payment of the tax to the extent that the money required to be collected is not available for payment on the due date as prescribed in this chapter, shall upon conviction for each offense be fined not more than ten thousand dollars (\$10,000) or be imprisoned for one (1) year, or by both such fine and imprisonment, such fine and such imprisonment to be in addition to any other penalty provided by this chapter.~~

~~R. GARY CLARK~~

~~TAX ADMINISTRATOR~~

~~DATE FILED: December 9, 1988~~

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EFFECTIVE DATE: December 31, 1988

THIS REGULATION AMENDS AND SUPERCEDES REGULATION SU 87-104

PROMULGATED MAY 1, 1987.