

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

Public Notice of Proposed Rule-Making

RULE IDENTIFIER: ERLID 233

REGULATION TITLE: Food Stamp Purchases

TIMETABLE FOR ACTION ON THE PROPOSED RULE:

Public Notice Date: February 15, 2018

End of Comment Period Date: March 18, 2018

Pursuant to the provisions of R.I. Gen. Laws § 42-35-2(a)(1), and in accordance with the Administrative Procedures Act, R.I. Gen. Laws Chapter 42-35, the Division of Taxation hereby gives notice of its intent to repeal a regulation regarding Food Stamp Purchases.

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.Taylor@tax.ri.gov or by calling Michael Taylor at (401) 574-8930.

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 businesses. 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 March 18, 2018 to Michael Taylor, Rhode Island Division of Taxation, One Capitol Hill, Providence, RI – telephone number (401) 574-8930 or via e-mail at Michael.Taylor@tax.ri.gov.

This rule is not expected to be controversial and shall be submitted as a direct final rule pursuant to R.I. Gen. Laws § 42-35-2.11. The proposed rule takes effect thirty (30) days after publication if no objection is received. If no objection is received, the rule becomes final. If an objection to the rule is received from any person not later than thirty (30) days after publication of the notice of the proposed rule, the proposed rule does not become final.

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Concise summary of all non-technical requirements pursuant to R.I. Gen. Laws § 42-35-2(a)(1) for rules and regulations regarding Food Stamp Purchases.

The purpose of this regulation is repeal the regulation regarding Food Stamp Purchases. **This regulation shall take effect March 18, 2018.**

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

~~Sales and Use Tax~~

~~Regulation SU 87-123~~

~~Food Stamp Purchases~~

~~When an individual purchases eligible food items in an order containing both taxable and nontaxable food items and presents both cash and food stamps for the order, the retailer shall apply the food stamps first to the taxable portion of the transaction.~~

~~EXAMPLE: A food stamp recipient arrives at the check out with a \$25 order consisting entirely of eligible food items. However, eleven (\$11) dollars' worth of the food is taxable under state law (i.e., soda, gum, candy) and the remainder is not taxable. The recipient pays for the order with five dollars (\$5) in food stamps and twenty dollars (\$20) in cash.~~

~~The five dollars (\$5) in food stamps must first be applied to the eleven (\$11) dollars' worth of taxable items, resulting in a tax being charged for the six (\$6) dollars' worth of taxable items not purchased with food stamps.~~

~~R. GARY CLARK~~

~~TAX ADMINISTRATOR~~

~~DATE: DECEMBER 1, 1987~~

~~THIS REGULATION REPLACES THE EMERGENCY RULE EFFECTIVE OCTOBER 1, 1987.~~