State of Rhode Island – Division of Taxation

Sales and Use Tax

Regulation SU 89-106

Television Sets and Attachments

Where the retailer both sells the set and contracts to furnish and erect a standard television antenna including transmission lines, accessories, masts and supports, the tax applies to the sales price of the set, its appurtenances, accessories and attachments. The actual labor and services of erecting the antenna, attaching the supports, etc., if separately stated on the invoice are not taxable. Note that in this situation the dealer is imposing the tax on all the tangible personal property furnished and only the service charge in connection with the erection is not taxable. If labor and service are not separately stated, the tax applies to the total invoice.

Where the retailer contracts with an independent contractor to install and erect the antenna, transmission lines, etc., furnishing to that person all the necessary accessories, there is no tax on the services so rendered provided that the accessories are billed to the retailer's customer. On the other hand, if the independent contractor furnishes the masts, antenna, supports, etc., the contractor is required to register and collect the tax or take a resale certificate in lieu thereof from the retailer. If the resale certificate is taken from the retailer because the retailer is billing the customer for the masts, antenna, and supports, the retailer must collect the tax from the customer.

R. GARY CLARK

TAX ADMINISTRATOR

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EFFECTIVE DATE: March 1, 1989

THIS REGULATION AMENDS AND SUPERCEDES REGULATION SU 87-106 PROMULGATED MAY 1, 1987.