



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Revenue  
Division of Taxation  
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September 26, 2012

Mr. Scott Peterson  
Executive Director  
Streamlined Sales Tax Governing Board  
4219 Hillsboro Pike – Suite 234  
Nashville, TN 37215

Dear Scott:

This letter is to address the issues raised in the “Initial Report on 2012 Annual Recertification” concerning Rhode Island’s compliance with the Streamlined Sales and Use Tax Agreement.

Responses to the following issues on the Certificated of Compliance are hereby presented:

Issue 1. In Section 319, paragraph E1, add SU 87-32.; Section 323, paragraph 1, change the "no" to "Yes", and add 44-18-30(27) and the comment from paragraph D.

- Regulation SU87-32 added to Section 319
- Response to Section 323, paragraph 1 was changed to “Yes”, a reference to 44-18-30(27) was included, and the following comment was included:

Regulation SU 12-13: Clothing is exempt through 9/30/12. Effective 10/1/12, the portion of the sales price greater than \$250.00 per item is taxable. The exemption for essential clothing applies up to \$250.00 of the sales price per item.

Issue 2. Section 313, paragraph A4, advertising and promotional direct mail sourcing, the regulation references the general sourcing rule for when the purchaser does not provide any information or documents regarding sourcing, but does not specify use of 44-18.1-11(A)(5).

- Regulation SST 11-01 to be amended to include the language of 44-18.1-11(A)(5).

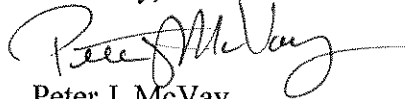
Issue 3. Effective 10/1/12, the first \$250 of the sales price for an article of clothing is exempt from tax. Any amount above is taxable.

- SLAC workgroup has been formed to work on this issue.

Streamlined Sales Tax Governing Board  
September 26, 2012  
Page two

A revised Certificate of Compliance for Rhode Island including the above changes is attached. If you have questions or need additional information, please contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter J. McVay", with a long horizontal flourish extending to the right.

Peter J. McVay  
Assistant Tax Administrator  
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