

D  **R** Rhode Island Department of Revenue
Division of Taxation

Via Electronic Mail

May 28, 2026

The Honorable Louis P. DiPalma
Chair, Senate Committee on Finance
Rhode Island State House
Providence, RI 02903

RE: Letter Regarding Senate Bill 2086 – An Act Relating to Taxation – Sales and Use Taxes – Liability and Computation

Dear Chair DiPalma:

I am writing on behalf of the Rhode Island Department of Revenue, Division of Taxation (“Division”), to: i) express concerns regarding issues with proposed Senate Bill 2086 as currently drafted; ii) explain the background and current statutory context in order to clarify the intended and unintended consequences of this bill; and iii) make recommendations and request your support in implementing those recommendations.

This letter is not intended as a position in support of or opposition to the bill, but only as recommendations on drafting to provide clarity in the bill and to aid tax administration and compliance.

As you know, this bill would amend R.I. Gen. Laws § 44-18-30, entitled “Gross receipts exempt from sales and use taxes,” to add to the list of sales and use tax exemptions firearm safety equipment, including “storage devices, gun safes, gun cabinets, gun vaults, gun cases, strong boxes, cable locks, trigger locks and biometric locks.” The bill is set to take effect upon passage.

There are several potential issues with the bill that impact tax administration, including, but not limited to:

- The proposed amendment broadly encompasses all sales tax on firearm safety equipment, storage devices, gun safes, gun cabinets, gun vaults, gun cases, strong boxes, cable locks, trigger locks, and biometric locks. These items may include those that are unrelated to firearm safety, and the exemption could be applied generally to storage devices, strong boxes, cable locks, and biometric locks not related to firearm safety. The Division recommends that the bill be redrafted to include the specific exempt items of firearm safety equipment to ensure that the items are related to firearm safety.
- The effective date of the bill is upon passage. The State of Rhode Island Division of Taxation is a signatory to the Streamlined Sales and Use Tax Agreement (“SSUTA”)

pursuant to R.I. Gen. Laws § 44-18.1-1. The SSUTA mandates that a member state must comply with its numerous terms, including notification requirements. As such, the Division recommends an effective date of October 1, 2026, to allow for reasonable notice under the SSUTA and to ensure proper implementation of the change for all stakeholders.

The Division takes no position with respect to the remainder of the proposed legislation. Rather, the Division is concerned solely with the issues of clarity, tax compliance, and tax administration.

I look forward to working with you to address the issues raised in this letter and appreciate your consideration.

Very truly yours,



Neena S. Savage
Tax Administrator

cc: The Honorable Members of the Senate Committee on Finance (via: SenateFinance@rilegislature.gov)
The Honorable Thomas J. Paolino (via: sen-paolino@rilegislature.gov)
Kristen Silvia, Deputy Chief of Staff/Director of Legislation
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