

State of Rhode Island - Division of Taxation

Sales and Use Tax

Regulation SU 87-55

Employees and Representatives of Exempt Organizations , or Federal, State or Local Governments - Sales and Rentals to

Whenever exemption from tax on purchases, rental charges or room rental charges is claimed by any employee, representative or other official of the United States Government, or of the State of Rhode Island or of any of its cities, towns or other political subdivisions, or of any exempt organization, such exemption will apply only if payment is made directly by such agency or organization.

In case the official pays the bill (even though the bill be made out to the governmental agency or exempt organization by whom the official or employee is employed or which the official or employee represents) the tax applies. In such case, it is immaterial that such official is reimbursed or that the economic burden of the tax is passed on to the governmental agency or exempt organization.

THE RETAILER MUST MAINTAIN RECORDS TO SUPPORT AND IDENTIFY ALL SUCH EXEMPT SALES OR RENTALS.

Cross Reference: [SU 87-97](#) Room Rentals--By Hotels, Rooming Houses, Tourist Camps

R. GARY CLARK
TAX ADMINISTRATOR

DATE: May 1, 1987