

# State of Rhode Island - Division of Taxation

## Sales and Use Tax

### Regulation SU 92-86

#### Pollution Control Facilities

I. The Rhode Island sales and use tax law provides that tangible personal property purchased as a device, appliance or other installation (including supplies) for use in a facility primarily to aid in the control of the pollution or contamination of the waters or air of the state and which has been certified as approved for such purpose by the Department of Environmental Management is exempt from the sales or use tax.

#### II. USING THE EXEMPTION

(1) The Director of the Department of Environmental Management may certify to a portion of the tangible personalty or supplies acquired for incorporation into the facilities or used and consumed in the operation of such facilities to the extent that such portion shall have as its primary purpose the control of the pollution or contamination of the waters or air of this state.

(2) When purchasing such tangible personal property or supplies pursuant to such order for use in a facility, taxpayers must furnish their suppliers with an [Exemption Certificate - Pollution Treatment Equipment and Supplies](#) and attach thereto a copy of the DEM certification.

#### III. REFUNDS

In those cases where the taxpayer is unable to furnish the evidence required and outlined to support a claim for exemption at the time he or she purchases items of tangible personal property for use in a treatment facility, the taxpayer should pay the tax and thereafter, when able to properly support the claim for exemption, he or she should file a claim for refund.

Such claim must indicate the items purchased, the date purchased and from whom purchased, the date installed in the facility, a statement that such items are and will continue to remain in use in such facility, satisfactory evidence that the sales or use tax on such items have been paid, the date of such payment and to whom paid, and certification by the Department of Environmental Management as indicated in number (I) above.

All refund claims must be submitted no later than three (3) years from the fifteenth day after the close of the month for which the overpayment was made, or with respect to a determination, within six (6) months from the date of overpayment, whichever period expires later.

#### IV. DEFINITIONS

(1) The term "facility" means any land, facility, device, building, machinery or equipment, the construction, reconstruction, erection, installation or acquisition of which, in furtherance of federal or state requirements or standards for the control of water or air pollution or

contamination, has been made by the taxpayer primarily to control the pollution or contamination, of the waters or the air of the state as defined in chapters 46-12 and 23-25, respectively, of the general laws, and which has been certified by the Department of Environmental Management.

(2) The term "waters" includes all tidewaters within the state and all inland waters of any river, stream, brook, pond or lake (from chapter 46-12).

(3) The term "water pollution" means the entrance or discharge of sewage into any of the waters of the state in such quantity either by itself or in connection with other sewage so discharged, as to alter the physical or chemical properties, or biology, of said waters, including change in temperature, taste, color, turbidity or odor, and to cause or be likely to cause damage to the public, or to any person having a right to use said waters for boating, fishing, or other purposes, or owning property in, under or bordering upon the same (from chapter 46-12).

(4) The term "air pollution" means presence in the outdoor atmosphere of one or more of air contaminants in sufficient quantities, which either alone or in connection with other emissions, by reason of their concentration and duration may be injurious to human, plant or animal life, or cause damage to property or inconvenience to property owners, or create a disagreeable or unnatural odor or obscure visibility or which in any way interferes with the enjoyment of life and property (from chapter 23-25).

R. GARY CLARK  
TAX ADMINISTRATOR

EFFECTIVE DATE: JANUARY 1, 1993

THIS REGULATION AMENDS AND SUPERCEDES REGULATION SU 87-86  
PROMULGATED MAY 1, 1987.