GENERAL DYNAMICS
Electric Boat Corporation

INSTRUCTIONS FOR USE OF RHODE ISLAND DIRECT PAY PERMIT

GENERAL APPLICATION:

All purchases and supplier invoices entered into Electric Boat's invoicing engine (Oracle) on or after June 1, 2023 through May 31, 2025 for materials delivered to or services rendered to Electric Boat's facilities in Rhode Island.

GENERAL INSTRUCTIONS:

Suppliers are NOT to include Rhode Island sales or use taxes in their bids or invoices to Electric Boat Corporation.

EXCEPTIONS – PURCHASES NOT ALLOWED WITH DIRECT PAY PERMIT:

1. **Purchase Orders with Construction Contractors:** This Direct Pay Permit does not apply to purchase orders with construction contractors and must never be given to a construction contractor. Rhode Island law considers construction contractors and their subcontractors as the consumers of the materials they purchase or rent for use in their projects. They are required to pay sales or use tax when purchasing or renting materials to be used in their projects. They will pass the sales or use tax paid on to Electric Boat as just another item of their material costs.

   NOTE: Three exceptions exist to the general rule of contractors paying tax on all materials purchased or rented for use in a project in Rhode Island. Those exceptions are (1) where a contractor is required to purchase manufacturing machinery or equipment on behalf of Electric Boat (e.g., cranes, manufacturing fixtures), for incorporation into the project; (2) purchases of certain fume mitigation equipment for incorporation into the project and (3) where a contractor is required to purchase materials for installation into manufacturing machinery or equipment (e.g., repair work to manufacturing machinery or work on a special moveable enclosure). If any of these exceptions apply, the contractor, and the Electric Boat Facilities and Purchasing POC's are each responsible for contacting the Electric Boat Tax department to obtain the discreet exemption certificates needed to allow the contractor to purchase those items tax exempt.

2. **Purchases of taxable food and beverages with an Electric Boat issued P-Card.**

3. **Purchases with an Electric Boat issued employee American Express Corporate card.**

4. **Purchases of Motor Vehicles required to be registered with the Rhode Island Department of Motor Vehicles.**

Rhode Island Department of Revenue
Division of Taxation

DIRECT PAY PERMIT

Electric Boat Corporation

FEIN # 51-0369496

Based on the information submitted in its request for a Direct Pay Permit, Electric Boat Corporation, is hereby authorized to make payments of sales and use tax on purchases of taxable goods and taxable services directly to the State of Rhode Island, Division of Taxation in lieu of payment to the seller.

Said authorization is issued pursuant to **R.I.L.G. 44-18-19.1**, subject to conditions imposed therein, and shall be valid for the twenty-four (24) month period 06/01/23 through 05/31/25 and is subject to renewal.

Neena Savage
Tax Administrator

Effective Date: 06/01/23

Expiration Date: 05/31/25