

2024 -- H 7407

LC004584

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO TAXATION -- ORGAN DONATION LEAVE TAX CREDIT

Introduced By: Representatives Donovan, Edwards, Potter, Carson, Tanzi, Speakman,
Cotter, Fogarty, Kennedy, and McGaw

Date Introduced: January 31, 2024

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
2 adding thereto the following chapter:

3 CHAPTER 72

4 ORGAN DONATION LEAVE TAX CREDIT

5 **44-72-1. Definitions.**

6 For purposes of this section:

7 (1) "Organ donation leave" means a period of employment leave received by an employee
8 organ donor.

9 (2) "Organ donor" means a person from whose body a whole or partial organ is taken to be
10 transferred to the body of another person. "Organ donor" shall include a person who donates bone
11 marrow or a whole or partial liver.

12 (3) "Private employer" means a sole proprietor, corporation, partnership, limited liability
13 company, or other entity with one or more employees. "Private employer" does not mean a
14 municipality, county, state agency, institution of higher education, or other public employer.

15 **44-72-2. Tax credit.**

16 (a) For taxable years beginning on and after January 1, 2024, but before January 1, 2029,
17 a taxpayer that is a private employer shall be allowed a nonrefundable credit against the tax levied
18 pursuant to chapter 11 of title 44 for:

19 (1) An amount equal to employee compensation paid, if any, to the organ donor during the

1 organ donation leave; and

2 (2) The cost of temporary replacement help, if any, during the organ donation leave.

3 (b) The amount of the credit that may be claimed in any single taxable year shall not exceed
4 the taxpayer's liability for taxes imposed by this chapter for that taxable year. If the amount of the
5 credit allowed under this section exceeds the taxpayer's tax liability for the taxable year in which
6 the eligible transaction occurred, the amount that exceeds the tax liability may be carried over for
7 credit against the income taxes of the taxpayer in the next five (5) taxable years or until the total
8 amount of the tax credit has been taken, whichever is sooner.

9 (c) For purposes of this section, the amount of any credit claimed by a partnership, limited
10 liability company or electing small business corporation (S corporation) shall be allocated to the
11 individual partners, members or shareholders in proportion to their ownership or interest in the
12 partnership, limited liability company or S corporation.

13 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO TAXATION -- ORGAN DONATION LEAVE TAX CREDIT

1 This act would provide tax credits to any private entity that gives paid time off to an
2 employee who is an organ donor.

3 This act would take effect upon passage.

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