

2024 -- H 7682

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO TAXATION -- PERSONAL INCOME TAX -- PART 44-30-81 PROCEDURE
AND ADMINISTRATION

Introduced By: Representatives Roberts, and Place

Date Introduced: February 15, 2024

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-30-88 of the General Laws in Chapter 44-30 entitled "Personal
2 Income Tax" is hereby amended to read as follows:

3 **44-30-88. Interest on overpayment.**

4 (a) General. Interest shall be allowed and paid as follows at the annual rate provided by §
5 44-1-7 upon any overpayment in respect of Rhode Island personal income tax:

6 (1) From the date of the overpayment to a date, to be determined by the tax administrator,
7 preceding the date of a refund check by not more than thirty (30) days, whether or not the refund
8 check is accepted by the taxpayer after tender of the check to the taxpayer. The acceptance of the
9 check shall be without prejudice to any right of the taxpayer to claim any additional overpayment
10 and interest thereon;

11 (2) From the date of the overpayment to the due date of an amount against which a credit
12 is taken. No interest shall be allowed or paid if the amount is less than two dollars (\$2.00).

13 (b) Date of payment. The provisions of § 44-30-87(h) and (i) applicable in determining the
14 date of payment of tax for purposes of determining the period of limitation on credit or refund, shall
15 be applicable in determining the date of payment for purposes of this section.

16 (c) Income tax refund within ninety (90) days of due date of tax. If any overpayment of
17 Rhode Island personal income tax is refunded within ninety (90) days after the last prescribed date,
18 or permitted by extension of time, for filing the return of the tax, or within ninety (90) days after

1 the return is in fact filed, no interest is allowed under this section on the overpayment.

2 (d) Refund of tax caused by carryback of loss. For purposes of this section, if any
3 overpayment of Rhode Island personal income tax results from a carryback of a net operating loss,
4 the overpayment is deemed not to have been made prior to the close of the taxable year in which
5 such net operating loss arises.

6 (e) Cross reference. See § 44-30-87(c), terminating interest after failure to file notice of
7 federal change under § 44-30-59.

8 (f) For the tax year 2023 and thereafter, any overpayment of Rhode Island personal income
9 tax not refunded by the thirtieth day of June in the subsequent year shall be paid to the taxpayer
10 with interest assessed at a rate of twelve percent (12%) per annum compounded daily for each day
11 the refund of the overpayment is delayed beyond such thirtieth day of June.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TAXATION -- PERSONAL INCOME TAX -- PART 44-30-81 PROCEDURE
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1 This act would provide, for the tax year 2023 and thereafter, that any tax overpayment
2 would be refunded with interest calculated at twelve percent (12%) compounded daily if not
3 received by the thirtieth day of June in the subsequent year.

4 This act would take effect upon passage.

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