

2025 -- S 0182

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO TAXATION -- PERSONAL INCOME TAX

Introduced By: Senators Gallo, DiPalma, Tikoian, LaMountain, Murray, and Lawson

Date Introduced: February 07, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Chapter 44-30 of the General Laws entitled "Personal Income Tax" is hereby  
2 amended by adding thereto the following section:

3           **44-30-71.5. Voluntary withholding of tax from mutual fund individual retirement**  
4 **accounts.**

5           (a) The tax administrator may enter into agreements with a mutual fund company to allow  
6 for the withholding from required minimum distributions subject to Rhode Island personal income  
7 tax of a resident individual, an amount substantially equivalent to the tax reasonably estimated to  
8 be due resulting from the inclusion in the resident's Rhode Island income of the resident's  
9 distributions received during any calendar year.

10           (b) The method of determining the amount to be withheld shall be prescribed by regulations  
11 of the tax administrator, with due regard to the withholding exemptions of the resident.

12           (c) The provisions of this section shall apply only to a resident who so elects to have the  
13 withholding effected.

14           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

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- 1           This act would allow a resident taxpayer to elect to have state taxes withheld from
- 2           distributions from a mutual fund individual retirement account.
- 3           This act would take effect upon passage.

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