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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 CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS -- THE RHODE  
ISLAND LIMITED LIABILITY COMPANY ACT

Introduced By: Senators Tikoian, Patalano, LaMountain, Ciccone, Burke, Felag, Urso,  
Dimitri, Rogers, and Thompson

Date Introduced: February 26, 2025

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 7-16-39, 7-16-65 and 7-16-67 of the General Laws in Chapter 7-16  
2 entitled "The Rhode Island Limited Liability Company Act" are hereby amended to read as follows:

3 **7-16-39. Dissolution.**

4 (a) A limited liability company is dissolved and its affairs shall be wound up upon the  
5 happening of the first to occur of the following:

6 (1) At any time specified in the articles of organization;

7 (2) An event specified in the articles of organization or a written operating agreement to  
8 cause dissolution;

9 (3) By action of members taken pursuant to § 7-16-21(b)(1);

10 (4) On the written consent of a majority of the capital values of the remaining members  
11 after the death, withdrawal, expulsion, bankruptcy, or dissolution of a member, or the occurrence  
12 of any other event that terminates the continued membership of a member in the limited liability  
13 company, unless otherwise provided in the articles of organization or a written operating  
14 agreement;

15 (5) Unless otherwise provided in the articles of incorporation or a written operating  
16 agreement, on the death, withdrawal, expulsion, bankruptcy or dissolution of the last remaining  
17 member or any other event that terminates the continued membership of the last remaining member,  
18 unless within ninety (90) days the successor(s) in interest of the last remaining member and any

1 assignees of the member's interest and of any other member's interest agree in writing to admit at  
2 least one (1) member to continue the business of the limited liability company; or

3 (6) Entry of a decree of judicial dissolution under § 7-16-40.

4 [\(b\) A limited liability company shall not be required to obtain a letter of good standing](#)  
5 [from the division of taxation in order to dissolve.](#)

6 **7-16-65. Filing, service, and copying fees.**

7 The secretary of state shall charge and collect:

8 (1) For filing the original articles of organization, a fee of ~~one hundred fifty dollars (\$150)~~  
9 [five hundred dollars \(\\$500\)](#);

10 (2) For amending, restating, or amending and restating the articles of organization, a fee of  
11 fifty dollars (\$50.00);

12 (3) For filing articles of merger or consolidation and issuing a certificate, a fee of one  
13 hundred dollars (\$100);

14 (4) For filing articles of dissolution, a fee of fifty dollars (\$50.00);

15 (5) For issuing a certificate of good standing/letter of status, a fee of twenty dollars  
16 (\$20.00);

17 (6) For issuing a certificate of fact, a fee of thirty dollars (\$30.00);

18 (7) For furnishing a certified copy of any document, instrument, or paper relating to a  
19 domestic or foreign limited liability company, a fee of fifteen cents (\$.15) per page and ten dollars  
20 (\$10.00) for the certificate and affirming the seal to it;

21 (8) For accepting an application for reservation of a name, or for filing a notice of the  
22 transfer or cancellation of any name reservation, a fee of fifty dollars (\$50.00);

23 (9) For filing a fictitious business name statement or abandonment of use of a fictitious  
24 business name, a fee of fifty dollars (\$50.00);

25 (10) For filing a statement of change of resident agent and address of registered agent, a  
26 fee of twenty dollars (\$20.00);

27 (11) For filing a statement of change of address only for a resident agent, no fee;

28 (12) For any service of notice, demand, or process on the registered agent of a foreign or  
29 domestic limited liability company, a fee of fifteen dollars (\$15.00), which amount may be  
30 recovered as taxable costs by the party to the suit, action, or proceeding causing the service to be  
31 made if the party prevails in the suit;

32 (13) For filing an annual report, a fee of fifty dollars (\$50.00);

33 (14) For filing a certificate of correction, a fee of fifty dollars (\$50.00);

34 (15) For filing an application for registration as a foreign limited liability company, a fee

1 of one hundred fifty dollars (\$150);

2 (16) For filing a certificate of amendment to the registration of a foreign limited liability  
3 company, a fee of fifty dollars (\$50.00);

4 (17) For filing a certificate of cancellation of a foreign limited liability company, a fee of  
5 seventy-five dollars (\$75.00);

6 (18) At the time of any service of process upon the secretary of state as a resident agent of  
7 a limited liability company, fifteen dollars (\$15.00), which amount may be recovered as a taxable  
8 cost by the party to the suit or action making the service if the party prevails in the suit or action;

9 (19) For filing any other statement or report, except an annual report, of a domestic or  
10 foreign limited liability company, a fee of ten dollars (\$10.00); and

11 (20) For filing a certificate of conversion to a non-Rhode Island entity, a fee of fifty dollars  
12 (\$50.00).

13 **7-16-67. Filing of returns with the tax administrator — Annual charge.**

14 (a) A return, in the form and containing the information as the tax administrator may  
15 prescribe, shall be filed with the tax administrator by the limited liability company:

16 (1) In case the fiscal year of the limited liability company is the calendar year, on or before  
17 the fifteenth day of March in the year following the close of the fiscal year; and

18 (2) In case the fiscal year of the limited liability company is not a calendar year, on or  
19 before the fifteenth day of the third month following the close of the fiscal year.

20 (b) For tax years on or after January 1, 2016, a return, in the form and containing the  
21 information as the tax administrator may prescribe, shall be filed with the tax administrator by the  
22 limited liability company and shall be filed on or before the date a federal tax return is due to be  
23 filed, without regard to extension.

24 (c) An annual charge shall be due on the filing of the limited liability company's return  
25 filed with the tax administrator and shall be paid to the division of taxation as follows:

26 (1) If the limited liability company is treated as a corporation for purposes of federal  
27 income taxation, it shall pay the taxes as provided in chapters 11 and 12 [repealed] of title 44; or

28 (2) If the limited liability company is not treated as a corporation for purposes of federal  
29 income taxation, it shall pay a fee in an amount equal to the minimum tax imposed upon a  
30 corporation under § 44-11-2(e). The due date for a limited liability company that is not treated as a  
31 corporation for purposes of federal income taxation shall be on or before the fifteenth day of the  
32 fourth month following the close of the fiscal year.

33 (d) For tax years on or after January 1, 2016, a return, in the form and containing the  
34 information as the tax administrator may prescribe, shall be filed with the tax administrator by the

1 limited liability company and shall be filed on or before the date a federal tax return is due to be  
2 filed, without regard to extension.

3 (e) The annual charge is delinquent if not paid by the due date for the filing of the return  
4 and an addition of one hundred dollars (\$100) to the charge is then due.

5 [\(f\) A single member limited liability company shall be exempt from the filing requirements](#)  
6 [in this section.](#)

7 SECTION 2. Section 44-11-2 of the General Laws in Chapter 44-11 entitled "Business  
8 Corporation Tax" is hereby amended to read as follows:

9 **44-11-2. Imposition of tax.**

10 (a) Each corporation shall annually pay to the state a tax equal to nine percent (9%) of net  
11 income, as defined in § 44-11-11, qualified in § 44-11-12, and apportioned to this state as provided  
12 in §§ 44-11-13 — 44-11-15, for the taxable year. For tax years beginning on or after January 1,  
13 2015, each corporation shall annually pay to the state a tax equal to seven percent (7.0%) of net  
14 income, as defined in § 44-11-13 — 44-11-15, for the taxable year.

15 (b) A corporation shall pay the amount of any tax as computed in accordance with  
16 subsection (a) after deducting from "net income," as used in this section, fifty percent (50%) of the  
17 excess of capital gains over capital losses realized during the taxable year, if for the taxable year:

18 (1) The corporation is engaged in buying, selling, dealing in, or holding securities on its  
19 own behalf and not as a broker, underwriter, or distributor;

20 (2) Its gross receipts derived from these activities during the taxable year amounted to at  
21 least ninety percent (90%) of its total gross receipts derived from all of its activities during the year.  
22 "Gross receipts" means all receipts, whether in the form of money, credits, or other valuable  
23 consideration, received during the taxable year in connection with the conduct of the taxpayer's  
24 activities.

25 (c) A corporation shall not pay the amount of the tax computed on the basis of its net  
26 income under subsection (a), but shall annually pay to the state a tax equal to ten cents (\$.10) for  
27 each one hundred dollars (\$100) of gross income for the taxable year or a tax of one hundred dollars  
28 (\$100), whichever tax shall be the greater, if for the taxable year the corporation is either a "personal  
29 holding company" registered under the federal Investment Company Act of 1940, 15 U.S.C. § 80a-  
30 1 et seq., "regulated investment company," or a "real estate investment trust" as defined in the  
31 federal income tax law applicable to the taxable year. "Gross income" means gross income as  
32 defined in the federal income tax law applicable to the taxable year, plus:

33 (1) Any interest not included in the federal gross income; minus

34 (2) Interest on obligations of the United States or its possessions, and other interest exempt

1 from taxation by this state; and minus

2 (3) Fifty percent (50%) of the excess of capital gains over capital losses realized during the  
3 taxable year.

4 (d)(1) A small business corporation having an election in effect under subchapter S, 26  
5 U.S.C. § 1361 et seq., shall not be subject to the Rhode Island income tax on corporations, except  
6 that the corporation shall be subject to the provisions of subsection (a), to the extent of the income  
7 that is subjected to federal tax under subchapter S. Effective for tax years beginning on or after  
8 January 1, 2015, a small business corporation having an election in effect under subchapter S, 26  
9 U.S.C. § 1361 et seq., shall be subject to the minimum tax under § 44-11-2(e).

10 (2) The shareholders of the corporation who are residents of Rhode Island shall include in  
11 their income their proportionate share of the corporation's federal taxable income.

12 (3) [Deleted by P.L. 2004, ch. 595, art. 29, § 1.]

13 (4) [Deleted by P.L. 2004, ch. 595, art. 29, § 1.]

14 (e) Minimum tax. The tax imposed upon any corporation under this section, including a  
15 small business corporation having an election in effect under subchapter S, 26 U.S.C. § 1361 et  
16 seq., shall not be less than four hundred fifty dollars (\$450). For tax years beginning on or after  
17 January 1, 2017, the tax imposed shall not be less than four hundred dollars (\$400). [A limited  
18 liability company shall be exempt from the minimum tax.](#)

19 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO CORPORATIONS, ASSOCIATIONS AND PARTNERSHIPS -- THE RHODE  
ISLAND LIMITED LIABILITY COMPANY ACT

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1           This act would increase the filing fee to organize a limited liability company to five  
2 hundred dollars (\$500). This act would further eliminate the annual tax return filing requirement  
3 and the minimum tax. This act would further eliminate the requirement to obtain a letter of good  
4 standing from the division of taxation in order to dissolve.

5           This act would take effect upon passage.

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