

2015 -- H 5796

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LC001500
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO TAXATION

Introduced By: Representatives Ucci, Winfield, Costantino, Blazejewski, and Kazarian

Date Introduced: March 05, 2015

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 70

4 MANUFACTURING TAX CREDIT

5 **44-70-1. Manufacturing tax credit.** – (a) A manufacturer shall be allowed a credit, to be
6 computed as provided in this chapter, against the tax imposed by chapters 11, 13, 14, 15, 17 and
7 30 of this title. The amount of the credit shall be the full value of any new capital investment,
8 building addition or equipment valued at ten thousand dollars (\$10,000) or greater.

9 (b) For purposes of this chapter, the term "manufacturer" is defined in §§ 44-3-3(20)(iii)
10 and (iv).

11 (c) The credit allowed under this section is only allowed against the tax of that
12 corporation included in a consolidated return that qualifies for the credit and not against the tax of
13 other corporations that may join in the filing of a consolidated tax return.

14 (d) The credit allowed under this chapter for any taxable year shall not reduce the tax due
15 for that year to less than one hundred dollars (\$100). Any amount of credit not deductible in that
16 taxable year may not be carried over to the following year. This credit may not be applied against
17 the tax until all other credits available to the taxpayer for that taxable year have been applied.

18 (e) In the event that the taxpayer is a partnership, joint venture, or small business
19 corporation, the credit shall be divided in the manner as income.

1 (f) The tax administrator shall make available suitable forms with instructions for
2 claiming the credit. The claim shall be in a form that the tax administrator prescribes. The tax
3 administrator shall prescribe rules and regulations, not inconsistent with law, to carry into effect
4 the provisions of this chapter.

5 (g) If any part of this chapter is for any reason declared void, the invalidity shall not
6 affect the validity of the remaining portion of this chapter.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would establish a manufacturer's tax credit for new capital investments, building
- 2 additions and equipment valued at ten thousand dollars (\$10,000) or greater.
- 3 This act would take effect upon passage.

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