

1 balance prior to transfer, the credit certificate number, the transferor's remaining tax credit
2 balance after transfer, all identification numbers for both transferor and transferee, the date of
3 transfer, the amount transferred, the price paid for the credits, a copy of the credit certificate, and
4 any other information required by the division of taxation.

5 (c) Each year at the end of the month of January, the division of taxation shall report a
6 record of each tax credit transfer made during the previous year, including the following
7 information for each transfer: the credit amount transferred, the price paid for the credits and the
8 date on which the transfer occurred. This report shall be available to the public for inspection by
9 any person and shall be published by the tax administrator on the tax division website.

10 **44-70-4. Redemption.** -- (a) The division of taxation shall establish, by regulation, a
11 redemption process for tax credits referenced under chapter 64.20 of title 42 ("Rebuild Rhode
12 Island Tax Credit"); chapter 31.2 of title 44 ("Motion Picture Production Tax Credits"); chapter
13 31.3 of title 44 ("Musical and Theatrical Production Tax Credits"); chapter 33.6 of title 44
14 ("Historic Preservation Tax Credits 2013"); and chapter 48.3 of title 44 ("Rhode Island New
15 Qualified Jobs Incentive Act 2015").

16 (b) Upon request of a taxpayer and subject to annual appropriation, the state shall redeem
17 all credits issued after July 1, 2016, under chapter 64.20 of title 42 ("Rebuild Rhode Island Tax
18 Credit"); chapter 31.2 of title 44 ("Motion Picture Production Tax Credits"); chapter 31.3 of title
19 44 ("Musical and Theatrical Production Tax Credits"); chapter 33.6 of title 44 ("Historic
20 Preservation Tax Credits 2013"); and chapter 48.3 of title 44 ("Rhode Island New Qualified Jobs
21 Incentive Act 2015"), in whole or in part, for one hundred percent (100%) of the value of the tax
22 credit; provided that the redemption of credits issued pursuant to chapter 48.3 of title 44 shall not
23 be subject to annual appropriation, but be subject to the provisions of § 44-48.3-8.

24 SECTION 2. This act shall take effect on July 1, 2016.

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LC005365/SUB A
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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO TAXATION - TAX CREDITS

1 This act would enhance the reporting requirements related to the transfer or conveyance
2 of transferable tax credits and would increase the level at which the state would redeem
3 transferable credits to one hundred percent (100%) of the value of the tax credits.

4 This act would take effect on January 1, 2016.

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LC005365/SUB A
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