

2018 -- H 7550

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

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A N A C T

RELATING TO TAXATION -- RHODE ISLAND OCEAN STATE FUND

Introduced By: Representatives Marshall, O'Brien, Edwards, Morin, and Casey

Date Introduced: February 09, 2018

Referred To: House 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
2 hereby amended by adding thereto the following section:

3 **44-30-101. Credit for contributions to the Rhode Island Ocean State Fund.**

4 (a) For the taxable years beginning on or after January 1, 2018, there shall be allowed as
5 a credit against the personal income tax otherwise due for the taxable year under this chapter, an
6 amount equal to the amount contributed by the taxpayer for the taxable year to the Rhode Island
7 Ocean State Fund.

8 (b)(1) The Rhode Island Ocean State Fund is hereby created in the state's general fund to
9 accept monetary contributions for exclusively public purposes as specified under Section 170 of
10 the Internal Revenue Code, as amended, relating to charitable contributions and gifts. All
11 amounts in the fund shall be used for those public purposes upon appropriation by the general
12 assembly.

13 (2) For the purposes of this section, the general treasurer shall do both of the following:

14 (i) Establish a procedure for the public to make monetary contributions to the Rhode
15 Island Ocean State Fund and for any taxpayer to obtain from the general treasurer a certification
16 for the credit allowed by this section. The procedure shall require the general treasurer to certify
17 the contribution amount eligible for credit within forty-five (45) days following receipt of the
18 contribution.

19 (ii) Provide to the division of taxation a copy of each credit certificate issued for the

1 calendar year by March 1 of the calendar year immediately following the year in which those
2 certificates are issued.

3 (c)(1) The general treasurer shall adopt any regulations necessary or appropriate to
4 implement this section.

5 (2) Chapter 35 of title 42 ("the administrative procedures act") shall not apply to any
6 regulation adopted by the general treasurer pursuant to subsection (2)(i) of this section.

7 (d)(1) In the case where the credit allowed by this section exceeds the personal income
8 tax otherwise due for the taxable year under this chapter, the excess may be carried over to reduce
9 the personal income tax due under this chapter in the following year, and succeeding five (5)
10 years if necessary, until the credit is exhausted.

11 (2) A deduction shall not be allowed for amounts taken into account under this section in
12 calculating the credit allowed by this section.

13 (e) The tax credit allowed by subsection (a) of this section for donations to the Rhode
14 Island Ocean State Fund shall be known as the Rhode Island Ocean State Fund Tax Credit.

15 SECTION 2. Chapter 44-11 of the General Laws entitled "Business Corporation Tax" is
16 hereby amended by adding thereto the following section:

17 **44-11-46. Credit for contributions to the Rhode Island Ocean State Fund.**

18 (a) For the taxable years beginning on or after January 1, 2018, there shall be allowed as
19 a credit against the tax otherwise due for the taxable year under this chapter, an amount equal to
20 the amount contributed by the taxpayer for the taxable year to the Rhode Island Ocean State
21 Fund, created pursuant to § 44-30-101.

22 (b)(1) In the case where the credit allowed by this section exceeds the tax otherwise due
23 for the taxable year under this chapter, the excess may be carried over to reduce the tax due under
24 this chapter in the following year, and succeeding five (5) years if necessary, until the credit is
25 exhausted.

26 (2) A deduction shall not be allowed for amounts taken into account under this section in
27 calculating the credit allowed by this section.

28 (c) The tax credit allowed by subsection (a) of this section for donations to the Rhode
29 Island Ocean State Fund shall be known as the Rhode Island Ocean State Fund Tax Credit.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO TAXATION -- RHODE ISLAND OCEAN STATE FUND

1 This act would, for taxable years beginning on or after January 1, 2018, allow a credit
2 equal to the amount contributed by a taxpayer for the taxable year to the Rhode Island Ocean
3 State Fund, which is created in the general fund to accept monetary contributions for exclusively
4 public purposes. This act would further require all amounts in this fund to be used for those
5 public purposes upon appropriation by the general assembly.

6 This act would also require the general treasurer to establish a procedure for the public to
7 make monetary contributions to the Rhode Island Ocean State Fund and for any taxpayer to
8 obtain from the general treasurer a certification for the credit allowed.

9 This act would take effect upon passage.

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