

2018 -- H 7902

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LC005083  
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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 - PERSONAL INCOME TAX

Introduced By: Representatives Marshall, Filippi, Maldonado, Bennett, and McNamara

Date Introduced: February 28, 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 **44-30-28. Credit for education costs.**

4 (a) General. A taxpayer shall be allowed a credit, against the Rhode Island personal  
5 income tax otherwise due for the taxable year, for the aggregate amount of education costs as  
6 determined pursuant to 26 CFR § 1.213-1(e)(1)(v)(a), (as amended from time to time) in the tax  
7 year in which such education costs are incurred. This credit shall not be applied until all other  
8 credits available to the taxpayer for that taxable year are applied. If the allowable credit exceeds  
9 the taxes due on the taxpayer's income for the tax year in which such education costs are incurred,  
10 the amount of the credit not used as an offset against the income taxes of that taxable year may be  
11 refunded to the taxpayer.

12 (b) Limitation of credit. The annual credit allowable for an applicable taxpayer shall not  
13 exceed ten thousand dollars (\$10,000) for each individual for whom such taxpayer paid such  
14 education costs.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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RELATING TO TAXATION - PERSONAL INCOME TAX

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1           This act would allow a credit against personal income tax due for educational costs  
2 incurred in the taxable year. The annual credit allowable shall not exceed ten thousand dollars  
3 (\$10,000) for each individual for whom the taxpayer paid such education costs.

4           This act would take effect upon passage.

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