

**ARTICLE 6 AS AMENDED**

RELATING TO TAXES AND REVENUE

SECTION 1. Sections 5-65-5, 5-65-8 and 5-65-9 of the General Laws in Chapter 5-65 entitled "Contractors' Registration and Licensing Board" are hereby amended to read as follows:

**5-65-5. Registered application.**

(a) A person who wishes to register as a contractor shall submit an application upon a form prescribed by the board. The application shall include:

(1) Workers' compensation insurance account number, or company name if a number has not yet been obtained, if applicable;

(2) Unemployment insurance account number, if applicable;

(3) State withholding tax account number, if applicable;

(4) Federal employer identification number, if applicable, or if self-employed and participating in a retirement plan;

(5)(i) The individual(s) name and business address and residential address of:

(A) Each partner or venturer, if the applicant is a partnership or joint venture;

(B) The owner, if the applicant is an individual proprietorship;

(C) The corporation officers and a copy of corporate papers filed with the Rhode Island secretary of state's office, if the applicant is a corporation;

(ii) Post office boxes are not acceptable as the only address;

(6) A statement as to whether or not the applicant has previously applied for registration, or is or was an officer, partner, or venturer of an applicant who previously applied for registration and if so, the name of the corporation, partnership, or venture;

(7) Valid insurance certificate for the type of work being performed.

(b) A person may be prohibited from registering or renewing a registration as a contractor under the provisions of this chapter or his or her registration may be revoked or suspended if he or she has any unsatisfied or outstanding judgments from arbitration, bankruptcy, courts, or administrative agency against him or her relating to his or her work as a contractor, and provided, further, that a statement shall be provided to the board attesting to the information herein.

(c) Failure to provide or falsified information on an application, or any document required by this chapter, is punishable by a fine not to exceed ten thousand dollars (\$10,000) and/or

1 revocation of the registration.

2 (d) An applicant must be at least eighteen (18) years of age.

3 (e) Satisfactory proof shall be provided to the board evidencing the completion of ~~five (5)~~  
4 two and one-half (2.5) hours of continuing education units that will be required to be maintained  
5 by residential contractors as a condition of registration as determined by the board pursuant to  
6 established regulations.

7 (f) A certification in a form issued by the board shall be completed upon registration or  
8 license or renewal to ensure contractors are aware of certain provisions of this law and shall be  
9 signed by the registrant before a registration can be issued or renewed.

10 **5-65-8. Term of registration – Renewal – Registration identification card.**

11 (a) A certificate of registration shall be valid for ~~two one (2) (1)~~ years from the date of  
12 issuance unless the registration is revoked or suspended as described in § 5-65-10. It may be  
13 renewed by the same procedure provided for an original registration upon application and  
14 furnishing of any additional supplemental information that the board may require by rule.

15 (b) The board shall issue a pocket-card certificate of registration to a contractor registered  
16 under this chapter including a picture of the registrant as prescribed by the board in the rules and  
17 regulations. The Rhode Island department of administration, division of motor vehicles, shall, upon  
18 the board's request, provide electronic copies of the digital photos of any registrant under this  
19 chapter on record to be incorporated into the contractors' registration data bank to match the drivers'  
20 licenses or IDs provided by registrants or applicants unless the applicant provides written  
21 notification to the board to the contrary.

22 (c) The board may vary the dates of registration renewal by giving to the registrant written  
23 notice of the renewal date assigned and by making appropriate adjustments in the renewal fee.

24 (d) The presentation of the registration or license identification card shall be mandatory at  
25 the time of permit application.

26 (e) If a registrant files in bankruptcy court, the board must be notified in writing by the  
27 registrant and kept informed of the status of the case until dismissed, discharged, or resolved in  
28 court.

29 **5-65-9. Registration fee.**

30 (a) Each applicant shall pay to the board:

31 (1) For original registration or renewal of registration, a fee of ~~two hundred dollars (\$200)~~  
32 one hundred and fifty dollars (\$150).

33 (2) A fee for all changes in the registration, as prescribed by the board, other than those  
34 due to clerical errors.

1 (b) All fees and fines collected by the board shall be deposited as general revenues to  
2 support the activities set forth in this chapter until June 30, 2008. Beginning July 1, 2008, all fees  
3 and fines collected by the board shall be deposited into a restricted-receipt account for the exclusive  
4 use of supporting programs established by this chapter.

5 (c) On or before January 15, 2018, and annually thereafter, the board shall file a report with  
6 the speaker of the house and the president of the senate, with copies to the chairpersons of the house  
7 and senate finance committees, detailing:

8 (1) The total number of fines issued, broken down by category, including the number of  
9 fines issued for a first violation and the number of fines issued for a subsequent violation;

10 (2) The total dollar amount of fines levied;

11 (3) The total amount of fees, fines, and penalties collected and deposited for the most  
12 recently completed fiscal year; and

13 (4) The account balance as of the date of the report.

14 (d) Each year, the department of business regulation shall prepare a proposed budget to  
15 support the programs approved by the board. The proposed budget shall be submitted to the board  
16 for its review. A final budget request shall be submitted to the legislature as part of the department  
17 of business regulation's annual request.

18 (e) New or renewal registrations may be filed online or with a third-party approved by the  
19 board, with the additional cost incurred to be borne by the registrant.

20 SECTION 2. Section 73-4 of Chapter 5 of the General Laws entitled "Roofing Contractors"  
21 is hereby amended to read as follows:

22 **5-73-4. Registration fee.**

23 All roofing contractors shall submit a payment in the amount of four hundred dollars  
24 (\$400), which shall support the licensing program, representing a license fee along with the  
25 application referenced in § 5-73-3, and be required to comply with the provisions of chapter 65 of  
26 this title and those provisions shall be interpreted to include commercial roofers as defined in this  
27 chapter. Beginning July 1, 2008, all fines and fees collected pursuant to this chapter shall be  
28 deposited into a restricted-receipt account for the exclusive use of supporting programs established  
29 by the board. [The license shall expire every two \(2\) years on the anniversary date of the license's](#)  
30 [issuance and may be renewed upon payment of a two hundred dollar \(\\$200\) fee.](#)

31 SECTION 3. Section 7-11-206 of the General Laws in Chapter 7-11 entitled "Rhode Island  
32 Uniform Securities Act" is hereby amended to read as follows:

33 **7-11-206. Licensing and notice fees; and filing requirements for federal covered**  
34 **advisers.**

1 (a) A federal covered adviser or an applicant for licensing shall pay an annual fee as  
2 follows:

3 (1) Broker-dealer three hundred dollars (\$300) and for each branch office one hundred  
4 dollars (\$100);

5 (2) Sales representative ~~seventy five dollars (\$75.00)~~ one hundred dollars (\$100.00);

6 (3) Investment adviser three hundred dollars (\$300);

7 (4) Investment adviser representative sixty dollars (\$60.00); and

8 (5) Federal covered adviser three hundred dollars (\$300).

9 (b) Except with respect to federal covered advisers whose only clients are those described  
10 in § 7-11-204(1)(i), a federal covered adviser shall file any documents filed with the U.S. Securities  
11 and Exchange Commission with the director, that the director requires by rule or order, together  
12 with any notice fee and consent to service of process that the director requires by rule or order. The  
13 notice filings under this subsection expire annually on December 31, unless renewed.

14 (c) A notice filing under this section is effective from receipt until the end of the calendar  
15 year. A notice filing may be renewed by filing any documents that have been filed with the U.S.  
16 Securities and Exchange Commission as required by the director along with a renewal fee of three  
17 hundred dollars (\$300).

18 (d) A federal covered adviser may terminate a notice filing upon providing the director  
19 notice of the termination, which is effective upon receipt by the director.

20 (e) Notwithstanding the provisions of this section, until October 11, 1999, the director may  
21 require the registration as an investment adviser of any federal covered adviser who has failed to  
22 promptly pay the fees required by this section after written notification from the director of the  
23 nonpayment or underpayment of the fees. A federal covered adviser is considered to have promptly  
24 paid the fees if they are remitted to the director within fifteen (15) days following the federal  
25 covered adviser's receipt of written notice from the director.

26 (f) For purposes of this section, "branch office" means any location where one or more  
27 associated persons of a broker-dealer regularly conducts the business of effecting any transactions  
28 in, or inducing or attempting to induce the purchase or sale of any security, or is held out as such,  
29 excluding:

30 (1) Any location that is established solely for customer service and/or back office type  
31 functions where no sales activities are conducted and that is not held out to the public as a branch  
32 office;

33 (2) Any location that is the associated person's primary residence; provided that:

34 (i) Only one associated person, or multiple associated persons who reside at that location

1 and are members of the same immediate family, conduct business at the location;

2 (ii) The location is not held out to the public as an office and the associated person does  
3 not meet with customers at the location;

4 (iii) Neither customer funds nor securities are handled at that location;

5 (iv) The associated person is assigned to a designated branch office, and such designated  
6 branch office is reflected on all business cards, stationery, advertisements and other  
7 communications to the public by such associated person;

8 (v) The associated person's correspondence and communications with the public are  
9 subject to the firm's supervision in accordance with Rule 3010 of the Financial Industry Regulatory  
10 Authority;

11 (vi) Electronic communications are made through the broker-dealer's electronic system;

12 (vii) All orders are entered through the designated branch office or an electronic system  
13 established by the broker-dealer that is reviewable at the branch office;

14 (viii) Written supervisory procedures pertaining to supervision of sales activities conducted  
15 at the residence are maintained by the broker-dealer; and

16 (ix) A list of the residence locations is maintained by the broker-dealer;

17 (3) Any location, other than a primary residence, that is used for securities business for less  
18 than thirty (30) business days in any one calendar year, provided the broker-dealer complies with  
19 the provisions of subsections (f)(2)(i) through (ix) above;

20 (4) Any office of convenience, where associated person(s) occasionally and exclusively by  
21 appointment meet with customers, which is not held out to the public as an office;

22 (5) Any location that is used primarily to engage in non-securities activities and from which  
23 the associated person(s) effects no more than twenty-five (25) securities transactions in any one  
24 calendar year; provided that any advertisement or sales literature identifying such location also sets  
25 forth the address and telephone number of the location from which the associated person(s)  
26 conducting business at the non-branch locations are directly supervised;

27 (6) The floor of a registered national securities exchange where a broker-dealer conducts a  
28 direct access business with public customers;

29 (7) A temporary location established in response to the implementation of a business  
30 continuity plan.

31 (g) Notwithstanding the exclusions in subsection (f), any location that is responsible for  
32 supervising the activities of persons associated with the broker-dealer at one or more non-branch  
33 locations of the broker-dealer is considered to be a branch office.

34 (h) The term "business day" as used in subsection (f) shall not include any partial business

1 day provided that the associated person spends at least four (4) hours on such business day at his  
2 or her designated branch office during the hours that such office is normally open for business.

3 (i) Where such office of convenience is located on bank premises, signage necessary to  
4 comply with applicable federal and state laws, rules and regulations and applicable rules and  
5 regulations of the New York Stock Exchange, other self-regulatory organizations, and securities  
6 and banking regulators may be displayed and shall not be deemed "holding out" for purposes of  
7 subsection (f)(4).

8 (j) If an application is denied or withdrawn or the license is revoked, suspended, or  
9 withdrawn, the director is not required to refund the fee paid.

10 (k) The director may issue a stop order suspending the activities of a federal covered  
11 adviser in this state if the director reasonably believes there has been a violation of the provisions  
12 of this section.

13 SECTION 4. Section 23-17-38.1 of the General Laws in Chapter 23-17 entitled "Licensing  
14 of Health Care Facilities" is hereby amended to read as follows:

15 **23-17-38.1. Hospitals – Licensing fee.**

16 ~~(a) There is also imposed a hospital licensing fee at the rate of six percent (6%) upon the~~  
17 ~~net patient services revenue of every hospital for the hospital's first fiscal year ending on or after~~  
18 ~~January 1, 2017, except that the license fee for all hospitals located in Washington County, Rhode~~  
19 ~~Island shall be discounted by thirty seven percent (37%). The discount for Washington County~~  
20 ~~hospitals is subject to approval by the Secretary of the U.S. Department of Health and Human~~  
21 ~~Services of a state plan amendment submitted by the executive office of health and human services~~  
22 ~~for the purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This~~  
23 ~~licensing fee shall be administered and collected by the tax administrator, division of taxation~~  
24 ~~within the department of revenue, and all the administration, collection, and other provisions of~~  
25 ~~chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator~~  
26 ~~on or before July 10, 2019, and payments shall be made by electronic transfer of monies to the~~  
27 ~~general treasurer and deposited to the general fund. Every hospital shall, on or before June 14,~~  
28 ~~2019, make a return to the tax administrator containing the correct computation of net patient~~  
29 ~~services revenue for the hospital fiscal year ending September 30, 2017, and the licensing fee due~~  
30 ~~upon that amount. All returns shall be signed by the hospital's authorized representative, subject to~~  
31 ~~the pains and penalties of perjury.~~

32 (b) (a) There is also imposed a hospital licensing fee at the rate of six percent (6%) upon  
33 the net patient-services revenue of every hospital for the hospital's first fiscal year ending on or  
34 after January 1, 2018, except that the license fee for all hospitals located in Washington County,

1 Rhode Island shall be discounted by thirty-seven percent (37%). The discount for Washington  
2 County hospitals is subject to approval by the Secretary of the U.S. Department of Health and  
3 Human Services of a state plan amendment submitted by the executive office of health and human  
4 services for the purpose of pursuing a waiver of the uniformity requirement for the hospital license  
5 fee. This licensing fee shall be administered and collected by the tax administrator, division of  
6 taxation within the department of revenue, and all the administration, collection, and other  
7 provisions of Chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax  
8 administrator on or before July 13, 2020, and payments shall be made by electronic transfer of  
9 monies to the general treasurer and deposited to the general fund. Every hospital shall, on or before  
10 June 15, 2020, make a return to the tax administrator containing the correct computation of net  
11 patient- services revenue for the hospital fiscal year ending September 30, 2018, and the licensing  
12 fee due upon that amount. All returns shall be signed by the hospital's authorized representative,  
13 subject to the pains and penalties of perjury.

14 ~~(e)~~ (b) There is also imposed a hospital licensing fee for state fiscal year 2021 against each  
15 hospital in the state. The hospital licensing fee is equal to five percent (5.0%) of the net patient-  
16 services revenue of every hospital for the hospital's first fiscal year ending on or after January 1,  
17 ~~2018~~ 2019, except that the license fee for all hospitals located in Washington County, Rhode Island  
18 shall be discounted by thirty-seven percent (37%). The discount for Washington County hospitals  
19 is subject to approval by the Secretary of the U.S. Department of Health and Human Services of a  
20 state plan amendment submitted by the executive office of health and human services for the  
21 purpose of pursuing a waiver of the uniformity requirement for the hospital license fee. This  
22 licensing fee shall be administered and collected by the tax administrator, division of taxation  
23 within the department of revenue, and all the administration, collection, and other provisions of  
24 Chapter 51 of title 44 shall apply. Every hospital shall pay the licensing fee to the tax administrator  
25 on or before July 13, 2021, and payments shall be made by electronic transfer of monies to the  
26 general treasurer and deposited to the general fund. Every hospital shall, on or before June 15,  
27 2020, make a return to the tax administrator containing the correct computation of net patient-  
28 services revenue for the hospital fiscal year ending September 30, ~~2018~~ 2019, and the licensing fee  
29 due upon that amount. All returns shall be signed by the hospital's authorized representative, subject  
30 to the pains and penalties of perjury.

31 ~~(e)~~ (c) There is also imposed a hospital licensing fee for state fiscal year 2022 against each  
32 hospital in the state. The hospital licensing fee is equal to five and seven hundred twenty-five  
33 thousandths percent (5.725%) of the net patient-services revenue of every hospital for the hospital's  
34 first fiscal year ending on or after January 1, 2020, except that the license fee for all hospitals

1 located in Washington County, Rhode Island shall be discounted by thirty-seven percent (37%).  
2 The discount for Washington County hospitals is subject to approval by the Secretary of the U.S.  
3 Department of Health and Human Services of a state plan amendment submitted by the executive  
4 office of health and human services for the purpose of pursuing a waiver of the uniformity  
5 requirement for the hospital license fee. This licensing fee shall be administered and collected by  
6 the tax administrator, division of taxation within the department of revenue, and all the  
7 administration, collection, and other provisions of Chapter 51 of title 44 shall apply. Every hospital  
8 shall pay the licensing fee to the tax administrator on or before July 13, 2022, and payments shall  
9 be made by electronic transfer of monies to the general treasurer and deposited to the general fund.  
10 Every hospital shall, on or before June 15, 2022, make a return to the tax administrator containing  
11 the correct computation of net patient-services revenue for the hospital fiscal year ending  
12 September 30, 2020, and the licensing fee due upon that amount. All returns shall be signed by the  
13 hospital's authorized representative, subject to the pains and penalties of perjury.

14 (d) For purposes of this section the following words and phrases have the following  
15 meanings:

16 (1) "Hospital" means the actual facilities and buildings in existence in Rhode Island,  
17 licensed pursuant to § 23-17-1 et seq. on June 30, 2010, and thereafter any premises included on  
18 that license, regardless of changes in licensure status pursuant to chapter 17.14 of title 23 (hospital  
19 conversions) and § 23-17-6(b) (change in effective control), that provides short-term acute inpatient  
20 and/or outpatient care to persons who require definitive diagnosis and treatment for injury, illness,  
21 disabilities, or pregnancy. Notwithstanding the preceding language, the negotiated Medicaid  
22 managed care payment rates for a court-approved purchaser that acquires a hospital through  
23 receivership, special mastership, or other similar state insolvency proceedings (which court-  
24 approved purchaser is issued a hospital license after January 1, 2013) shall be based upon the newly  
25 negotiated rates between the court-approved purchaser and the health plan, and such rates shall be  
26 effective as of the date that the court-approved purchaser and the health plan execute the initial  
27 agreement containing the newly negotiated rate. The rate-setting methodology for inpatient hospital  
28 payments and outpatient hospital payments set forth in §§ 40-8-13.4(b) and 40-8-13.4(b)(2),  
29 respectively, shall thereafter apply to negotiated increases for each annual twelve-month (12)  
30 period as of July 1 following the completion of the first full year of the court-approved purchaser's  
31 initial Medicaid managed care contract.

32 (2) "Gross patient-services revenue" means the gross revenue related to patient care  
33 services.

34 (3) "Net patient-services revenue" means the charges related to patient care services less



1 (i) charges attributable to charity care; (ii) bad debt expenses; and (iii) contractual allowances.

2 (e) The tax administrator shall make and promulgate any rules, regulations, and procedures  
3 not inconsistent with state law and fiscal procedures that he or she deems necessary for the proper  
4 administration of this section and to carry out the provisions, policy, and purposes of this section.

5 (f) The licensing fee imposed by subsection (b) shall apply to hospitals as defined herein  
6 that are duly licensed on July 1, ~~2019~~ 2020, and shall be in addition to the inspection fee imposed  
7 by § 23-17-38 and to any licensing fees previously imposed in accordance with this section.

8 (g) The licensing fee imposed by subsection (c) shall apply to hospitals as defined herein  
9 that are duly licensed on July 1, ~~2020~~ 2021, and shall be in addition to the inspection fee imposed  
10 by § 23-17-38 and to any licensing fees previously imposed in accordance with this section.

11 SECTION 5. Section 42-17.1-9.1 of the General Laws in Chapter 42-17.1 entitled "User  
12 fees at state beaches, parks, and recreation areas" is hereby amended to read as follows:

13 **42-17.1-9.1. User fees at state beaches, parks, and recreation areas.**

14 (a) The department of environmental management in pursuance of its administrative duties  
15 and responsibilities may charge a user fee for any state beach, or recreational area under its  
16 jurisdiction, and fees for the use of its services or facilities.

17 (b) The fee may be on a daily or annual basis, or both, and may be based on vehicle parking  
18 or other appropriate means. The fees may recognize the contribution of Rhode Island taxpayers to  
19 support the facilities in relation to other users of the state's facilities. The fee structure may  
20 acknowledge the need to provide for all people, regardless of circumstances.

21 (c) An additional fee for camping and other special uses may be charged where appropriate.  
22 Rates so charged should be comparable to equivalent commercial facilities.

23 (d) All such fees shall be established after a public hearing.

24 (e) All daily fees from beach parking, which shall also include fees charged and collected  
25 at Ninigret conservation area and Charlestown breachway, shall be shared with the municipality in  
26 which the facility is located on the basis of seventy-three percent (73%) retained by the state and  
27 twenty-seven percent (27%) remitted to the municipality; provided, further, from July 1, 2016, until  
28 October 1, 2021, the beach fees charged and collected under this subsection shall be equal to those  
29 in effect on June 30, 2011.

30 (1) Notwithstanding subsection (e), effective July 1, 2021, the fees charged and collected  
31 for facilities located in the town of Westerly may exceed those in effect on June 30, 2011, in an  
32 amount to be reasonably determined by the department of environmental management.

33 (f) Fifty percent (50%) of all user and concession fees received by the state shall be  
34 deposited as general revenues. For the year beginning July 1, 1979, the proportion of user and

1 concession fees to be received by the state shall be sixty-five percent (65%); for the year beginning  
2 July 1, 1980, eighty-five percent (85%); and for the year beginning July 1, 1981, and all years  
3 thereafter, one hundred percent (100%). The general revenue monies appropriated are hereby  
4 specifically dedicated to meeting the costs of development, renovation of, and acquisition of state-  
5 owned recreation areas and for regular maintenance, repair and operation of state owned recreation  
6 areas. Purchases of vehicles and equipment and repairs to facilities shall not exceed four hundred  
7 thousand dollars (\$400,000) annually. Notwithstanding the provisions of § 37-1-1 or any other  
8 provision of the general laws, the director of the department of environmental management is  
9 hereby authorized to accept any grant, devise, bequest, donation, gift, or assignment of money,  
10 bonds, or other valuable securities for deposit in the same manner as provided above for user and  
11 concession fees retained by the state.

12 (g) No fee shall be charged to any school or other nonprofit organization provided that a  
13 representative of the school or other organization gives written notice of the date and time of their  
14 arrival to the facility.

15 SECTION 6. Sections 44-19-1 and 44-19-2 of the General Laws in Chapter 44-19 entitled  
16 “Sales and Use Taxes – Enforcement and Collection” are hereby amended to read as follows:

17 **44-19-1. Annual permit required – Retail business subject to sales tax – Promotion of**  
18 **shows – Revocation of show permit.**

19 (a)(1) Every person desiring to engage in or conduct within this state a business of making  
20 sales at retail, or engage in a business of renting living quarters in any hotel, rooming house, or  
21 tourist camp, the gross receipts from which sales or rental charges are required to be included in  
22 the measure of the tax imposed under chapter 18 of this title, shall file with the tax administrator  
23 an application for a permit for each place of business. The application shall be in a form, include  
24 information, and bear any signatures that the tax administrator may require. ~~At the time of making~~  
25 ~~an application, the applicant shall pay to the tax administrator a permit fee of ten dollars (\$10.00)~~  
26 ~~for each permit.~~ There shall be no fee for this permit. Every permit issued under this chapter expires  
27 ~~on June 30 of each year at the times prescribed by the tax administrator.~~

28 (2) Every permit holder shall annually, ~~on or before February 1~~ on forms prescribed and at  
29 the times prescribed by the tax administrator ~~of each year~~, renew its permit by filing an application  
30 ~~for renewal along with a ten dollars (\$10.00) renewal fee.~~ The renewal permit is valid for the period  
31 July 1 of that calendar year through June 30 of the subsequent calendar year unless otherwise  
32 canceled, suspended or revoked. All fees received under this section are allocated to the tax  
33 administrator for enforcement and collection of all taxes.

34 (b)(1) Every promoter of a show shall, at least ten (10) days prior to the opening of each

1 show, file with the tax administrator a notice stating the location and dates of the show, in a form  
2 prescribed by the tax administrator.

3 (2) The tax administrator shall, within five (5) days after the receipt of that notice, issue to  
4 the promoter, without charge, a permit to operate the show, unless the provisions of subdivision (5)  
5 of this subsection have been applied to the promoter. No promoter may operate a show without  
6 obtaining the permit. The permit shall be prominently displayed at the main entrance of the show.

7 (3) Any promoter who is a retailer shall comply with all of the provisions of this chapter  
8 and chapter 18 relating to retailers, in addition to all of the provisions of this chapter relating to  
9 promoters.

10 (4) A promoter may not permit any person to display or sell tangible personal property,  
11 services, or food and drink at a show unless that person is registered under subsection (a) of this  
12 section and displays his or her permit in accordance with the provisions of subsection (a) of this  
13 section.

14 (5) Any promoter who permits any person to display or sell tangible personal property,  
15 services, or food and drink at a show who is not registered, or does not display a permit, or fails to  
16 keep a record or file a monthly report of the name, address and permit number of every person  
17 whom the promoter permitted to sell or display tangible personal property, services, or food and  
18 drink at a show, is subject to revocation of all existing permits issued pursuant to this section to  
19 operate a show, and to the denial of a permit to operate any show for a period of not more than two  
20 (2) years, in addition to the provisions of § 44-19-31.

21 **44-19-2. Issuance of permit – Assignment prohibited – Display – Fee for renewal after**  
22 **suspension or revocation.**

23 Upon receipt of the required application and permit fee, the tax administrator shall issue to  
24 the applicant a separate permit for each place of business within the state. If the applicant, at the  
25 time of making the application, owes any tax, penalty, or interest imposed under ~~chapters 18 and~~  
26 ~~19 of~~ this title, then before a permit is issued the applicant shall pay the amount owed. A permit is  
27 not assignable and is valid only for the person in whose name it is issued and for the transaction of  
28 business at the place designated in the permit. The permit shall at all times be conspicuously  
29 displayed at the place for which issued. ~~A retailer whose permit has been previously suspended or~~  
30 ~~revoked shall pay to the tax administrator a fee of ten dollars (\$10.00) for the renewal or issuance~~  
31 ~~of a permit.~~

32 SECTION 7. Sections 46-23-7.1, 46-23-7.3 and 46-23-7.4 of the General Laws in Chapter  
33 46-23 of entitled “Coastal Resources Management Council” are hereby amended to read as follows:

34 **46-23-7.1. Administrative penalties.**

1 Any person who violates, or refuses or fails to obey, any notice or order issued pursuant to  
2 § 46-23-7(a); or any assent, order, or decision of the council, may be assessed an administrative  
3 penalty by the chairperson or executive director in accordance with the following:

4 (1) The chairperson or executive director is authorized to assess an administrative penalty  
5 of not more than ~~two thousand five hundred dollars (\$2,500)~~ ten thousand dollars (\$10,000) for  
6 each violation of this section, and is authorized to assess additional penalties of not more than ~~five~~  
7 ~~hundred dollars (\$500)~~ one thousand (\$1,000) for each day during which this violation continues  
8 after receipt of a cease and desist order from the council pursuant to § 46-23-7(a), but in no event  
9 shall the penalties in ~~an~~ aggregate ~~equal or~~ exceed ~~ten thousand dollars (\$10,000)~~ fifty thousand  
10 dollars (\$50,000). Prior to the assessment of a penalty under this subdivision, the property owner  
11 or person committing the violation shall be notified by certified mail or personal service that a  
12 penalty is being assessed. The notice shall include a reference to the section of the law, rule,  
13 regulation, assent, order, or permit condition violated; a concise statement of the facts alleged to  
14 constitute the violation; a statement of the amount of the administrative penalty assessed; and a  
15 statement of the party's right to an administrative hearing.

16 (2) The party shall have twenty-one (21) days from receipt of the notice within which to  
17 deliver to the council a written request for a hearing. This request shall specify in detail the  
18 statements contested by the party. The executive director shall designate a person to act as hearing  
19 officer. If no hearing is requested, then after the expiration of the twenty-one (21) day period, the  
20 council shall issue a final order assessing the penalty specified in the notice. The penalty is due  
21 when the final order is issued. If the party shall request a hearing, any additional daily penalty shall  
22 not commence to accrue until the council issues a final order.

23 (3) If a violation is found to have occurred, the council may issue a final order assessing  
24 not more than the amount of the penalty specified in the notice. The penalty is due when the final  
25 order is issued.

26 (4) The party may within thirty (30) days appeal the final order, of fine assessed by the  
27 council to the superior court which shall hear the assessment of the fine de novo.

#### 28 **46-23-7.3. Criminal penalties.**

29 Any person who knowingly violates any provision of this chapter, the coastal resources  
30 management program, or any rule, regulation, assent, or order shall be guilty of a misdemeanor,  
31 and, upon conviction thereof shall be fined not more than ~~five hundred dollars (\$500)~~ one thousand  
32 dollars (\$1,000) or by imprisonment of not more than three (3) months or both; and each day the  
33 violation is continued or repeated shall be deemed a separate offense.

#### 34 **46-23-7.4. Penalty for blocking or posting of rights-of-way.**

1 Any person who shall post or block any tidal water, public right-of-way, as designated by  
2 the council, shall be punished by a fine not exceeding ~~five hundred dollars (\$500)~~ one thousand  
3 dollars (\$1,000) or by imprisonment for not more than three (3) months or both; and each day the  
4 posting or blocking continues or is repeated shall be deemed a separate offense. The chairperson  
5 of the council, through council's legal counsel or the attorney general, may apply to any court of  
6 competent jurisdiction for an injunction to prevent the unlawful posting or blocking of any tidal  
7 water, public right-of-way.

8 SECTION 8. Section 42-61.2-5 of the General Laws in Chapter 42-61.2 entitled "Video-  
9 Lottery Games, Table Games and Sports Wagering" is hereby amended to read as follows:

10 **42-61.2-5. Allocation of sports-wagering and online sports-wagering revenue.**

11 (a) Notwithstanding the provisions of § 42-61-15, the division of lottery is authorized to  
12 enter into an agreement to allocate sports-wagering revenue derived from sports wagering and  
13 online sports wagering at the hosting facilities between the state, the state's authorized sports-  
14 wagering vendor, and the host facilities. The allocation of sports-wagering revenue and online  
15 sports-wagering revenue shall be:

16 (1) To the state, fifty-one percent (51%) of sports-wagering revenue and online sports-  
17 wagering revenue;

18 (2) To the state's authorized sports-wagering vendor, thirty-two percent (32%) of sports-  
19 wagering revenue and online sports-wagering revenue; and

20 (3) To the host facilities, seventeen percent (17%) of sports-wagering revenue and online  
21 sports-wagering revenue.

22 (b) Sports-wagering revenue and online sports-wagering revenue allocated to the state shall  
23 be deposited into the state lottery fund for administrative purposes and then the balance remaining  
24 into the general fund.

25 (c) The town of Lincoln shall be paid an annual flat fee of ~~one hundred thousand dollars~~  
26 ~~(\$100,000)~~ two hundred thousand dollars (\$200,000) and the town of Tiverton shall be paid an  
27 annual flat fee of ~~one hundred thousand dollars (\$100,000)~~ two hundred thousand dollars  
28 (\$200,000) in compensation for serving as the host communities for sports wagering.

29 SECTION 9. Section 42-61.2-7 of the General Laws in Chapter 42-61.2 entitled "Video-  
30 Lottery Games, Table Games and Sports Wagering" is hereby amended to read as follows:

31 **42-61.2-7. Division of revenue.**

32 (a) Notwithstanding the provisions of Section 42-61-15, the allocation of net terminal  
33 income derived from video lottery games is as follows:

34 (1) For deposit in the general fund and to the Division fund for administrative purposes:

1 Net, terminal income not otherwise disbursed in accordance with subdivisions (a)(2) -- (a)(6)  
2 inclusive, or otherwise disbursed in accordance with subsections (g)(2) and (h)(2);

3 (i) Except for the fiscal year ending June 30, 2008, nineteen one hundredths of one percent  
4 (0.19%), up to a maximum of twenty million dollars (\$20,000,000), shall be equally allocated to  
5 the distressed communities (as defined in Section 45-13-12) provided that no eligible community  
6 shall receive more than twenty-five percent (25%) of that community's currently enacted municipal  
7 budget as its share under this specific subsection. Distributions made under this specific subsection  
8 are supplemental to all other distributions made under any portion of General Laws Section 45-13-  
9 12. For the fiscal year ending June 30, 2008, distributions by community shall be identical to the  
10 distributions made in the fiscal year ending June 30, 2007, and shall be made from general  
11 appropriations. For the fiscal year ending June 30, 2009, the total state distribution shall be the  
12 same total amount distributed in the fiscal year ending June 30, 2008, and shall be made from  
13 general appropriations. For the fiscal year ending June 30, 2010, the total state distribution shall be  
14 the same total amount distributed in the fiscal year ending June 30, 2009, and shall be made from  
15 general appropriations, provided, however, that seven hundred eighty-four thousand four hundred  
16 fifty-eight dollars (\$784,458) of the total appropriation shall be distributed equally to each  
17 qualifying distressed community. For each of the fiscal years ending June 30, 2011, June 30, 2012,  
18 and June 30, 2013, seven hundred eighty-four thousand four hundred fifty-eight dollars (\$784,458)  
19 of the total appropriation shall be distributed equally to each qualifying distressed community.

20 (ii) Five one hundredths of one percent (0.05%), up to a maximum of five million dollars  
21 (\$5,000,000), shall be appropriated to property tax relief to fully fund the provisions of Section 44-  
22 33-2.1 [repealed]. The maximum credit defined in subdivision 44-33-9(2) shall increase to the  
23 maximum amount to the nearest five dollar (\$5.00) increment within the allocation until a  
24 maximum credit of five hundred dollars (\$500) is obtained. In no event shall the exemption in any  
25 fiscal year be less than the prior fiscal year.

26 (iii) One and twenty-two one hundredths of one percent (1.22%) to fund Section 44-34.1-  
27 1, entitled "Motor Vehicle and Trailer Excise Tax Elimination Act of 1998", to the maximum  
28 amount to the nearest two hundred fifty dollar (\$250) increment within the allocation. In no event  
29 shall the exemption in any fiscal year be less than the prior fiscal year.

30 (iv) Except for the fiscal year ending June 30, 2008, ten one hundredths of one percent  
31 (0.10%), to a maximum of ten million dollars (\$10,000,000), for supplemental distribution to  
32 communities not included in subsection (a)(1)(i) distributed proportionately on the basis of general  
33 revenue sharing distributed for that fiscal year. For the fiscal year ending June 30, 2008,  
34 distributions by community shall be identical to the distributions made in the fiscal year ending

1 June 30, 2007, and shall be made from general appropriations. For the fiscal year ending June 30,  
2 2009, no funding shall be disbursed. For the fiscal year ending June 30, 2010, and thereafter,  
3 funding shall be determined by appropriation.

4 (2) To the licensed, video lottery retailer:

5 (a)(i) Prior to the effective date of the Newport Grand Master Contract, Newport Grand  
6 twenty-six percent (26%), minus three hundred eighty-four thousand nine hundred ninety-six  
7 dollars (\$384,996);

8 (ii) On and after the effective date of the Newport Grand Master Contract, to the licensed,  
9 video lottery retailer who is a party to the Newport Grand Master Contract, all sums due and payable  
10 under said Master Contract, minus three hundred eighty-four thousand nine hundred ninety-six  
11 dollars (\$384,996).

12 (iii) Effective July 1, 2013, the rate of net terminal income payable to the licensed, video  
13 lottery retailer who is a party to the Newport Grand Master Contract shall increase by two and one  
14 quarter percent (2.25%) points. The increase herein shall sunset and expire on June 30, 2015, and  
15 the rate in effect as of June 30, 2013, shall be reinstated.

16 (iv)(A) Effective July 1, 2015, the rate of net terminal income payable to the licensed video  
17 lottery retailer who is a party to the Newport Grand Master Contract shall increase over the rate in  
18 effect as of June 30, 2013, by one and nine-tenths (1.9) percentage points. (i.e.,  $x\%$  plus 1.9  
19 percentage points equals  $(x + 1.9)\%$ , where " $x\%$ " is the current rate of net terminal income payable  
20 to the licensed, video lottery retailer who is a party to the Newport Grand Master Contract). The  
21 dollar amount of additional net terminal income paid to the licensed video lottery retailer who is a  
22 party to the Newport Grand Master Contract with respect to any Newport Grand Marketing Year  
23 as a result of such increase in rate shall be referred to as "Additional Newport Grand Marketing  
24 NTI."

25 (B) The excess, if any, of marketing expenditures incurred by the licensed, video lottery  
26 retailer who is a party to the Newport Grand Master Contract with respect to a Newport Grand  
27 Marketing Year over one million four hundred thousand dollars (\$1,400,000) shall be referred to  
28 as the "Newport Grand Marketing Incremental Spend." Beginning with the Newport Grand  
29 Marketing Year that starts on July 1, 2015, after the end of each Newport Grand Marketing Year,  
30 the licensed, video lottery retailer who is a party to the Newport Grand Master Contract shall pay  
31 to the Division the amount, if any, by which the Additional Newport Grand Marketing NTI for such  
32 Newport Grand Marketing Year exceeds the Newport Grand Marketing Incremental Spend for such  
33 Newport Grand Marketing Year; provided however, that such video lottery retailer's liability to the  
34 Division hereunder with respect to any Newport Grand Marketing Year shall never exceed the

1 Additional Newport Grand Marketing NTI paid to such video lottery retailer with respect to such  
2 Newport Grand Marketing Year.

3 The increase in subsection 2(a)(iv) shall sunset and expire upon the commencement of the  
4 operation of casino gaming at Twin River-Tiverton's facility located in the town of Tiverton, and  
5 the rate in effect as of June 30, 2013, shall be reinstated.

6 (b)(i) Prior to the effective date of the UTGR master contract, to the present, licensed, video  
7 lottery retailer at Lincoln Park, which is not a party to the UTGR master contract, twenty-eight and  
8 eighty-five one hundredths percent (28.85%), minus seven hundred sixty-seven thousand six  
9 hundred eighty-seven dollars (\$767,687);

10 (ii) On and after the effective date of the UTGR master contract, to the licensed, video  
11 lottery retailer that is a party to the UTGR master contract, all sums due and payable under said  
12 master contract minus seven hundred sixty-seven thousand six hundred eighty-seven dollars  
13 (\$767,687).

14 (3) Except for the period commencing on January 1, 2023 and expiring on June 30, 2043,

15 (i) To the technology providers that are not a party to the GTECH Master Contract as set forth and  
16 referenced in P.L. 2003, ch. 32, seven percent (7%) of the net terminal income of the provider's  
17 terminals; in addition thereto, technology providers that provide premium or licensed proprietary  
18 content or those games that have unique characteristics, such as 3D graphics; unique math/game  
19 play features; or merchandising elements to video lottery terminals may receive incremental  
20 compensation, either in the form of a daily fee or as an increased percentage, if all of the following  
21 criteria are met:

22 (A) A licensed, video lottery retailer has requested the placement of premium or licensed  
23 proprietary content at its licensed, video lottery facility;

24 (B) The division of lottery has determined in its sole discretion that the request is likely to  
25 increase net terminal income or is otherwise important to preserve or enhance the competitiveness  
26 of the licensed, video lottery retailer;

27 (C) After approval of the request by the division of lottery, the total number of premium or  
28 licensed, proprietary-content video lottery terminals does not exceed ten percent (10%) of the total  
29 number of video lottery terminals authorized at the respective licensed, video lottery retailer; and

30 (D) All incremental costs are shared between the division and the respective licensed, video  
31 lottery retailer based upon their proportionate allocation of net terminal income. The division of  
32 lottery is hereby authorized to amend agreements with the licensed, video lottery retailers, or the  
33 technology providers, as applicable, to effect the intent herein.

34 (ii) To contractors that are a party to the master contract as set forth and referenced in P.L.



1 2003, ch. 32, all sums due and payable under said master contract; and

2 (iii) Notwithstanding paragraphs (i) and (ii), there shall be subtracted proportionately from  
3 the payments to technology providers the sum of six hundred twenty-eight thousand seven hundred  
4 thirty-seven dollars (\$628,737) which shall be distributed pursuant to Section 42-61.2-7(b)(3)(iii).

5 With respect to the period commencing on January 1, 2023 and expiring on June 30, 2043,

6 (i) To the exclusive technology provider, all sums due and payable under the VLT  
7 Agreement;

8 (ii) Notwithstanding paragraph (i), there shall be subtracted from the payments to the  
9 exclusive technology provider the sum of six hundred twenty-eight thousand seven hundred thirty-  
10 seven dollars (\$628,737) which shall be distributed pursuant to Section 42-61.2-7(b)(3)(iii); and

11 (iii) To IGT, all sums due and payable under the Video Lottery Agreement.

12 (4)(A) Until video lottery games are no longer operated at the Newport Grand gaming  
13 facility located in Newport, to the city of Newport one and one hundredth percent (1.01%) of net  
14 terminal income of authorized Video Lottery Terminals at Newport Grand, except that effective  
15 November 9, 2009, until June 30, 2013, the allocation shall be one and two tenths percent (1.2%)  
16 of net terminal income of authorized Video Lottery Terminals at Newport Grand for each week the  
17 facility operates video lottery games on a twenty-four-hour (24) basis for all eligible hours  
18 authorized; and

19 (B) Upon commencement of the operation of video lottery games at the Tiverton gaming  
20 facility, to the town of Tiverton one and forty-five hundredths percent (1.45%) of net terminal  
21 income of authorized Video Lottery Terminals at the Tiverton gaming facility, subject to subsection  
22 (g)(2); and

23 (C) To the town of Lincoln, one and twenty-six hundredths percent (1.26%) of net terminal  
24 income of authorized Video Lottery Terminals at the Lincoln gaming facility except that:

25 (i) Effective November 9, 2009, until June 30, 2013, the allocation shall be one and forty-  
26 five hundredths percent (1.45%) of net terminal income of authorized Video Lottery Terminals at  
27 the Lincoln gaming facility for each week video lottery games are offered on a twenty-four-hour  
28 (24) basis for all eligible hours authorized; and

29 (ii) Effective July 1, 2013, provided that the referendum measure authorized by P.L. 2011,  
30 ch. 151, article 25 as amended, section 4, is approved statewide and in the Town of Lincoln, the  
31 allocation shall be one and forty-five hundredths percent (1.45%) of net terminal income of  
32 authorized Video Lottery Terminals at the Lincoln gaming facility, subject to subsection (h)(2);  
33 and

34 (5) To the Narragansett Indian Tribe, seventeen hundredths of one percent (0.17%) of net

1 terminal income of authorized Video Lottery Terminals at the Lincoln gaming facility , up to a  
2 maximum of ten million dollars (\$10,000,000) per year, that shall be paid to the Narragansett Indian  
3 Tribe for the account of a Tribal Development Fund to be used for the purpose of encouraging and  
4 promoting: home ownership and improvement; elderly housing; adult vocational training; health  
5 and social services; childcare; natural resource protection; and economic development consistent  
6 with state law. Provided, however, such distribution shall terminate upon the opening of any  
7 gaming facility in which the Narragansett Indians are entitled to any payments or other incentives;  
8 and provided, further, any monies distributed hereunder shall not be used for, or spent on,  
9 previously contracted debts; and

10 (6) Unclaimed prizes and credits shall remit to the general fund of the state; and

11 (7) Payments into the state's general fund specified in subsections (a)(1) and (a)(6) shall be  
12 made on an estimated monthly basis. Payment shall be made on the tenth day following the close  
13 of the month except for the last month when payment shall be on the last business day.

14 (b) Notwithstanding the above, the amounts payable by the Division to UTGR related to  
15 the marketing program described in the UTGR master contract (as such may be amended from time  
16 to time) shall be paid on a frequency agreed by the Division, but no less frequently than annually.

17 (c) Notwithstanding anything in this chapter 61.2 of this title to the contrary, the director  
18 is authorized to fund the marketing program as described in the UTGR master contract.

19 (d) Notwithstanding the above, the amounts payable by the Division to the licensed, video  
20 lottery retailer who is a party to the Newport Grand Master Contract related to the marketing  
21 program described in the Newport Grand Master Contract (as such may be amended from time to  
22 time) shall be paid on a frequency agreed by the Division, but no less frequently than annually.

23 (e) Notwithstanding anything in this chapter 61.2 of this title to the contrary, the director  
24 is authorized to fund the marketing program as described in the Newport Grand Master Contract.

25 (f) Notwithstanding the provisions of Section 42-61-15, but subject to Section 42-61.2-  
26 7(h), the allocation of net table-game revenue derived from table games at the Lincoln gaming  
27 facility is as follows:

28 (1) For deposit into the state lottery fund for administrative purposes and then the balance  
29 remaining into the general fund:

30 (i) Sixteen percent (16%) of net table-game revenue, except as provided in Section 42-  
31 61.2-7(f)(1)(ii);

32 (ii) An additional two percent (2%) of net table-game revenue generated at the Lincoln  
33 gaming facility shall be allocated starting from the commencement of table games activities by  
34 such table-game retailer and ending, with respect to such table-game retailer, on the first date that

1 such table-game retailer's net terminal income for a full state fiscal year is less than such table-  
2 game retailer's net terminal income for the prior state fiscal year, at which point this additional  
3 allocation to the state shall no longer apply to such table-game retailer.

4 (2) To UTGR, net table-game revenue not otherwise disbursed pursuant to subsection  
5 (f)(1); provided, however, on the first date that such table-game retailer's net terminal income for a  
6 full state fiscal year is less than such table-game retailer's net terminal income for the prior state  
7 fiscal year, as set forth in subsection (f)(1)(ii), one percent (1%) of this net table-game revenue  
8 shall be allocated to the town of Lincoln for four (4), consecutive state fiscal years.

9 (g) Notwithstanding the provisions of Section 42-61-15, the allocation of net table-game  
10 revenue derived from table games at the Tiverton gaming facility is as follows:

11 (1) Subject to subsection (g)(2) of this section, one percent (1%) of net table-game revenue  
12 shall be allocated to the town of Tiverton;

13 (2) Fifteen and one-half percent (15.5%) of net table-game revenue shall be allocated to  
14 the state first for deposit into the state lottery fund for administrative purposes and then the balance  
15 remaining into the general fund; provided however, that beginning with the first state fiscal year  
16 that the Tiverton gaming facility offers patrons video lottery games and table games ~~for all of such~~  
17 ~~state fiscal year~~, for that initial state fiscal year and each subsequent state fiscal year that such  
18 Tiverton gaming facility offers patrons video lottery games and table games for all of such state  
19 fiscal year, if the town of Tiverton has not received an aggregate of three million dollars  
20 (\$3,000,000) in the state fiscal year from net table-game revenues and net terminal income,  
21 combined, generated by the Tiverton gaming facility ("Tiverton Minimum"), then the state shall  
22 make up such shortfall to the town of Tiverton out of the state's percentage of net table-game  
23 revenue set forth in this subsection (g)(2) and net terminal income set forth in subsections (a)(1)  
24 and (a)(6), so long as that there has not been a closure of the Tiverton gaming facility for more than  
25 thirty (30) consecutive days during such state fiscal year, and, if there has been such a closure, then  
26 the Tiverton Minimum, if applicable, shall be prorated per day of such closure and any closure(s)  
27 thereafter for that state fiscal year; notwithstanding the foregoing, with respect to fiscal year 2021,  
28 because of the closure of the Tiverton gaming facility due to the COVID-19 pandemic, the town of  
29 Tiverton shall receive no less than a total of three million dollars (\$3,000,000) as an aggregate  
30 payment for net, table-game revenues, net terminal income, and the shortfall from the state,  
31 combined; provided further however, if in any state fiscal year either video lottery games or table  
32 games are no longer offered ~~at~~ in the Tiverton gaming facility, then the state shall not be obligated  
33 to make up the shortfall referenced in this subsection (g)(2); and

34 (3) Net, table-game revenue not otherwise disbursed pursuant to subsections (g)(1) and

1 (g)(2) of this section shall be allocated to Twin River-Tiverton.

2 (h) Notwithstanding the foregoing Section 42-61.2-7(f) and superseding that section  
3 effective upon the first date that the Tiverton gaming facility offers patrons video lottery games and  
4 table games, the allocation of net table-game revenue derived from table games at the Lincoln  
5 gaming facility shall be as follows:

6 (1) Subject to subsection (h)(2), one percent (1%) of net table-game revenue shall be  
7 allocated to the town of Lincoln;

8 (2) Fifteen and one-half percent (15.5%) of net table-game revenue shall be allocated to  
9 the state first for deposit into the state lottery fund for administrative purposes and then the balance  
10 remaining into the general fund; provided however, that beginning with the first state fiscal year  
11 that the Tiverton gaming facility offers patrons video lottery games and table games for all of such  
12 state fiscal year, for that state fiscal year and each subsequent state fiscal year that the Tiverton  
13 gaming facility offers patrons video lottery games and table games for all of such state fiscal year,  
14 if the town of Lincoln has not received an aggregate of three million dollars (\$3,000,000) in the  
15 state fiscal year from net table-game revenues and net terminal income, combined, generated by  
16 the Lincoln gaming facility ("[Lincoln Minimum](#)"), then the state shall make up such shortfall to the  
17 town of Lincoln out of the state's percentage of net table-game revenue set forth in this subsection  
18 (h)(2) and net terminal income set forth in subsections (a)(1) and (a)(6), so long as that there has  
19 not been a closure of the Tiverton gaming facility for more than thirty (30) consecutive days during  
20 such state fiscal year, and, if there has been such a closure, then the Lincoln Minimum, if applicable,  
21 shall be prorated per day of such closure and any closure(s) thereafter for that state fiscal year;  
22 provided further however, if in any state fiscal year either video lottery games or table games are  
23 no longer offered at the Tiverton gaming facility, then the state shall not be obligated to make up  
24 the shortfall referenced in this subsection (h)(2); and

25 (3) Net, table-game revenue not otherwise disbursed pursuant to subsections (h)(1) and  
26 (h)(2) shall be allocated to UTGR.

27 SECTION 10. Section 44-1-7 of the General Laws in Chapter 44-1 entitled "State Tax  
28 Officials" is hereby amended to read as follows:

29 **44-1-7. Interest on delinquent payments.**

30 (a) Whenever the full amount of any state tax or any portion or deficiency, as finally  
31 determined by the tax administrator, has not been paid on the date when it is due and payable,  
32 whether the time has been extended or not, there shall be added as part of the tax or portion or  
33 deficiency interest at the rate as determined in accordance with subsection (b) of this section,  
34 notwithstanding any general or specific statute to the contrary.

1 (b) Each January 1 the tax administrator shall compute the rate of interest to be in effect  
2 for that calendar year by adding two percent (2%) to the prime rate, which was in effect on October  
3 1 of the preceding year. In no event shall the rate of interest exceed twenty-one percent (21%) per  
4 annum nor be less than eighteen percent (18%) per annum.

5 (c) "Prime rate" as used in subsection (b) of this section means the predominant prime rate  
6 quoted by commercial banks to large businesses as determined by the board of governors of the  
7 Federal Reserve System.

8 (d) Notwithstanding any provisions of the general laws to the contrary, the tax  
9 administrator shall waive interest and penalty on the taxable portion of each Paycheck Protection  
10 Program loan taxed pursuant to § 44-11-11(a)(1)(iv), § 44-14-11, and § 44-30-12(b)(8) of the  
11 general laws and forgiven during tax year 2020 provided that the tax on that portion is paid in full  
12 on or before March 31, 2022. The tax administrator shall make available suitable forms with  
13 instructions for making tax payments on the taxable portion of such forgiven Paycheck Protection  
14 Program loans.

15 SECTION 11. Section 44-11-11 of the General Laws in Chapter 44-11 entitled "Net  
16 income' defined" is hereby amended to read as follows:

17 **44-11-11. "Net income" defined.**

18 (a)(1) "Net income" means, for any taxable year and for any corporate taxpayer, the taxable  
19 income of the taxpayer for that taxable year under the laws of the United States, plus:

20 (i) Any interest not included in the taxable income;

21 (ii) Any specific exemptions;

22 (iii) The tax imposed by this chapter; ~~and minus:~~

23 (iv) For any taxable year beginning on or after January 1, 2020, the amount of any Paycheck  
24 Protection Program loan forgiven for federal income tax purposes as authorized by the Coronavirus  
25 Aid, Relief, and Economic Security Act and/or the Consolidated Appropriations Act, 2021 and/or  
26 any other subsequent federal stimulus relief packages enacted by law, to the extent that the amount  
27 of the loan forgiven exceeds \$250,000; and minus:

28 ~~(iv)~~(v) Interest on obligations of the United States or its possessions, and other interest  
29 exempt from taxation by this state; and

30 ~~(v)~~(vi) The federal net operating loss deduction.

31 (2) All binding federal elections made by or on behalf of the taxpayer applicable either  
32 directly or indirectly to the determination of taxable income shall be binding on the taxpayer except  
33 where this chapter or its attendant regulations specifically modify or provide otherwise. Rhode  
34 Island taxable income shall not include the "gross-up of dividends" required by the federal Internal

1 Revenue Code to be taken into taxable income in connection with the taxpayer's election of the  
2 foreign tax credit.

3 (b) A net operating loss deduction shall be allowed, which shall be the same as the net  
4 operating loss deduction allowed under 26 U.S.C. § 172, except that:

5 (1) Any net operating loss included in determining the deduction shall be adjusted to reflect  
6 the inclusions and exclusions from entire net income required by subsection (a) of this section and  
7 § 44-11-11.1;

8 (2) The deduction shall not include any net operating loss sustained during any taxable year  
9 in which the taxpayer was not subject to the tax imposed by this chapter; and

10 (3) The deduction shall not exceed the deduction for the taxable year allowable under 26  
11 U.S.C. § 172; provided, that the deduction for a taxable year may not be carried back to any other  
12 taxable year for Rhode Island purposes but shall only be allowable on a carry forward basis for the  
13 five (5) succeeding taxable years.

14 (c) "Domestic international sales corporations" (referred to as DISCs), for the purposes of  
15 this chapter, will be treated as they are under federal income tax law and shall not pay the amount  
16 of the tax computed under § 44-11-2(a). Any income to shareholders of DISCs is to be treated in  
17 the same manner as it is treated under federal income tax law as it exists on December 31, 1984.

18 (d) A corporation that qualifies as a "foreign sales corporation" (FSC) under the provisions  
19 of subchapter N, 26 U.S.C. § 861 et seq., and that has in effect for the entire taxable year a valid  
20 election under federal law to be treated as a FSC, shall not pay the amount of the tax computed  
21 under § 44-11-2(a). Any income to shareholders of FSCs is to be treated in the same manner as it  
22 is treated under federal income tax law as it exists on January 1, 1985.

23 (e) For purposes of a corporation's state tax liability, any deduction to income allowable  
24 under 26 U.S.C. § 1400Z-2(c) may be claimed in the case of any investment held by the taxpayer  
25 for at least seven years. The division of taxation shall promulgate, in its discretion, rules and  
26 regulations relative to the accelerated application of deductions under 26 U.S.C. § 1400Z-2(c).

27 SECTION 12. Section 44-14-11 of the General Laws in Chapter 44-14 entitled "'Gross  
28 income' defined" is hereby amended to read as follows:

29 **44-14-11. "Gross income" defined.**

30 "Gross income" includes all gains, profits, and income of the taxpayer from whatever  
31 sources derived during the income period; provided, that gains from the sale or other disposition of  
32 any property other than securities shall not be included in gross income, and losses from the sale  
33 or other disposition of any property other than securities shall not be deducted from gross income.

34 [For taxable year beginning on or after January 1, 2020, gross income includes the amount of any](#)

1 [Paycheck Protection Program loan forgiven for federal income tax purposes as authorized by the](#)  
2 [Coronavirus Aid, Relief, and Economic Security Act and/or the Consolidated Appropriations Act,](#)  
3 [2021 and/or any other subsequent federal stimulus relief packages enacted by law, to the extent that](#)  
4 [the amount of loan forgiven exceeds \\$250,000.](#)

5 SECTION 13. Section 44-30-12 of the General Laws in Chapter 44-30 entitled "Rhode  
6 Island income of a resident individual" is hereby amended to read as follows:

7 **44-30-12. Rhode Island income of a resident individual.**

8 (a) *General.* The Rhode Island income of a resident individual means his or her adjusted  
9 gross income for federal income tax purposes, with the modifications specified in this section.

10 (b) *Modifications increasing federal adjusted gross income.* There shall be added to federal  
11 adjusted gross income:

12 (1) Interest income on obligations of any state, or its political subdivisions, other than  
13 Rhode Island or its political subdivisions;

14 (2) Interest or dividend income on obligations or securities of any authority, commission,  
15 or instrumentality of the United States, but not of Rhode Island or its political subdivisions, to the  
16 extent exempted by the laws of the United States from federal income tax but not from state income  
17 taxes;

18 (3) The modification described in § 44-30-25(g);

19 (4)(i) The amount defined below of a nonqualified withdrawal made from an account in  
20 the tuition savings program pursuant to § 16-57-6.1. For purposes of this section, a nonqualified  
21 withdrawal is:

22 (A) A transfer or rollover to a qualified tuition program under Section 529 of the Internal  
23 Revenue Code, 26 U.S.C. § 529, other than to the tuition savings program referred to in § 16-57-  
24 6.1; and

25 (B) A withdrawal or distribution that is:

26 (I) Not applied on a timely basis to pay "qualified higher education expenses" as defined  
27 in § 16-57-3(12) of the beneficiary of the account from which the withdrawal is made;

28 (II) Not made for a reason referred to in § 16-57-6.1(e); or

29 (III) Not made in other circumstances for which an exclusion from tax made applicable by  
30 Section 529 of the Internal Revenue Code, 26 U.S.C. § 529, pertains if the transfer, rollover,  
31 withdrawal, or distribution is made within two (2) taxable years following the taxable year for  
32 which a contributions modification pursuant to subsection (c)(4) of this section is taken based on  
33 contributions to any tuition savings program account by the person who is the participant of the  
34 account at the time of the contribution, whether or not the person is the participant of the account

1 at the time of the transfer, rollover, withdrawal or distribution;

2 (ii) In the event of a nonqualified withdrawal under subsection (b)(4)(i)(A) or (b)(4)(i)(B)  
3 of this section, there shall be added to the federal adjusted gross income of that person for the  
4 taxable year of the withdrawal an amount equal to the lesser of:

5 (A) The amount equal to the nonqualified withdrawal reduced by the sum of any  
6 administrative fee or penalty imposed under the tuition savings program in connection with the  
7 nonqualified withdrawal plus the earnings portion thereof, if any, includible in computing the  
8 person's federal adjusted gross income for the taxable year; and

9 (B) The amount of the person's contribution modification pursuant to subsection (c)(4) of  
10 this section for the person's taxable year of the withdrawal and the two (2) prior taxable years less  
11 the amount of any nonqualified withdrawal for the two (2) prior taxable years included in  
12 computing the person's Rhode Island income by application of this subsection for those years. Any  
13 amount added to federal adjusted gross income pursuant to this subdivision shall constitute Rhode  
14 Island income for residents, nonresidents and part-year residents;

15 (5) The modification described in § 44-30-25.1(d)(3)(i);

16 (6) The amount equal to any unemployment compensation received but not included in  
17 federal adjusted gross income; ~~and~~

18 (7) The amount equal to the deduction allowed for sales tax paid for a purchase of a  
19 qualified motor vehicle as defined by the Internal Revenue Code § 164(a)(6); ~~and~~

20 (8) For any taxable year beginning on or after January 1, 2020, the amount of any Paycheck  
21 Protection Program loan forgiven for federal income tax purposes as authorized by the Coronavirus  
22 Aid, Relief, and Economic Security Act and/or the Consolidated Appropriations Act, 2021 and/or  
23 any other subsequent federal stimulus relief packages enacted by law, to the extent that the amount  
24 of the loan forgiven exceeds \$250,000, including an individual's distributive share of the amount  
25 of a pass-through entity's loan forgiveness in excess of \$250,000.

26 (c) *Modifications reducing federal adjusted gross income.* There shall be subtracted from  
27 federal adjusted gross income:

28 (1) Any interest income on obligations of the United States and its possessions to the extent  
29 includible in gross income for federal income tax purposes, and any interest or dividend income on  
30 obligations, or securities of any authority, commission, or instrumentality of the United States to  
31 the extent includible in gross income for federal income tax purposes but exempt from state income  
32 taxes under the laws of the United States; provided, that the amount to be subtracted shall in any  
33 case be reduced by any interest on indebtedness incurred or continued to purchase or carry  
34 obligations or securities the income of which is exempt from Rhode Island personal income tax, to



1 the extent the interest has been deducted in determining federal adjusted gross income or taxable  
2 income;

3 (2) A modification described in § 44-30-25(f) or § 44-30-1.1(c)(1);

4 (3) The amount of any withdrawal or distribution from the "tuition savings program"  
5 referred to in § 16-57-6.1 that is included in federal adjusted gross income, other than a withdrawal  
6 or distribution or portion of a withdrawal or distribution that is a nonqualified withdrawal;

7 (4) Contributions made to an account under the tuition savings program, including the  
8 "contributions carryover" pursuant to subsection (c)(4)(iv) of this section, if any, subject to the  
9 following limitations, restrictions and qualifications:

10 (i) The aggregate subtraction pursuant to this subdivision for any taxable year of the  
11 taxpayer shall not exceed five hundred dollars (\$500) or one thousand dollars (\$1,000) if a joint  
12 return;

13 (ii) The following shall not be considered contributions:

14 (A) Contributions made by any person to an account who is not a participant of the account  
15 at the time the contribution is made;

16 (B) Transfers or rollovers to an account from any other tuition savings program account or  
17 from any other "qualified tuition program" under section 529 of the Internal Revenue Code, 26  
18 U.S.C. § 529; or

19 (C) A change of the beneficiary of the account;

20 (iii) The subtraction pursuant to this subdivision shall not reduce the taxpayer's federal  
21 adjusted gross income to less than zero (0);

22 (iv) The contributions carryover to a taxable year for purpose of this subdivision is the  
23 excess, if any, of the total amount of contributions actually made by the taxpayer to the tuition  
24 savings program for all preceding taxable years for which this subsection is effective over the sum  
25 of:

26 (A) The total of the subtractions under this subdivision allowable to the taxpayer for all  
27 such preceding taxable years; and

28 (B) That part of any remaining contribution carryover at the end of the taxable year which  
29 exceeds the amount of any nonqualified withdrawals during the year and the prior two (2) taxable  
30 years not included in the addition provided for in this subdivision for those years. Any such part  
31 shall be disregarded in computing the contributions carryover for any subsequent taxable year;

32 (v) For any taxable year for which a contributions carryover is applicable, the taxpayer  
33 shall include a computation of the carryover with the taxpayer's Rhode Island personal income tax  
34 return for that year, and if for any taxable year on which the carryover is based the taxpayer filed a

1 joint Rhode Island personal income tax return but filed a return on a basis other than jointly for a  
2 subsequent taxable year, the computation shall reflect how the carryover is being allocated between  
3 the prior joint filers;

4 (5) The modification described in § 44-30-25.1(d)(1);

5 (6) Amounts deemed taxable income to the taxpayer due to payment or provision of  
6 insurance benefits to a dependent, including a domestic partner pursuant to chapter 12 of title 36 or  
7 other coverage plan;

8 (7) *Modification for organ transplantation.*

9 (i) An individual may subtract up to ten thousand dollars (\$10,000) from federal adjusted  
10 gross income if he or she, while living, donates one or more of his or her human organs to another  
11 human being for human organ transplantation, except that for purposes of this subsection, "human  
12 organ" means all or part of a liver, pancreas, kidney, intestine, lung, or bone marrow. A subtract  
13 modification that is claimed hereunder may be claimed in the taxable year in which the human  
14 organ transplantation occurs.

15 (ii) An individual may claim that subtract modification hereunder only once, and the  
16 subtract modification may be claimed for only the following unreimbursed expenses that are  
17 incurred by the claimant and related to the claimant's organ donation:

18 (A) Travel expenses.

19 (B) Lodging expenses.

20 (C) Lost wages.

21 (iii) The subtract modification hereunder may not be claimed by a part-time resident or a  
22 nonresident of this state;

23 (8) *Modification for taxable Social Security income.*

24 (i) For tax years beginning on or after January 1, 2016:

25 (A) For a person who has attained the age used for calculating full or unreduced social  
26 security retirement benefits who files a return as an unmarried individual, head of household, or  
27 married filing separate whose federal adjusted gross income for the taxable year is less than eighty  
28 thousand dollars (\$80,000); or

29 (B) A married individual filing jointly or individual filing qualifying widow(er) who has  
30 attained the age used for calculating full or unreduced social security retirement benefits whose  
31 joint federal adjusted gross income for the taxable year is less than one hundred thousand dollars  
32 (\$100,000), an amount equal to the social security benefits includable in federal adjusted gross  
33 income.

34 (ii) Adjustment for inflation. The dollar amount contained in subsections (c)(8)(i)(A) and

1 (c)(8)(i)(B) of this section shall be increased annually by an amount equal to:

2 (A) Such dollar amount contained in subsections (c)(8)(i)(A) and (c)(8)(i)(B) of this section  
3 adjusted for inflation using a base tax year of 2000, multiplied by;

4 (B) The cost-of-living adjustment with a base year of 2000.

5 (iii) For the purposes of this section the cost-of-living adjustment for any calendar year is  
6 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds  
7 the consumer price index for the base year. The consumer price index for any calendar year is the  
8 average of the consumer price index as of the close of the twelve-month (12) period ending on  
9 August 31, of such calendar year.

10 (iv) For the purpose of this section the term "consumer price index" means the last  
11 consumer price index for all urban consumers published by the department of labor. For the purpose  
12 of this section the revision of the consumer price index which is most consistent with the consumer  
13 price index for calendar year 1986 shall be used.

14 (v) If any increase determined under this section is not a multiple of fifty dollars (\$50.00),  
15 such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a  
16 married individual filing separate return, if any increase determined under this section is not a  
17 multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple  
18 of twenty-five dollars (\$25.00);

19 (9) Modification for up to fifteen thousand dollars (\$15,000) of taxable retirement income  
20 from certain pension plans or annuities.

21 (i) For tax years beginning on or after January 1, 2017, a modification shall be allowed for  
22 up to fifteen thousand dollars (\$15,000) of taxable pension and/or annuity income that is included  
23 in federal adjusted gross income for the taxable year:

24 (A) For a person who has attained the age used for calculating full or unreduced social  
25 security retirement benefits who files a return as an unmarried individual, head of household, or  
26 married filing separate whose federal adjusted gross income for such taxable year is less than the  
27 amount used for the modification contained in subsection (c)(8)(i)(A) of this section an amount not  
28 to exceed \$15,000 of taxable pension and/or annuity income includable in federal adjusted gross  
29 income; or

30 (B) For a married individual filing jointly or individual filing qualifying widow(er) who  
31 has attained the age used for calculating full or unreduced social security retirement benefits whose  
32 joint federal adjusted gross income for such taxable year is less than the amount used for the  
33 modification contained in subsection (c)(8)(i)(B) of this section an amount not to exceed \$15,000  
34 of taxable pension and/or annuity income includable in federal adjusted gross income.

1 (ii) Adjustment for inflation. The dollar amount contained by reference in subsections  
2 (c)(9)(i)(A) and (c)(9)(i)(B) of this section shall be increased annually for tax years beginning on  
3 or after January 1, 2018 by an amount equal to:

4 (A) Such dollar amount contained by reference in subsections (c)(9)(i)(A) and (c)(9)(i)(B)  
5 of this section adjusted for inflation using a base tax year of 2000, multiplied by;

6 (B) The cost-of-living adjustment with a base year of 2000.

7 (iii) For the purposes of this section, the cost-of-living adjustment for any calendar year is  
8 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds  
9 the consumer price index for the base year. The consumer price index for any calendar year is the  
10 average of the consumer price index as of the close of the twelve-month (12) period ending on  
11 August 31, of such calendar year.

12 (iv) For the purpose of this section, the term "consumer price index" means the last  
13 consumer price index for all urban consumers published by the department of labor. For the purpose  
14 of this section, the revision of the consumer price index which is most consistent with the consumer  
15 price index for calendar year 1986 shall be used.

16 (v) If any increase determined under this section is not a multiple of fifty dollars (\$50.00),  
17 such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a  
18 married individual filing a separate return, if any increase determined under this section is not a  
19 multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple  
20 of twenty-five dollars (\$25.00); and

21 (10) *Modification for Rhode Island investment in opportunity zones.* For purposes of a  
22 taxpayer's state tax liability, in the case of any investment in a Rhode Island opportunity zone by  
23 the taxpayer for at least seven (7) years, a modification to income shall be allowed for the  
24 incremental difference between the benefit allowed under 26 U.S.C. § 1400Z-2(b)(2)(B)(iv) and  
25 the federal benefit allowed under 26 U.S.C. § 1400Z-2(c).

26 (d) *Modification for Rhode Island fiduciary adjustment.* There shall be added to, or  
27 subtracted from, federal adjusted gross income (as the case may be) the taxpayer's share, as  
28 beneficiary of an estate or trust, of the Rhode Island fiduciary adjustment determined under § 44-  
29 30-17.

30 (e) *Partners.* The amounts of modifications required to be made under this section by a  
31 partner, which relate to items of income or deduction of a partnership, shall be determined under §  
32 44-30-15.

33 SECTION 14. Sections 1 through 8 of this article shall take effect July 1, 2021. Sections 9  
34 through 13 of this article shall take effect upon passage.