

2021 -- H 6267

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LC002415  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY  
JANUARY SESSION, A.D. 2021

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A N A C T  
RELATING TO TAXATION

Introduced By: Representatives Costantino, McEntee, Caldwell, Corvese, Hawkins, and Phillips

Date Introduced: April 28, 2021

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 44 of the General Laws entitled "TAXATION" is hereby amended by  
2 adding thereto the following chapter:

3 CHAPTER 6.6

4 BUDGET FOR FRIENDLY TAX RELIEF ACT OF 2021

5 **44-6.6-1. Short title.**

6 This chapter shall be known and may be cited as the "Budget for Friendly Tax Relief Act  
7 of 2021".

8 **44-6.6-2. Definitions.**

9 As used in this chapter, the following terms have the meaning ascribed to them in this  
10 section, except when the context clearly indicates a different meaning:

11 (1) "Income tax" means any tax that the state of Rhode Island imposes on income generated  
12 by businesses and individuals within the state.

13 (2) "Sales tax" means a tax that is imposed upon sales at retail in this state, including  
14 charges for rentals of living quarters in hotels as defined in § 42-63.1-2, rooming houses, or tourist  
15 camps, at the rate of seven percent (7%) of the gross receipts of the retailer from the sales or rental  
16 charges; provided, that the tax imposed on charges for the rentals applies only to the first period of  
17 not exceeding thirty (30) consecutive calendar days of each rental. The tax is paid to the tax  
18 administrator by the retailer at the time and in the manner provided. Excluded from this tax are  
19 those living quarters in hotels, rooming houses, or tourist camps for which the occupant has a

1 written lease for the living quarters which lease covers a rental period of twelve (12) months or  
2 more.

3 (3) "Taxable period" means any period for which a tax return is required by law to be filed  
4 with the tax administrator.

5 (4) "Taxpayer" means any person, corporation, or other entity subject to any tax imposed  
6 by any law of the state of Rhode Island and payable to the state of Rhode Island and collected by  
7 the tax administrator.

8 **44-6.6-3. Interest under tax amnesty.**

9 (a) Notwithstanding any provision of law to the contrary, interest and penalties on any  
10 income tax for any taxes due in the form of quarterly payments or estimated taxes shall be waived  
11 through six months from the date of passage of this act or for one month after the expiration of the  
12 emergency declarations by the governor pursuant to executive order 20-02 of March 9, 2020.

13 (b) Notwithstanding any provision of law to the contrary, interest and penalties on any sales  
14 tax imposed pursuant to chapter 18 of title 44 for any taxes due from sales beginning the date of  
15 passage of this act for six months or for one month after the expiration of the emergency  
16 declarations by the governor pursuant to executive order 20-02 of March 9, 2020.

17 **44-6.6-4. Implementation.**

18 Notwithstanding any provision of law to the contrary, the tax administrator is hereby  
19 authorized to provide for the timely implementation of this chapter, including, but not limited to,  
20 procurement of printing and other services.

21 **44-6.6-5. Disposition of monies.**

22 (a) Except as provided in subsection (b) of this section, all monies collected pursuant to  
23 any tax imposed by the state of Rhode Island under the provisions of this chapter shall be accounted  
24 for separately and paid into the general fund.

25 (b) Monies collected for the establishment of the TDI reserve fund (§ 28-39-7), the  
26 employment security fund (§ 28-42-18), the employment security interest fund (§ 28-42-75), the  
27 job development fund (§ 28-42-83), and the employment security reemployment fund (§ 28-42-87)  
28 shall be deposited in the respective funds.

29 **44-6.6-6. Analysis of amnesty program by tax administrator.**

30 The tax administrator shall provide an analysis of the amnesty program to the chairpersons  
31 of the house finance committee and senate finance committee, with copies to the members of the  
32 revenue estimating conference, by January 1, 2022. The report shall include an analysis of revenues  
33 received by tax source, distinguishing between the tax collected and interest collected for each  
34 source. In addition, the report shall further identify the amounts that are new revenues from those

1 [already included in the general revenue receivable taxes, defined under generally accepted](#)  
2 [accounting principles and the state's audited financial statements.](#)

3 **44-6.6-7. Rules and regulations.**

4 [The tax administrator may promulgate such rules and regulations as are necessary to](#)  
5 [implement the provisions of this chapter.](#)

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TAXATION

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- 1           This act would provide for an interest and penalty free period for the payment of sales and
- 2 income taxes due to the state for the calendar year 2021 and continuing through March of 2021 for
- 3 income taxes and August 2021 for sales taxes.
- 4           This act would take effect upon passage.

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