

ARTICLE 4 AS AMENDED

RELATING TO TAXES

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

CHAPTER 5.3

STATEWIDE TANGIBLE PROPERTY TAX EXEMPTION

44-5.3-1. Municipal tangible property tax exemption.

(a) Notwithstanding the provisions of chapter 5 of this title or any other provisions of law to the contrary, in an effort to provide relief for businesses, including small businesses, and to promote economic development, a city, town, or fire district shall provide each tangible property taxpayer on the aggregate amount of all ratable, tangible personal property not otherwise exempt from taxation an exemption from taxation of fifty thousand dollars (\$50,000) applicable to the assessment date of December 31, 2023 and for each assessment date thereafter. All ratable, tangible, personal property valued above fifty thousand dollars (\$50,000) remains subject to taxation.

(b) Individual personal exemptions granted to tangible property taxpayers in any city, town, or fire district at the time of the effective date of this chapter shall be applied to assessed values prior to applying the statewide exemption provided in this section in order that any lost revenue to be reimbursed pursuant to this chapter for each respective city, town, or fire district shall not include revenue loss resulting from these individual personal exemptions.

(c) Exemptions existing and uniformly applied to all tangible property taxpayers in any city, town, or fire district at the time of the effective date of this chapter shall be disregarded in order that any lost revenue to be reimbursed pursuant to this chapter for each respective city, town, or fire district shall include revenue loss resulting from such pre-existing uniform exemptions.

44-5.3-2. Reimbursement of lost tax revenue.

(a) Beginning in fiscal year 2025 and for each fiscal year thereafter, cities, towns, and fire districts shall receive reimbursements, as set forth in this section, from state general revenues for lost tax revenues due to the reduction of the tangible property tax resulting from the statewide exemption set forth in § 44-5.3-1.

(b) Beginning in fiscal year 2025, and for each fiscal year thereafter, cities, towns, and fire

1 districts shall receive a reimbursement equal to the tangible property levy for the assessment date
2 of December 31, 2022, minus the tangible personal property levy for the assessment date of
3 December 31, 2023.

4 (c) Reimbursements shall be distributed in full to cities, towns, and fire districts on
5 September 30, 2024 and every September 30 thereafter; provided, however, that reimbursement
6 shall not be provided to any city, town, or fire district in any year in which it has failed to provide
7 to the division of municipal finance its certified tax roll in accordance with § 44-5-22 or any other
8 information required by the division of municipal finance to calculate the reimbursement amount.

9 **44-5.3-3. Tangible property tax rate cap.**

10 (a) Notwithstanding any other provision of law to the contrary, the tax rate for the class of
11 property that includes tangible personal property for any city, town, or fire district shall be capped
12 and shall not exceed thereafter the tax rate in effect for the assessment date of December 31, 2022.

13 (b) Notwithstanding any other provision of law to the contrary, for assessment dates on and
14 after December 31, 2023, any city, town, or fire district shall be permitted to tax all other classes
15 of property, or where no classification has been enacted all other types of property, at a different
16 tax rate than the tax rate for tangible personal property required by subsection (a) of this section.

17 **44-5.3-4. Removal of certain limitations and requirements.**

18 For assessment dates on or after December 31, 2023, tangible tax rates shall be disregarded
19 for purposes of compliance with limitations on the extent to which the effective tax rate of one class
20 of property may exceed that of another, or requirements that the same percentage rate change be
21 applied across property classes from one year to the next, under § 44-5-11.8 or any other similar
22 statutory provision applicable to a city, town, or fire district.

23 **44-5.3-5. Application.**

24 The statewide exemption set forth in this chapter shall not apply to:

25 (1) Public service corporation tangible property subject to taxation pursuant to § 44-13-13;

26 and

27 (2) Renewable energy resources and associated equipment subject to taxation pursuant to
28 § 44-5-3(c).

29 SECTION 2. Chapter 44-13 of the General Laws entitled “Public Service Corporation Tax”
30 is hereby amended by adding thereto the following section:

31 **44-13-37. Temporary Relief from the Gross Earnings Tax on Electricity and Gas.**

32 (a) As used in this section:

33 (1) “Electric utility customer” means an individual or business who purchases electricity
34 from a utility company during any of the months between and including December 2023 through

1 March 2024.

2 (2) “Gas utility customer” means an individual or business who purchases natural gas from
3 a utility company during any of the months between and including December 2023 through March
4 2024.

5 (3) “Utility company” means any entity that qualifies as a “public service company”
6 pursuant to § 44-13-2.1 and a “corporation” for the purposes of § 44-13-4(2) or § 44-13-4(6) and
7 sells electricity to an electric utility customer or sells natural gas to a gas utility customer for any
8 of the months between and including December 2023 through March 2024.

9 (b) (1) A utility company may be eligible for a rebate payment in the amount of the public
10 service corporation tax due pursuant to § 44-13-4 that would be charged to its electric utility
11 customers or its gas utility customers for the months of December 2023 through March 2024. For
12 the months of December 2023 through March 2024:

13 (i) A utility company shall pay the public service corporation tax pursuant to, and in
14 accordance with, § 44-13-4;

15 (ii) A utility company shall not charge any electric utility customer or any gas utility
16 customer the tax due or paid pursuant to § 44-13-4, but shall continue to reflect the amount of the
17 tax due along with an offsetting credit on each bill for each electric utility customer or gas utility
18 customer.

19 (2) The rebate amount shall be determined by the division of taxation based on the
20 applicable tax paid by a utility company for electricity consumption by its electric utility customers
21 and/or for gas consumption by its gas utility customers between and including the months of
22 December 2023 and March 2024.

23 (3) The utility company must apply for a rebate on such forms and in such a manner as
24 prescribed by the division of taxation on or before May 31, 2024 and the rebate will be paid by the
25 division of taxation to the utility company.

26 (4) Rebate payments made under this subsection shall not be subject to offset and shall not
27 be considered gross earnings for the purposes of the public service corporation tax under this
28 chapter.

29 (5) In no event shall the rebate amount provided for in this section accrue interest for the
30 benefit of any utility company. The utility company shall not charge an electric utility customer or
31 a gas utility customer any fees or charges associated with the amounts qualifying for a rebate in
32 accordance with this section.

33 (6) In addition to all other penalties provided under Rhode Island state law, any utility
34 company that submits a fraudulent application or fails to otherwise comply with the terms of this

1 section for the December 2023 through March 2024 period shall pay a ten dollar (\$10.00) penalty
2 per registered active account. The utility company shall pay any rebate amount fraudulently
3 received to the division of taxation and credit the electric utility customer or gas utility customer
4 for any amounts fraudulently or improperly claimed by the utility company and paid by the electric
5 utility customer or gas utility customer. The tax administrator shall have the same powers to collect
6 payment under this subsection as under title 44 of the general laws.

7 (7) If an electric utility customer or a gas utility customer erroneously pays to the utility
8 company the tax due for the December 2023 through March 2024 period, or any portion thereof,
9 the utility company must refund the customer within thirty (30) days of the customer remitting the
10 payment.

11 (8) If any provision of this section or the application thereof is held invalid, such invalidity
12 shall not affect the provisions of this section which can be given effect without the invalid
13 provisions. Notwithstanding this subsection, all other subsections of this chapter shall remain in
14 full force and effect.

15 SECTION 3. Section 44-30-2.6 of the General Laws in Chapter 44-30 entitled "Personal
16 Income Tax" is hereby amended to read as follows:

17 **44-30-2.6. Rhode Island taxable income — Rate of tax.**

18 (a) "Rhode Island taxable income" means federal taxable income as determined under the
19 Internal Revenue Code, 26 U.S.C. § 1 et seq., not including the increase in the basic, standard-
20 deduction amount for married couples filing joint returns as provided in the Jobs and Growth Tax
21 Relief Reconciliation Act of 2003 and the Economic Growth and Tax Relief Reconciliation Act of
22 2001 (EGTRRA), and as modified by the modifications in § 44-30-12.

23 (b) Notwithstanding the provisions of §§ 44-30-1 and 44-30-2, for tax years beginning on
24 or after January 1, 2001, a Rhode Island personal income tax is imposed upon the Rhode Island
25 taxable income of residents and nonresidents, including estates and trusts, at the rate of twenty-five
26 and one-half percent (25.5%) for tax year 2001, and twenty-five percent (25%) for tax year 2002
27 and thereafter of the federal income tax rates, including capital gains rates and any other special
28 rates for other types of income, except as provided in § 44-30-2.7, which were in effect immediately
29 prior to enactment of the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA);
30 provided, rate schedules shall be adjusted for inflation by the tax administrator beginning in taxable
31 year 2002 and thereafter in the manner prescribed for adjustment by the commissioner of Internal
32 Revenue in 26 U.S.C. § 1(f). However, for tax years beginning on or after January 1, 2006, a
33 taxpayer may elect to use the alternative flat tax rate provided in § 44-30-2.10 to calculate his or
34 her personal income tax liability.

1 (c) For tax years beginning on or after January 1, 2001, if a taxpayer has an alternative
2 minimum tax for federal tax purposes, the taxpayer shall determine if he or she has a Rhode Island
3 alternative minimum tax. The Rhode Island alternative minimum tax shall be computed by
4 multiplying the federal tentative minimum tax without allowing for the increased exemptions under
5 the Jobs and Growth Tax Relief Reconciliation Act of 2003 (as redetermined on federal form 6251
6 Alternative Minimum Tax-Individuals) by twenty-five and one-half percent (25.5%) for tax year
7 2001, and twenty-five percent (25%) for tax year 2002 and thereafter, and comparing the product
8 to the Rhode Island tax as computed otherwise under this section. The excess shall be the taxpayer's
9 Rhode Island alternative minimum tax.

10 (1) For tax years beginning on or after January 1, 2005, and thereafter, the exemption
11 amount for alternative minimum tax, for Rhode Island purposes, shall be adjusted for inflation by
12 the tax administrator in the manner prescribed for adjustment by the commissioner of Internal
13 Revenue in 26 U.S.C. § 1(f).

14 (2) For the period January 1, 2007, through December 31, 2007, and thereafter, Rhode
15 Island taxable income shall be determined by deducting from federal adjusted gross income as
16 defined in 26 U.S.C. § 62 as modified by the modifications in § 44-30-12 the Rhode Island
17 itemized-deduction amount and the Rhode Island exemption amount as determined in this section.

18 **(A) Tax imposed.**

19 (1) There is hereby imposed on the taxable income of married individuals filing joint
20 returns and surviving spouses a tax determined in accordance with the following table:

21 If taxable income is:	The tax is:
22 Not over \$53,150	3.75% of taxable income
23 Over \$53,150 but not over \$128,500	\$1,993.13 plus 7.00% of the excess over \$53,150
24 Over \$128,500 but not over \$195,850	\$7,267.63 plus 7.75% of the excess over \$128,500
25 Over \$195,850 but not over \$349,700	\$12,487.25 plus 9.00% of the excess over \$195,850
26 Over \$349,700	\$26,333.75 plus 9.90% of the excess over \$349,700

27 (2) There is hereby imposed on the taxable income of every head of household a tax
28 determined in accordance with the following table:

29 If taxable income is:	The tax is:
30 Not over \$42,650	3.75% of taxable income
31 Over \$42,650 but not over \$110,100	\$1,599.38 plus 7.00% of the excess over \$42,650
32 Over \$110,100 but not over \$178,350	\$6,320.88 plus 7.75% of the excess over \$110,100
33 Over \$178,350 but not over \$349,700	\$11,610.25 plus 9.00% of the excess over \$178,350
34 Over \$349,700	\$27,031.75 plus 9.90% of the excess over \$349,700

1 (3) There is hereby imposed on the taxable income of unmarried individuals (other than
2 surviving spouses and heads of households) a tax determined in accordance with the following
3 table:

4 If taxable income is:	The tax is:
5 Not over \$31,850	3.75% of taxable income
6 Over \$31,850 but not over \$77,100	\$1,194.38 plus 7.00% of the excess over \$31,850
7 Over \$77,100 but not over \$160,850	\$4,361.88 plus 7.75% of the excess over \$77,100
8 Over \$160,850 but not over \$349,700	\$10,852.50 plus 9.00% of the excess over \$160,850
9 Over \$349,700	\$27,849.00 plus 9.90% of the excess over \$349,700

10 (4) There is hereby imposed on the taxable income of married individuals filing separate
11 returns and bankruptcy estates a tax determined in accordance with the following table:

12 If taxable income is:	The tax is:
13 Not over \$26,575	3.75% of taxable income
14 Over \$26,575 but not over \$64,250	\$996.56 plus 7.00% of the excess over \$26,575
15 Over \$64,250 but not over \$97,925	\$3,633.81 plus 7.75% of the excess over \$64,250
16 Over \$97,925 but not over \$174,850	\$6,243.63 plus 9.00% of the excess over \$97,925
17 Over \$174,850	\$13,166.88 plus 9.90% of the excess over \$174,850

18 (5) There is hereby imposed a taxable income of an estate or trust a tax determined in
19 accordance with the following table:

20 If taxable income is:	The tax is:
21 Not over \$2,150	3.75% of taxable income
22 Over \$2,150 but not over \$5,000	\$80.63 plus 7.00% of the excess over \$2,150
23 Over \$5,000 but not over \$7,650	\$280.13 plus 7.75% of the excess over \$5,000
24 Over \$7,650 but not over \$10,450	\$485.50 plus 9.00% of the excess over \$7,650
25 Over \$10,450	\$737.50 plus 9.90% of the excess over \$10,450

26 (6) Adjustments for inflation.

27 The dollars amount contained in paragraph (A) shall be increased by an amount equal to:

28 (a) Such dollar amount contained in paragraph (A) in the year 1993, multiplied by;

29 (b) The cost-of-living adjustment determined under section (J) with a base year of 1993;

30 (c) The cost-of-living adjustment referred to in subparagraphs (a) and (b) used in making
31 adjustments to the nine percent (9%) and nine and nine tenths percent (9.9%) dollar amounts shall
32 be determined under section (J) by substituting "1994" for "1993."

33 **(B) Maximum capital gains rates.**

34 (1) In general.

1 If a taxpayer has a net capital gain for tax years ending prior to January 1, 2010, the tax
2 imposed by this section for such taxable year shall not exceed the sum of:

3 (a) 2.5% of the net capital gain as reported for federal income tax purposes under section
4 26 U.S.C. § 1(h)(1)(a) and 26 U.S.C. § 1(h)(1)(b).

5 (b) 5% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
6 § 1(h)(1)(c).

7 (c) 6.25% of the net capital gain as reported for federal income tax purposes under 26
8 U.S.C. § 1(h)(1)(d).

9 (d) 7% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
10 § 1(h)(1)(e).

11 (2) For tax years beginning on or after January 1, 2010, the tax imposed on net capital gain
12 shall be determined under subdivision 44-30-2.6(c)(2)(A).

13 **(C) Itemized deductions.**

14 (1) In general.

15 For the purposes of section (2), “itemized deductions” means the amount of federal
16 itemized deductions as modified by the modifications in § 44-30-12.

17 (2) Individuals who do not itemize their deductions.

18 In the case of an individual who does not elect to itemize his deductions for the taxable
19 year, they may elect to take a standard deduction.

20 (3) Basic standard deduction.

21 The Rhode Island standard deduction shall be allowed in accordance with the following
22 table:

23 Filing status	Amount
24 Single	\$5,350
25 Married filing jointly or qualifying widow(er)	\$8,900
26 Married filing separately	\$4,450
27 Head of Household	\$7,850

28 (4) Additional standard deduction for the aged and blind.

29 An additional standard deduction shall be allowed for individuals age sixty-five (65) or
30 older or blind in the amount of \$1,300 for individuals who are not married and \$1,050 for
31 individuals who are married.

32 (5) Limitation on basic standard deduction in the case of certain dependents.

33 In the case of an individual to whom a deduction under section (E) is allowable to another
34 taxpayer, the basic standard deduction applicable to such individual shall not exceed the greater of:

- 1 (a) \$850;
- 2 (b) The sum of \$300 and such individual's earned income;
- 3 (6) Certain individuals not eligible for standard deduction.

4 In the case of:

- 5 (a) A married individual filing a separate return where either spouse itemizes deductions;
- 6 (b) Nonresident alien individual;
- 7 (c) An estate or trust;

8 The standard deduction shall be zero.

- 9 (7) Adjustments for inflation.

10 Each dollar amount contained in paragraphs (3), (4) and (5) shall be increased by an amount
11 equal to:

12 (a) Such dollar amount contained in paragraphs (3), (4) and (5) in the year 1988, multiplied
13 by

14 (b) The cost-of-living adjustment determined under section (J) with a base year of 1988.

15 **(D) Overall limitation on itemized deductions.**

16 (1) General rule.

17 In the case of an individual whose adjusted gross income as modified by § 44-30-12
18 exceeds the applicable amount, the amount of the itemized deductions otherwise allowable for the
19 taxable year shall be reduced by the lesser of:

20 (a) Three percent (3%) of the excess of adjusted gross income as modified by § 44-30-12
21 over the applicable amount; or

22 (b) Eighty percent (80%) of the amount of the itemized deductions otherwise allowable for
23 such taxable year.

24 (2) Applicable amount.

25 (a) In general.

26 For purposes of this section, the term "applicable amount" means \$156,400 (\$78,200 in the
27 case of a separate return by a married individual)

28 (b) Adjustments for inflation.

29 Each dollar amount contained in paragraph (a) shall be increased by an amount equal to:

30 (i) Such dollar amount contained in paragraph (a) in the year 1991, multiplied by

31 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

32 (3) Phase-out of Limitation.

33 (a) In general.

34 In the case of taxable year beginning after December 31, 2005, and before January 1, 2010,

1 the reduction under section (1) shall be equal to the applicable fraction of the amount which would
2 be the amount of such reduction.

3 (b) Applicable fraction.

4 For purposes of paragraph (a), the applicable fraction shall be determined in accordance
5 with the following table:

6 For taxable years beginning in calendar year	7 The applicable fraction is
8 2006 and 2007	$\frac{2}{3}$
9 2008 and 2009	$\frac{1}{3}$

10 (E) **Exemption amount.**

11 (1) In general.

12 Except as otherwise provided in this subsection, the term “exemption amount” means
13 \$3,400.

14 (2) Exemption amount disallowed in case of certain dependents.

15 In the case of an individual with respect to whom a deduction under this section is allowable
16 to another taxpayer for the same taxable year, the exemption amount applicable to such individual
17 for such individual's taxable year shall be zero.

18 (3) Adjustments for inflation.

19 The dollar amount contained in paragraph (1) shall be increased by an amount equal to:

- 20 (a) Such dollar amount contained in paragraph (1) in the year 1989, multiplied by
- 21 (b) The cost-of-living adjustment determined under section (J) with a base year of 1989.

22 (4) Limitation.

23 (a) In general.

24 In the case of any taxpayer whose adjusted gross income as modified for the taxable year
25 exceeds the threshold amount shall be reduced by the applicable percentage.

26 (b) Applicable percentage.

27 In the case of any taxpayer whose adjusted gross income for the taxable year exceeds the
28 threshold amount, the exemption amount shall be reduced by two (2) percentage points for each
29 \$2,500 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year
30 exceeds the threshold amount. In the case of a married individual filing a separate return, the
31 preceding sentence shall be applied by substituting “\$1,250” for “\$2,500.” In no event shall the
32 applicable percentage exceed one hundred percent (100%).

33 (c) Threshold Amount.

34 For the purposes of this paragraph, the term “threshold amount” shall be determined with
the following table:

1	Filing status	Amount
2	Single	\$156,400
3	Married filing jointly of qualifying widow(er)	\$234,600
4	Married filing separately	\$117,300
5	Head of Household	\$195,500

6 (d) Adjustments for inflation.

7 Each dollar amount contained in paragraph (b) shall be increased by an amount equal to:

8 (i) Such dollar amount contained in paragraph (b) in the year 1991, multiplied by

9 (ii) The cost-of-living adjustment determined under section (J) with a base year of 1991.

10 (5) Phase-out of limitation.

11 (a) In general.

12 In the case of taxable years beginning after December 31, 2005, and before January 1,
13 2010, the reduction under section 4 shall be equal to the applicable fraction of the amount which
14 would be the amount of such reduction.

15 (b) Applicable fraction.

16 For the purposes of paragraph (a), the applicable fraction shall be determined in accordance
17 with the following table:

18	For taxable years beginning in calendar year	The applicable fraction is
19	2006 and 2007	$\frac{2}{3}$
20	2008 and 2009	$\frac{1}{3}$

21 **(F) Alternative minimum tax.**

22 (1) General rule. There is hereby imposed (in addition to any other tax imposed by this
23 subtitle) a tax equal to the excess (if any) of:

24 (a) The tentative minimum tax for the taxable year, over

25 (b) The regular tax for the taxable year.

26 (2) The tentative minimum tax for the taxable year is the sum of:

27 (a) 6.5 percent of so much of the taxable excess as does not exceed \$175,000, plus

28 (b) 7.0 percent of so much of the taxable excess above \$175,000.

29 (3) The amount determined under the preceding sentence shall be reduced by the alternative
30 minimum tax foreign tax credit for the taxable year.

31 (4) Taxable excess. For the purposes of this subsection the term "taxable excess" means so
32 much of the federal alternative minimum taxable income as modified by the modifications in § 44-
33 30-12 as exceeds the exemption amount.

34 (5) In the case of a married individual filing a separate return, subparagraph (2) shall be

1 applied by substituting “\$87,500” for \$175,000 each place it appears.

2 (6) Exemption amount.

3 For purposes of this section "exemption amount" means:

4 Filing status	Amount
5 Single	\$39,150
6 Married filing jointly or qualifying widow(er)	\$53,700
7 Married filing separately	\$26,850
8 Head of Household	\$39,150
9 Estate or trust	\$24,650

10 (7) Treatment of unearned income of minor children

11 (a) In general.

12 In the case of a minor child, the exemption amount for purposes of section (6) shall not
13 exceed the sum of:

14 (i) Such child's earned income, plus

15 (ii) \$6,000.

16 (8) Adjustments for inflation.

17 The dollar amount contained in paragraphs (6) and (7) shall be increased by an amount
18 equal to:

19 (a) Such dollar amount contained in paragraphs (6) and (7) in the year 2004, multiplied by

20 (b) The cost-of-living adjustment determined under section (J) with a base year of 2004.

21 (9) Phase-out.

22 (a) In general.

23 The exemption amount of any taxpayer shall be reduced (but not below zero) by an amount
24 equal to twenty-five percent (25%) of the amount by which alternative minimum taxable income
25 of the taxpayer exceeds the threshold amount.

26 (b) Threshold amount.

27 For purposes of this paragraph, the term “threshold amount” shall be determined with the
28 following table:

29 Filing status	Amount
30 Single	\$123,250
31 Married filing jointly or qualifying widow(er)	\$164,350
32 Married filing separately	\$82,175
33 Head of Household	\$123,250
34 Estate or Trust	\$82,150

1 (c) Adjustments for inflation

2 Each dollar amount contained in paragraph (9) shall be increased by an amount equal to:

3 (i) Such dollar amount contained in paragraph (9) in the year 2004, multiplied by

4 (ii) The cost-of-living adjustment determined under section (J) with a base year of 2004.

5 **(G) Other Rhode Island taxes.**

6 (1) General rule. There is hereby imposed (in addition to any other tax imposed by this
7 subtitle) a tax equal to twenty-five percent (25%) of:

8 (a) The Federal income tax on lump-sum distributions.

9 (b) The Federal income tax on parents' election to report child's interest and dividends.

10 (c) The recapture of Federal tax credits that were previously claimed on Rhode Island
11 return.

12 **(H) Tax for children under 18 with investment income.**

13 (1) General rule. There is hereby imposed a tax equal to twenty-five percent (25%) of:

14 (a) The Federal tax for children under the age of 18 with investment income.

15 **(I) Averaging of farm income.**

16 (1) General rule. At the election of an individual engaged in a farming business or fishing
17 business, the tax imposed in section 2 shall be equal to twenty-five percent (25%) of:

18 (a) The Federal averaging of farm income as determined in IRC section 1301 [26 U.S.C. §
19 1301].

20 **(J) Cost-of-living adjustment.**

21 (1) In general.

22 The cost-of-living adjustment for any calendar year is the percentage (if any) by which:

23 (a) The CPI for the preceding calendar year exceeds

24 (b) The CPI for the base year.

25 (2) CPI for any calendar year.

26 For purposes of paragraph (1), the CPI for any calendar year is the average of the consumer
27 price index as of the close of the twelve (12) month period ending on August 31 of such calendar
28 year.

29 (3) Consumer price index.

30 For purposes of paragraph (2), the term “consumer price index” means the last consumer
31 price index for all urban consumers published by the department of labor. For purposes of the
32 preceding sentence, the revision of the consumer price index that is most consistent with the
33 consumer price index for calendar year 1986 shall be used.

34 (4) Rounding.

1 (a) In general.

2 If any increase determined under paragraph (1) is not a multiple of \$50, such increase shall
3 be rounded to the next lowest multiple of \$50.

4 (b) In the case of a married individual filing a separate return, subparagraph (a) shall be
5 applied by substituting “\$25” for \$50 each place it appears.

6 (K) **Credits against tax.** For tax years beginning on or after January 1, 2001, a taxpayer
7 entitled to any of the following federal credits enacted prior to January 1, 1996, shall be entitled to
8 a credit against the Rhode Island tax imposed under this section:

9 (1) [Deleted by P.L. 2007, ch. 73, art. 7, § 5.]

10 (2) Child and dependent care credit;

11 (3) General business credits;

12 (4) Credit for elderly or the disabled;

13 (5) Credit for prior year minimum tax;

14 (6) Mortgage interest credit;

15 (7) Empowerment zone employment credit;

16 (8) Qualified electric vehicle credit.

17 (L) **Credit against tax for adoption.** For tax years beginning on or after January 1, 2006,
18 a taxpayer entitled to the federal adoption credit shall be entitled to a credit against the Rhode Island
19 tax imposed under this section if the adopted child was under the care, custody, or supervision of
20 the Rhode Island department of children, youth and families prior to the adoption.

21 (M) The credit shall be twenty-five percent (25%) of the aforementioned federal credits
22 provided there shall be no deduction based on any federal credits enacted after January 1, 1996,
23 including the rate reduction credit provided by the federal Economic Growth and Tax
24 Reconciliation Act of 2001 (EGTRRA). In no event shall the tax imposed under this section be
25 reduced to less than zero. A taxpayer required to recapture any of the above credits for federal tax
26 purposes shall determine the Rhode Island amount to be recaptured in the same manner as
27 prescribed in this subsection.

28 (N) **Rhode Island earned-income credit.**

29 (1) In general.

30 For tax years beginning before January 1, 2015, a taxpayer entitled to a federal earned-
31 income credit shall be allowed a Rhode Island earned-income credit equal to twenty-five percent
32 (25%) of the federal earned-income credit. Such credit shall not exceed the amount of the Rhode
33 Island income tax.

34 For tax years beginning on or after January 1, 2015, and before January 1, 2016, a taxpayer

1 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit
2 equal to ten percent (10%) of the federal earned-income credit. Such credit shall not exceed the
3 amount of the Rhode Island income tax.

4 For tax years beginning on or after January 1, 2016, a taxpayer entitled to a federal earned-
5 income credit shall be allowed a Rhode Island earned-income credit equal to twelve and one-half
6 percent (12.5%) of the federal earned-income credit. Such credit shall not exceed the amount of the
7 Rhode Island income tax.

8 For tax years beginning on or after January 1, 2017, a taxpayer entitled to a federal earned-
9 income credit shall be allowed a Rhode Island earned-income credit equal to fifteen percent (15%)
10 of the federal earned-income credit. Such credit shall not exceed the amount of the Rhode Island
11 income tax.

12 For tax years beginning on or after January 1, 2024, a taxpayer entitled to a federal earned-
13 income credit shall be allowed a Rhode Island earned-income credit equal to sixteen percent (16%)
14 of the federal earned-income credit. Such credit shall not exceed the amount of the Rhode Island
15 income tax.

16 (2) Refundable portion.

17 In the event the Rhode Island earned-income credit allowed under paragraph (N)(1) of this
18 section exceeds the amount of Rhode Island income tax, a refundable earned-income credit shall
19 be allowed as follows.

20 (i) For tax years beginning before January 1, 2015, for purposes of paragraph (2) refundable
21 earned-income credit means fifteen percent (15%) of the amount by which the Rhode Island earned-
22 income credit exceeds the Rhode Island income tax.

23 (ii) For tax years beginning on or after January 1, 2015, for purposes of paragraph (2)
24 refundable earned-income credit means one hundred percent (100%) of the amount by which the
25 Rhode Island earned-income credit exceeds the Rhode Island income tax.

26 (O) The tax administrator shall recalculate and submit necessary revisions to paragraphs
27 (A) through (J) to the general assembly no later than February 1, 2010, and every three (3) years
28 thereafter for inclusion in the statute.

29 (3) For the period January 1, 2011, through December 31, 2011, and thereafter, "Rhode
30 Island taxable income" means federal adjusted gross income as determined under the Internal
31 Revenue Code, 26 U.S.C. § 1 et seq., and as modified for Rhode Island purposes pursuant to § 44-
32 30-12 less the amount of Rhode Island Basic Standard Deduction allowed pursuant to subparagraph
33 44-30-2.6(c)(3)(B), and less the amount of personal exemption allowed pursuant to subparagraph
34 44-30-2.6(c)(3)(C).

1 (A) **Tax imposed.**

2 (I) There is hereby imposed on the taxable income of married individuals filing joint
3 returns, qualifying widow(er), every head of household, unmarried individuals, married individuals
4 filing separate returns and bankruptcy estates, a tax determined in accordance with the following
5 table:

6 RI Taxable Income			7 RI Income Tax
8 Over	9 But not over	10 Pay + % on Excess	11 on the amount over
12 \$ 0 -	13 \$ 55,000	14 \$ 0 + 3.75%	15 \$ 0
16 55,000 -	17 125,000	18 2,063 + 4.75%	19 55,000
20 125,000 -		21 5,388 + 5.99%	22 125,000

23 (II) There is hereby imposed on the taxable income of an estate or trust a tax determined in
24 accordance with the following table:

25 RI Taxable Income			26 RI Income Tax
27 Over	28 But not over	29 Pay + % on Excess	30 on the amount over
31 \$ 0 -	32 \$ 2,230	33 \$ 0 + 3.75%	34 \$ 0
35 2,230 -	36 7,022	37 84 + 4.75%	38 2,230
39 7,022 -		40 312 + 5.99%	41 7,022

42 (B) **Deductions:**

43 (I) Rhode Island Basic Standard Deduction.

44 Only the Rhode Island standard deduction shall be allowed in accordance with the
45 following table:

46 Filing status:	47 Amount
48 Single	49 \$7,500
50 Married filing jointly or qualifying widow(er)	51 \$15,000
52 Married filing separately	53 \$7,500
54 Head of Household	55 \$11,250

56 (II) Nonresident alien individuals, estates and trusts are not eligible for standard
57 deductions.

58 (III) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island
59 purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five thousand
60 dollars (\$175,000), the standard deduction amount shall be reduced by the applicable percentage.
61 The term “applicable percentage” means twenty (20) percentage points for each five thousand
62 dollars (\$5,000) (or fraction thereof) by which the taxpayer’s adjusted gross income for the taxable
63 year exceeds one hundred seventy-five thousand dollars (\$175,000).
64

1 **(C) Exemption Amount:**

2 (I) The term “exemption amount” means three thousand five hundred dollars (\$3,500)
3 multiplied by the number of exemptions allowed for the taxable year for federal income tax
4 purposes. For tax years beginning on or after 2018, the term “exemption amount” means the same
5 as it does in 26 U.S.C. § 151 and 26 U.S.C. § 152 just prior to the enactment of the Tax Cuts and
6 Jobs Act (Pub. L. No. 115-97) on December 22, 2017.

7 (II) Exemption amount disallowed in case of certain dependents. In the case of an
8 individual with respect to whom a deduction under this section is allowable to another taxpayer for
9 the same taxable year, the exemption amount applicable to such individual for such individual’s
10 taxable year shall be zero.

11 (III) Identifying information required.

12 (1) Except as provided in § 44-30-2.6(c)(3)(C)(II) of this section, no exemption shall be
13 allowed under this section with respect to any individual unless the Taxpayer Identification Number
14 of such individual is included on the federal return claiming the exemption for the same tax filing
15 period.

16 (2) Notwithstanding the provisions of § 44-30-2.6(c)(3)(C)(I) of this section, in the event
17 that the Taxpayer Identification Number for each individual is not required to be included on the
18 federal tax return for the purposes of claiming a personal exemption(s), then the Taxpayer
19 Identification Number must be provided on the Rhode Island tax return for the purpose of claiming
20 said exemption(s).

21 (D) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island
22 purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five thousand
23 dollars (\$175,000), the exemption amount shall be reduced by the applicable percentage. The term
24 “applicable percentage” means twenty (20) percentage points for each five thousand dollars
25 (\$5,000) (or fraction thereof) by which the taxpayer’s adjusted gross income for the taxable year
26 exceeds one hundred seventy-five thousand dollars (\$175,000).

27 **(E) Adjustment for inflation.** The dollar amount contained in subparagraphs 44-30-
28 2.6(c)(3)(A), 44-30-2.6(c)(3)(B) and 44-30-2.6(c)(3)(C) shall be increased annually by an amount
29 equal to:

30 (I) Such dollar amount contained in subparagraphs 44-30-2.6(c)(3)(A), 44-30-2.6(c)(3)(B)
31 and 44-30-2.6(c)(3)(C) adjusted for inflation using a base tax year of 2000, multiplied by;

32 (II) The cost-of-living adjustment with a base year of 2000.

33 (III) For the purposes of this section, the cost-of-living adjustment for any calendar year is
34 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds

1 the consumer price index for the base year. The consumer price index for any calendar year is the
2 average of the consumer price index as of the close of the twelve-month (12) period ending on
3 August 31, of such calendar year.

4 (IV) For the purpose of this section the term “consumer price index” means the last
5 consumer price index for all urban consumers published by the department of labor. For the purpose
6 of this section the revision of the consumer price index that is most consistent with the consumer
7 price index for calendar year 1986 shall be used.

8 (V) If any increase determined under this section is not a multiple of fifty dollars (\$50.00),
9 such increase shall be rounded to the next lower multiple of fifty dollars (\$50.00). In the case of a
10 married individual filing separate return, if any increase determined under this section is not a
11 multiple of twenty-five dollars (\$25.00), such increase shall be rounded to the next lower multiple
12 of twenty-five dollars (\$25.00).

13 **(F) Credits against tax.**

14 (I) Notwithstanding any other provisions of Rhode Island Law, for tax years beginning on
15 or after January 1, 2011, the only credits allowed against a tax imposed under this chapter shall be
16 as follows:

17 (a) Rhode Island earned-income credit: Credit shall be allowed for earned-income credit
18 pursuant to subparagraph 44-30-2.6(c)(2)(N).

19 (b) Property Tax Relief Credit: Credit shall be allowed for property tax relief as provided
20 in § 44-33-1 et seq.

21 (c) Lead Paint Credit: Credit shall be allowed for residential lead abatement income tax
22 credit as provided in § 44-30.3-1 et seq.

23 (d) Credit for income taxes of other states. Credit shall be allowed for income tax paid to
24 other states pursuant to § 44-30-74.

25 (e) Historic Structures Tax Credit: Credit shall be allowed for historic structures tax credit
26 as provided in § 44-33.2-1 et seq.

27 (f) Motion Picture Productions Tax Credit: Credit shall be allowed for motion picture
28 production tax credit as provided in § 44-31.2-1 et seq.

29 (g) Child and Dependent Care: Credit shall be allowed for twenty-five percent (25%) of
30 the federal child and dependent care credit allowable for the taxable year for federal purposes;
31 provided, however, such credit shall not exceed the Rhode Island tax liability.

32 (h) Tax credits for contributions to Scholarship Organizations: Credit shall be allowed for
33 contributions to scholarship organizations as provided in chapter 62 of title 44.

34 (i) Credit for tax withheld. Wages upon which tax is required to be withheld shall be taxable

1 as if no withholding were required, but any amount of Rhode Island personal income tax actually
2 deducted and withheld in any calendar year shall be deemed to have been paid to the tax
3 administrator on behalf of the person from whom withheld, and the person shall be credited with
4 having paid that amount of tax for the taxable year beginning in that calendar year. For a taxable
5 year of less than twelve (12) months, the credit shall be made under regulations of the tax
6 administrator.

7 (j) Stay Invested in RI Wavemaker Fellowship: Credit shall be allowed for stay invested in
8 RI wavemaker fellowship program as provided in § 42-64.26-1 et seq.

9 (k) Rebuild Rhode Island: Credit shall be allowed for rebuild RI tax credit as provided in
10 § 42-64.20-1 et seq.

11 (l) Rhode Island Qualified Jobs Incentive Program: Credit shall be allowed for Rhode
12 Island new qualified jobs incentive program credit as provided in § 44-48.3-1 et seq.

13 (m) Historic homeownership assistance act: Effective for tax year 2017 and thereafter,
14 unused carryforward for such credit previously issued shall be allowed for the historic
15 homeownership assistance act as provided in § 44-33.1-4. This allowance is for credits already
16 issued pursuant to § 44-33.1-4 and shall not be construed to authorize the issuance of new credits
17 under the historic homeownership assistance act.

18 (2) Except as provided in section 1 above, no other state and federal tax credit shall be
19 available to the taxpayers in computing tax liability under this chapter.

20 SECTION 4. Section 44-30-101 of the General Laws in Chapter 44-30 entitled "Personal
21 Income Tax" is hereby amended to read as follows:

22 **44-30-101. Requirements concerning qualifying health insurance coverage.**

23 (a) Definitions. For purposes of this section:

24 (1) "Applicable individual" has the same meaning as set forth in 26 U.S.C. § 5000A(d).

25 (2) "Minimum essential coverage" has the same meaning as set forth in 26 U.S. C. §
26 5000A(f).

27 (3) "Shared responsibility payment penalty" means the penalty imposed pursuant to
28 subsection (c) of this section.

29 (4) "Taxpayer" means any resident individual, as defined in § 44-30-5.

30 (b) Requirement to maintain minimum essential coverage. Every applicable individual
31 must maintain minimum essential coverage for each month beginning after December 31, 2019.

32 (c) Shared responsibility payment penalty imposed for failing to maintain minimum
33 essential coverage. As of January 1, 2020, every applicable individual required to file a personal
34 income tax return pursuant to § 44-30-51, shall indicate on the return, in a manner to be prescribed

1 by the tax administrator, whether and for what period of time during the relevant tax year the
2 individual and his or her spouse and dependents who are applicable individuals were covered by
3 minimum essential coverage. If a return submitted pursuant to this subsection fails to indicate that
4 coverage was in force or indicates that any applicable individuals did not have coverage in force, a
5 shared responsibility payment penalty shall hereby be assessed as a tax on the return.

6 (d) Shared responsibility payment penalty calculation. Except as provided in subsection
7 (e), the shared responsibility payment penalty imposed shall be equal to a taxpayer's federal shared
8 responsibility payment for the taxable year under section 5000A of the Internal Revenue Code of
9 1986, as amended, and as in effect on the 15th day of December 2017.

10 (e) Exceptions.

11 (1) Penalty cap. The amount of the shared responsibility payment penalty imposed under
12 this section shall be determined, if applicable, using the statewide average premium for bronze-
13 level plans offered through the Rhode Island health benefits exchange rather than the national
14 average premium for bronze-level plans.

15 (2) Hardship exemption determinations. Determinations as to hardship exemptions shall be
16 made by the exchange under § 42-157-11.

17 (3) Religious conscience exemption determinations. Determinations as to religious
18 conscience exemptions shall be made by the exchange under § 42-157-11.

19 (4) Taxpayers with gross income below state filing threshold. No penalty shall be imposed
20 under this section with respect to any applicable individual for any month during a calendar year if
21 the taxpayer's household income for the taxable year as described in section 1412(b)(1)(B) of the
22 Patient Protection and Affordable Care Act is less than the amount of gross income requiring the
23 taxpayer to file a return as set forth in § 44-30-51.

24 (5) Out of state residents. No penalty shall be imposed by this section with respect to any
25 applicable individual for any month during which the individual is a bona fide resident of another
26 state.

27 [\(6\) Individual on Medicaid. No penalty shall be imposed by this section with respect to any](#)
28 [applicable individual who is enrolled in the Medicaid program through December 31, 2023.](#)

29 (f) Health insurance market integrity fund. The tax administrator is authorized to withhold
30 from any state tax refund due to the taxpayer an amount equal to the calculated shared responsibility
31 payment penalty and shall place those amounts in the health insurance market integrity fund created
32 pursuant to § 42-157.1-5.

33 (g) Deficiency. If, upon examination of a taxpayer's return, the tax administrator
34 determines there is a deficiency because any refund due to the taxpayer is insufficient to satisfy the

1 shared responsibility penalty or because there was no refund due, the tax administrator may notify
2 the taxpayer of the deficiency in accordance with § 44-30-81 and interest shall accrue on the
3 deficiency as set forth in § 44-30-84. All monies collected on the deficiency shall be placed in the
4 health insurance market integrity fund created pursuant to § 42-157.1-5.

5 (h) Application of federal law. The shared responsibility payment penalty shall be assessed
6 and collected as set forth in this chapter and, where applicable, consistent with regulations
7 promulgated by the federal government, the exchange, and/or the tax administrator. Any federal
8 regulation implementing section 5000A of the Internal Revenue Code of 1986, as amended, and in
9 effect on the 15th day of December 2017, shall apply as though incorporated into the Rhode Island
10 code of regulations. Federal guidance interpreting these federal regulations shall similarly apply.
11 Except as provided in subsections (j) and (k) of this section, all references to federal law shall be
12 construed as references to federal law as in effect on December 15, 2017, including applicable
13 regulations and administrative guidance that were in effect as of that date.

14 (i) Unavailability of federal premium tax credits. For any taxable year in which federal
15 premium tax credits available pursuant to 26 U.S.C. section 36B become unavailable due to the
16 federal government repealing that section or failing to fund the premium tax credits, the shared
17 responsibility payment penalty under this section shall not be enforced.

18 (j) Imposition of federal shared responsibility payment. For any taxable year in which a
19 federal penalty under section 5000A of the Internal Revenue Code of 1986 is imposed on a taxpayer
20 in an amount comparable to the shared responsibility payment penalty assessed under this section,
21 the state penalty shall not be enforced.

22 (k) Agency coordination. Where applicable, the tax administrator shall implement this
23 section in consultation with the office of the health insurance commissioner, the office of
24 management and budget, the executive office of health and human services, and the Rhode Island
25 health benefits exchange.

26 SECTION 5. The title of Chapter 44-44 of the General Laws entitled "Taxation of Beverage
27 Containers, Hard-To-Dispose Material and Litter Control Participation Permittee" is hereby
28 amended to read as follows:

29 ~~CHAPTER 44-44~~
30 ~~Taxation of Beverage Containers, Hard To Dispose Material and Litter Control Participation~~
31 ~~Permittee~~
32 CHAPTER 44-44
33 TAXATION OF BEVERAGE CONTAINERS AND HARD-TO-DISPOSE MATERIAL

34

1 SECTION 6. Sections 44-44-2, 44-44-17, 44-44-18, 44-44-19, 44-44-20 and 44-
2 44-22 of the General Laws in Chapter 44-44 entitled "Taxation of Beverage Containers, Hard-
3 To-Dispose Material and Litter Control Participation Permittee" are hereby amended to read as
4 follows:

5 **44-44-2. Definitions.**

6 As used in this chapter:

7 (1) "Beverage" means all non-alcoholic drinks for human consumption, except milk but
8 including beer and other malt beverages.

9 (2) "Beverage container" means any sealable bottle, can, jar, or carton which contains a
10 beverage.

11 (3) "Beverage retailer" means any person who engages in the sale of a beverage container
12 to a consumer within the state of Rhode Island, including any operator of a vending machine.

13 (4) "Beverage wholesaler" means any person who engages in the sale of beverage
14 containers to beverage retailers in this state, including any brewer, manufacturer, or bottler who
15 engages in those sales.

16 (5) "Case" means:

17 (i) Forty-eight (48) beverage containers sold or offered for sale within this state when each
18 beverage container has a liquid capacity of seven (7) fluid ounces or less;

19 (ii) Twenty-four (24) beverage containers sold or offered for sale within this state when
20 each beverage container has a liquid capacity in excess of seven (7) fluid ounces but less than or
21 equal to sixteen and nine tenths (16.9) fluid ounces;

22 (iii) Twelve (12) beverage containers sold or offered for sale within this state when each
23 beverage container has a liquid capacity in excess of sixteen and nine tenths (16.9) fluid ounces but
24 less than thirty-three and nine tenths (33.9) fluid ounces; and

25 (iv) Six (6) beverage containers sold or offered for sale within this state when each
26 beverage container has a liquid capacity of thirty-three and nine tenths (33.9) fluid ounces or more.

27 ~~(6) A permit issued in accordance with § 44-44-3.1(1) is called a Class A permit.~~

28 ~~(7) A permit issued in accordance with § 44-44-3.1(2) is called a Class B permit.~~

29 ~~(8) A permit issued in accordance with § 44-44-3.1(3) is called a Class C permit.~~

30 ~~(9) A permit issued in accordance with § 44-44-3.1(4) is called a Class D permit.~~

31 ~~(10) A permit issued in accordance with § 44-44-3.1(5) is called a Class E permit.~~

32 ~~(11)~~(6) "Consumer" means any person who purchases a beverage in a beverage container
33 for use or consumption with no intent to resell that filled beverage container.

34 ~~(12) "Gross receipts" means those receipts reported for each location to the tax~~

1 ~~administrator included in the measure of tax imposed under chapter 18 of this title, as amended.~~
2 ~~For those persons having multiple locations' receipts reported to the tax administrator the "gross~~
3 ~~receipts" to be aggregated shall be determined by each individual sales tax permit number. The~~
4 ~~term gross receipts shall be computed without deduction for retail sales of items in activities other~~
5 ~~than those which this state is prohibited from taxing under the constitution of the United States.~~

6 (13)(7) "Hard-to-dispose material" is as defined in § 37-15.1-3.

7 (14)(8) "Hard-to-dispose material retailer" means any person who engages in the retail sale
8 of hard-to-dispose material (as defined in § 37-15.1-3) in this state.

9 (15)(9) "Hard-to-dispose material wholesaler" means any person, wherever located, who
10 engages in the sale of hard-to-dispose material (as defined in § 37-15.1-3) to customers for sale in
11 this state (including manufacturers, refiners, and distributors and retailers), and to other persons as
12 defined above.

13 (16)(10) "New vehicle" means any mode of transportation for which a certificate of title is
14 required pursuant to title 31 and for which a certificate of title has not been previously issued in
15 this state or any other state or country.

16 (17)(11) "Organic solvent" is as defined in § 37-15.1-3.

17 (18)(12) "Person" means any natural person, corporation, partnership, joint venture,
18 association, proprietorship, firm, or other business entity.

19 (19) ~~"Prior calendar year" means the period beginning with January 1 and ending with~~
20 ~~December 31 immediately preceding the permit application due date.~~

21 (20) ~~"Qualifying activities" means selling or offering for retail sale food or beverages for~~
22 ~~immediate consumption and/or packaged for sale on a take-out or to go basis regardless of whether~~
23 ~~or not the items are subsequently actually eaten on or off the vendor's premises.~~

24 (21)(13) "Vending machine" means a self-contained automatic device that dispenses for
25 sale foods, beverages, or confection products.

26 **44-44-17. Deficiency determination — Determination without return.**

27 If any hard-to-dispose material wholesaler or hard-to-dispose material retailer or person or
28 beverage ~~wholesaler or litter control participation permittee~~ fails to file a return or application or to
29 keep records described in § 44-44-8, or if the tax administrator is not satisfied with the amount of
30 taxes or fees paid to him or her, the tax administrator may compute and determine the amount
31 required by this chapter to be paid to him or her upon the basis of the facts contained in the returns
32 or applications which have been filed or upon the basis of any information in the tax administrator's
33 possession or that may come into his or her possession.

34 **44-44-18. Notice of determination.**

1 The tax administrator shall give written notice of his or her determination to the beverage
2 wholesaler ~~or litter control participation permittee~~ or hard-to-dispose material wholesaler or hard-
3 to-dispose material retailer or person. Except in the case of fraud or failure to make a return, or
4 noncompliance with § 44-44-8, every notice of determination shall be mailed within three (3) years
5 of the date the taxes first became due. The amount of this determination shall bear interest at the
6 rate prescribed in § 44-1-7 from the date when taxes should have been paid until the date of
7 payment.

8 **44-44-19. Payment of refunds.**

9 Whenever the tax administrator shall determine that any beverage wholesaler or hard-to-
10 dispose material wholesaler or hard-to-dispose material retailer or person ~~or litter control~~
11 ~~participation permittee~~ is entitled to a refund of any moneys paid under the provisions of this
12 chapter, or whenever a court of competent jurisdiction orders a refund of any moneys paid, the
13 general treasurer shall, upon certification by the tax administrator, pay the refund from any moneys
14 in the litter control account or hard-to-dispose material account other than those moneys already
15 appropriated for the administration of the taxes and programs entitled by this chapter and § 37-15-
16 13; provided, that no refund shall be allowed unless a claim for a refund is filed with the tax
17 administrator within three (3) years from the date the overpayment was made. Every claim for a
18 refund shall be made in writing, shall be in a form, and shall present only information that the tax
19 administrator may, by regulation, require. Within thirty (30) days after disallowing any claim in
20 whole or in part the tax administrator shall give written notice of his or her decision to the beverage
21 wholesaler or hard-to-dispose material wholesaler or hard-to-dispose material retailer or person ~~or~~
22 ~~litter control participation permittee~~. A refund of less than ten dollars (\$10.00) will not be
23 processed, but may be credited to the following month's return without interest.

24 **~~44-44-20. Hearing on application by beverage wholesaler or litter control~~**
25 **participation permittee Hearing on application.**

26 Any person aggrieved by any assessment or decision of the tax administrator shall notify
27 the tax administrator and request a hearing, in writing, within thirty (30) days from the date of
28 mailing of the assessment or decision. The tax administrator or a hearing officer designated by the
29 tax administrator shall, as soon as practicable, fix a time and place for the hearing and, after the
30 hearing, determine the correct amount of the tax and interest.

31 **44-44-22. Information confidential.**

32 It shall be unlawful for any state official or employee to divulge or to make known to any
33 person in any manner not provided by law the amount or source of income, profits, losses,
34 expenditures, or any particular of these set forth or disclosed in any return, ~~permit application~~ or

1 other record required under this chapter, or to permit any return, ~~permit application~~, or other record
2 required by this chapter or copy of a record, or any book containing any abstract or particulars to
3 be seen or examined by any person except as provided by law. Any offense against this provision
4 shall be punished by a fine not exceeding one thousand dollars (\$1,000), or by imprisonment not
5 exceeding one year, or both, at the discretion of the court.

6 SECTION 7. Sections 44-44-3.1, 44-44-3.2, 44-44-3.3, 44-44-3.4 and 44-44-3.5 of the
7 General Laws in Chapter 44-44 entitled "Taxation of Beverage Containers, Hard-To-Dispose
8 Material and Litter Control Participation Permittee" are hereby repealed.

9 **44-44-3.1. Permit required.**

10 ~~Commencing August 1, 1988, every person engaging in, or desiring to engage in activities~~
11 ~~described in § 44-44-2(20), shall annually file an application with the tax administrator for a litter~~
12 ~~control participation permit, hereinafter called a "permit", for each place of business in Rhode~~
13 ~~Island. In those cases where the only qualifying activity is the operation of vending machines, the~~
14 ~~person shall either obtain a Class A permit for each vending machine or obtain a permit based on~~
15 ~~total gross receipts. All applications shall be in a form, including information and bearing signatures~~
16 ~~that the tax administrator may require. At the time of making an application, the applicant shall pay~~
17 ~~the tax administrator a permit fee based as follows:~~

18 (1) ~~For the applicant whose gross receipts for the prior calendar year measured less than~~
19 ~~fifty thousand dollars (\$50,000), a fee of twenty five dollars (\$25.00);~~

20 (2) ~~For the applicant whose gross receipts for the prior calendar year measured at least fifty~~
21 ~~thousand dollars (\$50,000), but less than one hundred thousand dollars (\$100,000), a fee of thirty~~
22 ~~five dollars (\$35.00);~~

23 (3) ~~For the applicant whose gross receipts for the calendar year measured at least one~~
24 ~~hundred thousand dollars (\$100,000), but less than four hundred thousand dollars (\$400,000), a fee~~
25 ~~of seventy five dollars (\$75.00);~~

26 (4) ~~For the applicant whose gross receipts for the prior calendar year measured at least four~~
27 ~~hundred thousand dollars (\$400,000), but less than one million dollars (\$1,000,000), a fee of one~~
28 ~~hundred dollars (\$100); and~~

29 (5) ~~For the applicant whose gross receipts for the prior calendar year measured one million~~
30 ~~dollars (\$1,000,000) or more, a fee of one hundred twenty five dollars (\$125) for each one million~~
31 ~~dollars (\$1,000,000) or fraction of this amount. The fee in this subdivision shall not exceed the sum~~
32 ~~of one thousand dollars (\$1,000) for each permit at each place of business in Rhode Island when~~
33 ~~the "qualifying activities" referred to in this section and defined in § 44-44-2(20) and the sale of~~
34 ~~food products do not exceed ten percent (10%) of the gross receipts for each permit.~~

1 **44-44-3.2. Penalty for operation without a permit — Injunctive relief.**

2 (a) ~~Any person who engages (or the officer of a corporation engaged) in activities described~~
3 ~~in § 44-44-2(20) without the permit required by this chapter shall be guilty of a misdemeanor and~~
4 ~~shall, for each offense, be fined not more than one thousand dollars (\$1,000), or be imprisoned for~~
5 ~~not more than one year, or punished by both a fine and imprisonment. Each day in which a person~~
6 ~~is so engaged shall constitute a separate offense.~~

7 (b) ~~The superior court of this state shall have jurisdiction of restraining any person from~~
8 ~~engaging in activities described in § 44-44-2(20) without the proper permit as prescribed in this~~
9 ~~chapter. The tax administrator may institute proceedings to prevent and restrain violations of this~~
10 ~~chapter.~~

11 **44-44-3.3. Partial periods.**

12 (a)(1) ~~Each applicant which did not do business at a particular location during the prior~~
13 ~~calendar year for the purposes of determining the proper fee in accordance with § 44-44-3.1 may,~~
14 ~~for application purposes, only apply for a Class A permit for that location.~~

15 (2) ~~For purposes of this section, the term “applicant” shall not include any person who~~
16 ~~purchases an ongoing business and continues to operate the same type of business from the same~~
17 ~~location without interruption of thirty (30) days or more immediately following the purchase of the~~
18 ~~business.~~

19 (b) ~~Any permittee ceasing business at a location before the annual expiration date of permit~~
20 ~~shall return the permit to the tax administrator for cancellation.~~

21 (c) ~~The fees set forth in § 44-44-3.1 are neither proratable nor refundable for partial periods~~
22 ~~of operation at a specific location.~~

23 (d) ~~A person who purchases an ongoing business and continues to operate the business in~~
24 ~~the same location in a calendar year for which the prior permit holder has paid the applicable fee~~
25 ~~may obtain a permit for the remainder of that calendar year upon payment of a twenty five dollar~~
26 ~~(\$25.00) fee.~~

27 **44-44-3.4. Issuance of permit — Assignment prohibited — Display.**

28 ~~Upon receipt of the required application and permit fee, the tax administrator shall issue to~~
29 ~~the applicant a separate permit for each location in Rhode Island. A permit is not assignable and is~~
30 ~~valid only for the person in whose name it was issued and only for the business location shown in~~
31 ~~the permit. It shall at all times be conspicuously displayed at the location for which it was issued.~~

32 **44-44-3.5. Application due date — Weekends and holidays — Mailing.**

33 (a) ~~Each applicant shall apply for a permit prior to engaging in the activities described in §~~
34 ~~44-44-2(20) for each location in Rhode Island and, after this, shall annually reapply on or before~~

1 ~~August 1 of each year.~~

2 ~~(b) When the application due date, or any other due date for activity by an applicant or~~
3 ~~permittee, falls on a Saturday, Sunday, or Rhode Island legal holiday, the application or activity~~
4 ~~will be considered timely if it is performed on the next succeeding day which is not a Saturday,~~
5 ~~Sunday, or Rhode Island legal holiday.~~

6 ~~(c) When any application, payment or other document required to be filed on or before a~~
7 ~~prescribed date set forth in this chapter is delivered after the required date by United States Post~~
8 ~~Office to the tax administrator, office, officer, or person with which or with whom the document is~~
9 ~~required to be filed, the date on which the document is dated by the post office shall be deemed to~~
10 ~~be the date of delivery. This subsection shall apply only if the document was, within the prescribed~~
11 ~~time, deposited in the mail with United States postage prepaid and properly addressed.~~

12 SECTION 8. Section 44-62-3 of the General Laws in Chapter 44-62 entitled "Tax Credits
13 for Contributions to Scholarship Organizations" is hereby amended to read as follows:

14 **44-62-3. Application for the tax credit program.**

15 (a) Prior to the contribution, a business entity shall apply in writing to the division of
16 taxation. The application shall contain such information and certification as the tax administrator
17 deems necessary for the proper administration of this chapter. A business entity shall be approved
18 if it meets the criteria of this chapter; the dollar amount of the applied for tax credit is no greater
19 than one hundred thousand dollars (\$100,000) in any tax year, and the scholarship organization that
20 is to receive the contribution has qualified under § 44-62-2.

21 (b) Approvals for contributions under this section shall be made available by the division
22 of taxation on a first-come-first-serve basis. The total aggregate amount of all tax credits approved
23 shall not exceed ~~one million five hundred thousand dollars (\$1,500,000)~~ one million six hundred
24 thousand dollars (\$1,600,000) in a fiscal year.

25 (c) The division of taxation shall notify the business entity in writing within thirty (30)
26 days of the receipt of application of the division's approval or rejection of the application.

27 (d) Unless the contribution is part of a two-year plan, the actual cash contribution by the
28 business entity to a qualified scholarship organization must be made no later than one hundred
29 twenty (120) days following the approval of its application. If the contribution is part of a two-year
30 plan, the first year's contribution follows the general rule and the second year's contribution must
31 be made in the subsequent calendar year by the same date.

32 (e) The contributions must be those charitable contributions made in cash as set forth in
33 the Internal Revenue Code.

34 SECTION 9. Section 45-13-14 of the General Laws in Chapter 45-13 entitled "State Aid"

1 is hereby amended to read as follows:

2 **45-13-14. Adjustments to tax levy, assessed value, and full value when computing state**
3 **aid.**

4 (a) Whenever the director of revenue computes the relative wealth of municipalities for the
5 purpose of distributing state aid in accordance with title 16 and the provisions of § 45-13-12, he or
6 she shall base it on the full value of all property except:

7 (1) That exempted from taxation by acts of the general assembly and reimbursed under §
8 45-13-5.1, which shall have its value calculated as if the payment in lieu of tax revenues received
9 pursuant to § 45-13-5.1, has resulted from a tax levy;

10 (2) That whose tax levy or assessed value is based on a tax treaty agreement authorized by
11 a special public law or by reason of agreements between a municipality and the economic
12 development corporation in accordance with § 42-64-20 prior to May 15, 2005, which shall not
13 have its value included;

14 (3) That whose tax levy or assessed value is based on tax treaty agreements or tax
15 stabilization agreements in force prior to May 15, 2005, which shall not have its value included;

16 (4) That which is subject to a payment in lieu of tax agreement in force prior to May 15,
17 2005;

18 (5) Any other property exempt from taxation under state law;

19 (6) Any property subject to chapter 27 of title 44, taxation of Farm, Forest, and Open Space
20 Land; or

21 (7) Any property exempt from taxation, in whole or in part, under the provisions of
22 subsections (a)(51), (a)(66), or (c) of § 44-3-3, § 44-3-47, § 44-3-65, [§ 44-5.3-1](#), or any other
23 provision of law that enables a city, town, or fire district to establish a tangible personal property
24 exemption, which shall have its value calculated as the full value of the property minus the
25 exemption amount.

26 (b) The tax levy of each municipality and fire district shall be adjusted for any real estate
27 and personal property exempt from taxation by act of the general assembly by the amount of
28 payment in lieu of property tax revenue anticipated to be received pursuant to § 45-13-5.1 relating
29 to property tax from certain exempt private and state properties, and for any property subject to any
30 payment in lieu of tax agreements, any tax treaty agreements or tax stabilization agreements in
31 force after May 15, 2005, by the amount of the payment in lieu of taxes pursuant to such
32 agreements.

33 (c) Fire district tax levies within a city or town shall be included as part of the total levy
34 attributable to that city or town.

1 (d) The changes as required by subsections (a) through (c) of this section shall be
2 incorporated into the computation of entitlements effective for distribution in fiscal year 2007-2008
3 and thereafter.

4 SECTION 10. Sections 5 through 8 of this article shall take effect on January 1, 2024. The
5 remaining sections of this article shall take effect upon passage.