

2026 -- S 2019

LC003310

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO TAXATION -- ESTATE AND TRANSFER TAXES -- LIABILITY AND
COMPUTATION

Introduced By: Senators Paolino, E Morgan, Rogers, de la Cruz, Raptakis, Patalano,
Dimitri, Pearson, Urso, and Thompson

Date Introduced: January 09, 2026

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

SECTION 1. Section 44-22-1.1 of the General Laws in Chapter 44-22 entitled "Estate and
Transfer Taxes — Liability and Computation" is hereby amended to read as follows:

44-22-1.1. Tax on net estate of decedent.

(a)(1) For decedents whose death occurs on or after January 1, 1992, but prior to January
1, 2002, a tax is imposed upon the transfer of the net estate of every resident or nonresident decedent
as a tax upon the right to transfer. The tax is a sum equal to the maximum credit for state death
taxes allowed by 26 U.S.C. § 2011.

(2) For decedents whose death occurs on or after January 1, 2002, but prior to January 1,
2010, a tax is imposed upon the transfer of the net estate of every resident or nonresident decedent
as a tax upon the right to transfer. The tax is a sum equal to the maximum credit for state death
taxes allowed by 26 U.S.C. § 2011 as it was in effect as of January 1, 2001; provided, however,
that the tax shall be imposed only if the net taxable estate shall exceed six hundred seventy-five
thousand dollars (\$675,000). Any scheduled increase in the unified credit provided in 26 U.S.C. §
2010 in effect on January 1, 2001, or thereafter, shall not apply.

(3) For decedents whose death occurs on or after January 1, 2010, and prior to January 1,
2015, a tax is imposed upon the transfer of the net estate of every resident or nonresident decedent
as a tax upon the right to transfer. The tax is a sum equal to the maximum credit for state death
taxes allowed by 26 U.S.C. § 2011 as it was in effect as of January 1, 2001; provided, however,

1 that the tax shall be imposed only if the net taxable estate shall exceed eight hundred and fifty
2 thousand dollars (\$850,000); provided, further, beginning on January 1, 2011, and each January 1
3 thereafter until January 1, 2015, said amount shall be adjusted by the percentage of increase in the
4 Consumer Price Index for all Urban Consumers (CPI-U) as published by the United States
5 Department of Labor Statistics determined as of September 30 of the prior calendar year; said
6 adjustment shall be compounded annually and shall be rounded up to the nearest five dollar (\$5.00)
7 increment. Any scheduled increase in the unified credit provided in 26 U.S.C. § 2010 in effect on
8 January 1, 2003, or thereafter, shall not apply.

9 (4) For decedents whose death occurs on or after January 1, 2015, a tax is imposed upon
10 the transfer of the net estate of every resident or nonresident decedent as a tax upon the right to
11 transfer. The tax is a sum equal to the maximum credit for state death taxes allowed by 26 U.S.C.
12 § 2011, as it was in effect as of January 1, 2001; provided, however, that a Rhode Island credit shall
13 be allowed against any tax so determined in the amount of sixty-four thousand four hundred
14 (\$64,400). Any scheduled increase in the unified credit provided in 26 U.S.C. § 2010 in effect on
15 January 1, 2003, or thereafter, shall not apply; provided, further, beginning on January 1, 2016, and
16 each January 1 thereafter, said Rhode Island credit amount under this section shall be adjusted by
17 the percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-U) as
18 published by the United States Department of Labor Statistics determined as of September 30 of
19 the prior calendar year; said adjustment shall be compounded annually and shall be rounded up to
20 the nearest five dollar (\$5.00) increment.

21 (5)(i) For decedents whose death occurs on or after January 1, 2027 and prior to January 1,
22 2028, a tax is imposed pursuant to the provisions of subsection (a)(4) of this section, upon the
23 transfer of the net estate of every resident or nonresident decedent as a right of transfer, if the net
24 taxable estate shall exceed three million six hundred thousand dollars (\$3,600,00);

25 (ii) For decedents whose death occurs on or after January 1, 2028 and prior to January 1,
26 2029, a tax is imposed pursuant to the provisions of subsection (a)(4) of this section, upon the
27 transfer of the net estate of every resident or nonresident decedent as a right of transfer, if the net
28 taxable estate shall exceed four million six hundred thousand dollars (\$4,600,00);

29 (iii) For decedents whose death occurs on or after January 1, 2029 and prior to January 1,
30 2030, a tax is imposed pursuant to the provisions of subsection (a)(4) of this section, upon the
31 transfer of the net estate of every resident or nonresident decedent as a right of transfer, if the net
32 taxable estate shall exceed five million six hundred thousand dollars (\$5,600,00);

33 (iv) For decedents whose death occurs on or after January 1, 2030 and prior to January 1,
34 2031, a tax is imposed pursuant to the provisions of subsection (a)(4) of this section, upon the

1 transfer of the net estate of every resident or nonresident decedent as a right of transfer, if the net
2 taxable estate shall exceed six million six hundred thousand dollars (\$6,600,00);

3 (v) For decedents whose death occurs on or after January 1, 2031 and prior to January 1,
4 2032, a tax is imposed pursuant to the provisions of subsection (a)(4) of this section, upon the
5 transfer of the net estate of every resident or nonresident decedent as a right of transfer, if the net
6 taxable estate shall exceed seven million six hundred thousand dollars (\$7,600,00);

7 (vi) For decedents whose death occurs on or after January 1, 2032 and prior to January 1,
8 2033, a tax is imposed pursuant to the provisions of subsection (a)(4) of this section, upon the
9 transfer of the net estate of every resident or nonresident decedent as a right of transfer, if the net
10 taxable estate shall exceed eight million six hundred thousand dollars (\$8,600,00);

11 (vii) No tax on the transfer of the net estate shall be due for any transfer of a decedents
12 estate for a decedent whose death occurs on or after January 1, 2033.

13 (b) If the decedent's estate contains property having a tax situs not within the state, then
14 the tax determined by this section is reduced to an amount determined by multiplying the tax by a
15 fraction whose numerator is the gross estate excluding all property having a tax situs not within the
16 state at the decedent's death and whose denominator is the gross estate. In determining the fraction,
17 no deductions are considered and the gross estate is not reduced by a mortgage or other
18 indebtedness for which the decedent's estate is not liable.

19 (c)(1) The terms "gross taxable estate," "federal gross estate" or "net taxable estate" used
20 in this chapter or chapter 23 of this title has the same meaning as when used in a comparable context
21 in the laws of the United States, unless a different meaning is clearly required by the provisions of
22 this chapter or chapter 23 of this title. Any reference in this chapter or chapter 23 of this title to the
23 Internal Revenue Code or other laws of the United States means the Internal Revenue Code of
24 1954, 26 U.S.C. § 1 et seq.

25 (2) For decedents whose death occurs on or after January 1, 2002, the terms "gross taxable
26 estate" "federal gross estate" or "net taxable estate" used in this chapter or chapter 23 of this title
27 has the same meaning as when used in a comparable context in the laws of the United States, unless
28 a different meaning is clearly required by the provisions of this chapter or chapter 23 of this title.
29 Any reference in this chapter or chapter 23 of this title to the Internal Revenue Code or other laws
30 of the United States means the Internal Revenue Code of 1954, 26 U.S.C. § 1 et seq., as they were
31 in effect as of January 1, 2001, unless otherwise provided.

32 (d) All values are as finally determined for federal estate tax purposes.

33 (e) Property has a tax situs within the state of Rhode Island:

34 (1) If it is real estate or tangible personal property and has actual situs within the state of

- 1 Rhode Island; or
- 2 (2) If it is intangible personal property and the decedent was a resident.
- 3 [\(f\) The provisions of this section shall sunset and expire on January 1, 2033.](#)
- 4 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO TAXATION -- ESTATE AND TRANSFER TAXES -- LIABILITY AND
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- 1 This act would increase the net taxable estate exemption to three million six hundred
- 2 thousand dollars (\$3,600,000) on January 1, 2027. This act would also increase the exemption by
- 3 one million dollars (\$1,000,000) on January 1, 2028, and every year thereafter until this section and
- 4 the tax would sunset and expire on January 1, 2033.
- 5 This act would take effect upon passage.

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