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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- TEMPORARY DISABILITY
INSURANCE -- GENERAL PROVISIONS

Introduced By: Representatives Cassar, Giraldo, Kislak, Ajello, Shallcross Smith, Alzate,
Solomon, Caldwell, J Lombardi, and Tanzi

Date Introduced: February 11, 2022

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 28-39-2 and 28-39-26 of the General Laws in Chapter 28-39 entitled
2 "Temporary Disability Insurance - General Provisions" are hereby amended to read as follows:

3 **28-39-2. Definitions.**

4 The following words and phrases, as used in chapters ~~39—41~~ [39 through 41](#) of this title,
5 have the following meanings unless the context clearly requires otherwise:

6 (1) "Average weekly wage" means the amount determined by dividing the individual's total
7 wages earned for services performed in employment within his or her base period by the number
8 of that individual's credit weeks within the base period;

9 (2) "Base period" with respect to an individual's benefit year when the benefit year begins
10 on or after October 7, 1990, means the first four (4) of the most recently completed five (5) calendar
11 quarters immediately preceding the first day of an individual's benefit year; provided, that for any
12 individual's benefit year when the benefit year begins on or after October 4, 1992, and for any
13 individual deemed monetarily ineligible for benefits under the "base period" as defined in this
14 subdivision, the department shall make a re-determination of entitlement based upon an alternate
15 base period which consists of the last four (4) completed calendar quarters immediately preceding
16 the first day of the claimant's benefit year. Notwithstanding anything contained to the contrary in
17 this subdivision, the base period shall not include any calendar quarter previously used to establish
18 a valid claim for benefits; provided, however, that the "base period" with respect to members of the

1 United States military service, the Rhode Island National Guard, or a United States military reserve
2 force, and who served in a United States declared combat operation during their military service,
3 who file a claim for benefits following their release from their state or federal active military service
4 and who are deemed to be monetarily ineligible for benefits under this section, shall mean the first
5 four (4) of the most recently completed five (5) calendar quarters immediately preceding the first
6 day the individual was called into that state or federal active military service; provided, that for any
7 individual deemed monetarily ineligible for benefits under the "base period" as defined in this
8 section, the department shall make a re-determination of entitlement based upon an alternative base
9 period which consists of the last four (4) completed calendar quarters immediately preceding the
10 first day the claimant was called into that state or federal active military service. Notwithstanding
11 any provision of this section of the general or public laws to the contrary, the base period shall not
12 include any calendar quarter previously used to establish a valid claim for benefits;

13 (3) "Benefit" means the money payable, as provided in chapters ~~39—41~~ [39 through 41](#) of
14 this title, to an individual as compensation for his or her unemployment caused by sickness [or](#)
15 [reasons allowed under this title](#);

16 (4) "Benefit credits" means the total amount of money payable to an individual as benefits,
17 as provided in § 28-41-7;

18 (5) "Benefit rate" means the money payable to an individual as compensation, as provided
19 in chapters ~~39—41~~ [39 through 41](#) of this title, for his or her wage losses with respect to any week
20 during which his or her unemployment is caused by sickness [or reasons allowed under this title](#);

21 (6) "Benefit year" with respect to any individual who does not already have a benefit year
22 in effect, and who files a valid claim for benefits as of November 16, 1958, or any later date, means
23 fifty-two (52) consecutive calendar weeks, the first of which shall be the week containing the day
24 as of which he or she first files that valid claim in accordance with regulations adopted as
25 subsequently prescribed; provided, that for any benefit year beginning on or after October 7, 1990,
26 the benefit year shall be fifty-three (53) consecutive calendar weeks if the subsequent filing of a
27 new valid claim immediately following the end of a previous benefit year would result in the
28 overlapping of any quarter of the base period of the prior new claim. In no event shall a new benefit
29 year begin prior to the Sunday next following the end of the old benefit year;

30 (i) For benefit years that begin on or after July 1, 2012, an individual's benefit year will
31 begin on the Sunday of the calendar week in which an individual first became unemployed due to
32 sickness and for which the individual has filed a valid claim for benefits;

33 (7) "Board" means the board of review as created under chapter 19 of title 42;

34 (8) "Calendar quarter" has the same definition as contained in chapter 42 of this title;

1 (9) "Credit week" means any week within an individual's base period in which that
2 individual earns wages amounting to at least twenty (20) times the minimum hourly wage as
3 defined in chapter 12 of this title, for performing services in employment for one or more employers
4 subject to chapters ~~39—41~~ [39 through 41](#) of this title;

5 (10) "Director" means the director of the department of labor and training;

6 (11) "Employee" means any person who is or has been employed by an employer subject
7 to chapters ~~39—41~~ [39 through 41](#) of this title and in employment subject to those chapters;

8 (12) "Employer" means any employing unit that is an employer under chapters ~~42—44~~ [42](#)
9 [through 44](#) of this title;

10 (13) "Employing unit" has the same definition as contained in chapter 42 of this title and
11 includes any governmental entity that elects to become subject to the provisions of chapters ~~39—~~
12 ~~41~~ [39 through 41](#) of this title, in accordance with the provisions of §§ 28-39-3.1 and 28-39-3.2;

13 (14) "Employment" has the same definition as contained in chapter 42 of this title;

14 (15) "Employment office" has the same definition as contained in chapter 42 of this title;

15 (16) "Fund" means the Rhode Island temporary disability insurance fund established by
16 this chapter;

17 (17) "Partial unemployment due to sickness." For weeks beginning on or after January 1,
18 2006 an individual shall be deemed partially unemployed due to sickness in any week of less than
19 full-time work if he or she fails to earn in wages for services for that week an amount equal to the
20 weekly benefit rate for total unemployment due to sickness to which he or she would be entitled if
21 totally unemployed due to sickness and eligible.

22 (i) For the purposes of this subdivision and subdivision (22) of this section, "Wages"
23 includes only that part of remuneration for any work, which is in excess of one-fifth ($\frac{1}{5}$) of the
24 weekly benefit rate for total unemployment, rounded to the next lower multiple of one dollar
25 (\$1.00), to which the individual would be entitled if totally unemployed and eligible in any one
26 week, and "services" includes only that part of any work for which remuneration in excess of one-
27 fifth ($\frac{1}{5}$) of the weekly benefit rate for total unemployment, rounded to the next lower multiple of
28 one dollar (\$1.00), to which the individual would be entitled if totally unemployed and eligible in
29 any one week is payable; provided, that nothing contained in this paragraph shall permit any
30 individual to whom remuneration is payable for any work performed in any week in an amount
31 equal to, or greater than, his or her weekly benefit rate to receive benefits under this subdivision
32 for that week.

33 (18) "Reserve fund" means the temporary disability insurance reserve fund established by
34 § 28-39-7;

1 (19) "Services" means all endeavors undertaken by an individual that are paid for by
2 another or with respect to which the individual performing the services expects to receive wages or
3 profits;

4 (20) "Sickness." An individual shall be deemed to be sick in any week in which, because
5 of his or her physical or mental condition, including pregnancy, he or she is unemployed and unable
6 to perform his or her regular or customary work or services;

7 (21)(i) "Taxes" means the money payments required by chapters ~~39—41~~ [39 through 41](#) of
8 this title, to be made to the temporary disability insurance fund or to the temporary disability
9 insurance reserve fund.

10 (ii) Wherever and whenever in chapters ~~39—41~~ [39 through 41](#) of this title, the words
11 "contribution" and/or "contributions" appear, those words shall be construed to mean the "taxes,"
12 as defined in this subdivision, which are the money payments required by those chapters to be made
13 to the temporary disability insurance fund or to the temporary disability insurance reserve fund;

14 (22) "Wages" has the same definition as contained in chapter 42 of this title; provided, that
15 no individual shall be denied benefits under chapters ~~39—41~~ [39 through 41](#) of this title because
16 his or her employer continues to pay to that individual his or her regular wages, or parts of them,
17 while he or she is unemployed due to sickness and unable to perform his or her regular or customary
18 work or services. The amount of any payments, whether or not under a plan or system, made to or
19 on behalf of an employee by his or her employer after the expiration of six (6) calendar months
20 following the last calendar month in which the employee performed actual bona fide personal
21 services for his or her employer, shall not be deemed to be wages either for the purpose of paying
22 contributions thereon under chapter 40 of this title, or for the purpose of being used as a basis for
23 paying benefits under chapter 41 of this title; and

24 (23) "Week" has the same definition as contained in chapter 42 of this title.

25 **28-39-26. Pecuniary penalty for failure to make contributions or reports.**

26 An employer [or self-employed individual who elects to be covered by this chapter](#) who
27 fails to file any report required under chapters ~~39—41~~ [39 through 41](#) of this title, or who fails or
28 refuses to pay any contributions required under those chapters in the manner and at the times
29 required by the laws and regulations or as the director may, in accordance with those laws and
30 regulations, prescribe, shall pay a penalty of ten dollars (\$10.00) for each failure or refusal to file,
31 and where any contribution is due, shall pay an additional penalty of ten percent (10%) of the
32 amount due. These penalties shall be paid into the temporary disability insurance reserve fund, and
33 shall be in addition to contributions and interest required to be paid as provided in chapters ~~39—~~
34 ~~41~~ [39 through 41](#); provided, that if any employer [or self-employed individual who elects to be](#)

1 [covered by this chapter](#) fails to pay the penalty, when assessed, it shall be collected by civil action
2 as provided in § 28-40-12.

3 SECTION 2. Chapter 28-39 of the General Laws entitled "Temporary Disability Insurance
4 - General Provisions" is hereby amended by adding thereto the following section:

5 **28-39-3.4. Non-covered Rhode Island residents eligible by election.**

6 [\(a\) Notwithstanding any inconsistent provisions of chapters 39 through 41 of this title, any](#)
7 [self-employed Rhode Island resident may become subject to those chapters, by filing an enrollment](#)
8 [form with the department in accordance with the rules and regulations established by the](#)
9 [department, for enrollment. Notwithstanding any other provisions of chapters 39 through 41 of this](#)
10 [title to the contrary, self-employed Rhode Island residents, that do not have otherwise qualifying](#)
11 [wages from prior employment within the base period, will not be eligible for benefits under those](#)
12 [chapters, until the completion of twelve \(12\) months of contributions has been made for](#)
13 [participation in the program as described in § 28-40-1. Except as otherwise provided in this title,](#)
14 [all other provisions of these chapters shall continue to be applicable in connection with the](#)
15 [employment.](#)

16 [\(b\) Any self-employed Rhode Island resident who fails to meet the quarterly reporting](#)
17 [requirements or make the required quarterly contributions in a timely manner, shall be ineligible to](#)
18 [receive benefits under chapters 39 through 41 of this title until such time as that person has satisfied](#)
19 [any outstanding payments in this regard.](#)

20 SECTION 3. Sections 28-40-1 and 28-40-9 of the General Laws in Chapter 28-40 entitled
21 "Temporary Disability Insurance - Contributions" are hereby amended to read as follows:

22 **28-40-1. Amount of employee contributions -- Wages on which based.**

23 (a) [For each calendar year prior to 2023, the](#) ~~The~~ taxable wage base under this chapter ~~for~~
24 ~~each calendar year~~ shall be equal to the greater of thirty-eight thousand dollars (\$38,000) or the
25 annual earnings needed by an individual to qualify for the maximum weekly benefit amount and
26 the maximum duration under chapters ~~39—41~~ [39 through 41](#) of this title. That taxable wage base
27 shall be computed as follows: Every September 30, the maximum weekly benefit amount in effect
28 as of that date shall be multiplied by thirty (30) and the resultant product shall be divided by thirty-
29 six hundredths (.36). If the result thus obtained is not an even multiple of one hundred dollars
30 (\$100), it shall be rounded upward to the next higher even multiple of one hundred dollars (\$100).
31 That taxable wage base shall be effective for the calendar year beginning on the next January 1.

32 [\(b\) For calendar year 2023 and subsequent years, the taxable wage base shall be equal to](#)
33 [the greater of two hundred fifty thousand dollars \(\\$250,000\) or the annual earnings needed by an](#)
34 [individual to qualify for the maximum weekly benefit amount and the maximum duration under](#)

1 chapters 39 through 41 of this title. That taxable wage base shall be computed as follows: Every
2 September 30, the maximum weekly benefit amount in effect as of that date shall be multiplied by
3 thirty (30) and the resultant product shall be divided by thirty-six hundredths (.36). If the result thus
4 obtained is not an even multiple of one hundred dollars (\$100), it shall be rounded upward to the
5 next higher even multiple of one hundred dollars (\$100). That taxable wage base shall be effective
6 for the calendar year beginning on the next January 1.

7 (c) Any self-employed Rhode Island resident who fails to meet the quarterly reporting
8 requirements or make the required quarterly contributions in a timely manner shall be ineligible to
9 receive benefits under chapters 39 through 41 of this title, until such time as that person has satisfied
10 any outstanding payments owed.

11 ~~(b)~~(d) Each employee shall contribute with respect to employment after the date upon
12 which the employer becomes subject to chapters ~~39—41~~ 39 through 41 of this title, an amount
13 equal to the fund cost rate times the wages paid by the employer to the employee up to the taxable
14 wage base as defined and computed in subsection (a) of this section. The employee contribution
15 rate for the following calendar year shall be determined by computing the fund cost rate on or
16 before November 15 of each year as follows:

17 (1) The total amount of disbursements made from the fund for the twelve (12) month period
18 ending on the immediately preceding September 30 shall be divided by the total taxable wages paid
19 by employers during the twelve (12) month period ending on the immediately preceding June 30.
20 The ratio thus obtained shall be multiplied by one hundred (100) and the resultant product if not an
21 exact multiple of one-tenth of one percent (0.1%) shall be rounded down to the next lowest multiple
22 of one-tenth of one percent (0.1%);

23 (2) If the fund balance as of the preceding September 30 is less than the total disbursements
24 from the fund for the six (6) month period ending on that September 30, that difference shall be
25 added to the total disbursements for the twelve (12) month period ending September 30 for the
26 purpose of computing the fund cost rate, and if the resulting fund cost rate is not an exact multiple
27 of one-tenth of one percent (0.1%) it shall be rounded to the nearest multiple of one-tenth of one
28 percent (0.1%).

29 **28-40-9. Interest on delinquent payments.**

30 Employers or self-employed Rhode Island residents who fail to make payment of
31 contributions, as required by chapters ~~39—41~~ 39 through 41 of this title, or by the prescribed rules
32 and regulations, shall be additionally liable to the temporary disability insurance reserve fund for
33 interest on those delinquent payments at the rate of one and one-half percent (1 1/2%) per month
34 from the date the payment became due until paid.

1 SECTION 4. Sections 28-41-2, 28-41-5, 28-41-34 and 28-41-35 of the General Laws in
2 Chapter 28-41 entitled "Temporary Disability Insurance - Benefits" are hereby amended to read as
3 follows:

4 **28-41-2. Wages included for benefit purposes.**

5 (a) Notwithstanding any provisions of chapters ~~39—41~~ [39 through 41](#) of this title to the
6 contrary, "wages" as used in the phrase "wages for employment from employers" means, with
7 reference to the benefits provisions of chapters ~~39—41~~ [39 through 41](#) of this title, only those wages
8 which are paid subsequent to the date upon which the employing unit, by whom those wages were
9 paid, has satisfied the conditions of § 28-39-2 (12) with respect to becoming an employer subject
10 to those chapters. No individual shall be denied benefits under chapters ~~39—41~~ [39 through 41](#) of
11 this title because his or her employer continued to pay to that individual his or her regular wages,
12 or parts of them, while he or she was sick and unable to perform his or her regular or customary
13 work or services. The amount of any payments, whether or not under a plan or system, made to or
14 on behalf of an employee by his or her employer after the expiration of six (6) calendar months
15 following the last calendar month in which the employee performed actual bona fide personal
16 services for that employer, shall not be deemed to be wages for the purpose of being used as a basis
17 for paying benefits under chapter 41 of this title.

18 [\(b\) With respect to self-employed Rhode Island residents with "wages" earned through](#)
19 [their self-employment, those wages shall be considered wages for determining benefits under](#)
20 [chapters 39 through 41 of this title, if the individual has applied for coverage under the temporary](#)
21 [disability insurance program, in accordance with the provisions of § 28-39-3.4.](#)

22 [\(c\) The amount of any payments, whether or not under a plan or system, made to or on](#)
23 [behalf of an employee by his or her employer after the expiration of six \(6\) calendar months](#)
24 [following the last calendar month in which the employee performed actual bona fide personal](#)
25 [services for that employer, shall not be deemed to be wages for the purpose of being used as a basis](#)
26 [for paying benefits under chapter 41 of this title.](#)

27 **28-41-5. Weekly benefit rate -- Dependents' allowances.**

28 (a)(1) Benefit rate. The benefit rate payable under this chapter to any eligible individual
29 with respect to any week of his or her unemployment due to [reasons allowed under this chapter,](#)
30 ~~sickness~~, when that week occurs within a benefit year, shall be; [computed as follows:](#) for benefit
31 years beginning on or after October 7, 1990, four and sixty-two hundredths percent (4.62%) of the
32 wages paid to the individual in that calendar quarter of the base period in which the individual's
33 wages were highest; provided, however, that the benefit rate shall not exceed eighty-five percent
34 (85%) of the average weekly wage paid to individuals covered by chapters ~~42—44~~ [42 through 44](#)

1 of this title for the preceding calendar year ending December 31. If the maximum weekly benefit
2 rate is not an exact multiple of one dollar (\$1.00) then the rate shall be raised to the next higher
3 multiple of one dollar (\$1.00). Those weekly benefit rates shall be effective throughout the benefit
4 years beginning on or after July 1 of the year prior to July of the succeeding calendar year.

5 (2) For claimants whose high quarter average hourly wage is less than or equal to the
6 minimum wage, the benefit rate payable under this chapter to any eligible individual with respect
7 to any week of their unemployment due to reasons allowed under this chapter, when that week
8 occurs within the benefit year, shall be, for benefit years beginning on or after January 1, 2022,
9 ninety percent (90%) of that individual's average weekly wage.

10 (3) For claimants whose high quarter average hourly wage is less than or equal to two (2)
11 times the minimum wage, the benefit rate payable under this chapter to any eligible individual with
12 respect to any week of their unemployment due to reasons allowed under this chapter, when that
13 week occurs within the benefit year, shall be, for benefit years beginning on or after January 1,
14 2023, seventy-five percent (75%) of their average weekly wage.

15 (4) If the maximum weekly benefit rate is not an exact multiple of one dollar (\$1.00) then
16 the rate shall be raised to the next higher multiple of one dollar (\$1.00). Those weekly benefit rates
17 shall be effective throughout the benefit years beginning on or after July 1 of the year prior to July
18 of the succeeding calendar year.

19 ~~(5)~~ (5) The benefit rate of any individual, if not an exact multiple of one dollar (\$1.00), shall
20 be raised to the next higher multiple of one dollar (\$1.00).

21 (b) Dependents' allowances. An individual to whom benefits for unemployment due to
22 ~~sickness~~ reasons allowed under this chapter are payable ~~under this chapter~~ with respect to any week,
23 shall, in addition to those benefits, be paid with respect to each week a dependent's allowance of
24 ten dollars (\$10.00) or seven percent (7%), of the individual's benefit rate, payable under subsection
25 (a) of this section, whichever is greater for each of that individual's children, including adopted and
26 stepchildren or that individual's court appointed wards who, at the beginning of the individual's
27 benefit year, is under eighteen (18) years of age and who is at that time in fact dependent on that
28 individual. A dependent's allowance shall also be paid to that individual for any child, including an
29 adopted child or a stepchild or that individual's court appointed ward, eighteen (18) years of age or
30 over, incapable of earning any wages because of mental or physical incapacity, and who is
31 dependent on that individual in fact at the beginning of the individual's benefit year, including
32 individuals who have been appointed the legal guardian of that child by the appropriate court.
33 However, in no instance shall the number of dependents for which an individual may receive
34 dependents' allowances exceed five (5) in total and in no instance shall the individual's weekly

1 [benefit amount including both the benefit rate and dependent's allowance exceed that individual's](#)
2 [average weekly wage in the last period](#). The weekly total of dependents' allowances payable to any
3 individual, if not an exact multiple of one dollar (\$1.00), shall be rounded to the next lower multiple
4 of one dollar (\$1.00). The number of an individual's dependents, and the fact of their dependency,
5 shall be determined as of the beginning of that individual's benefit year; provided, that only one
6 individual shall be entitled to a dependent's allowance for the same dependent with respect to any
7 week. Each individual who claims a dependent's allowance shall establish his or her claim to it to
8 the satisfaction of the director under procedures established by the director.

9 (c) Any individual's benefit rate and/or dependents' allowance in effect for a benefit year
10 shall continue in effect until the end of that benefit year.

11 (d) Partial unemployment due to ~~sickness~~ [reasons allowed under this chapter](#). For weeks
12 beginning on or after January 1, 2006, an individual partially unemployed due to ~~sickness~~ [reasons](#)
13 [allowed under this chapter](#) and otherwise eligible in any week shall be paid sufficient benefits with
14 respect to that week, so that his or her wages, rounded to the next higher multiple of one dollar
15 (\$1.00), and his or her benefits combined will equal in amount the weekly benefit rate to which he
16 or she would be entitled if totally unemployed due to ~~sickness~~ [reasons allowed under this chapter](#)
17 in that week; provided that an individual must have been totally unemployed due to ~~sickness~~
18 [reasons allowed under this chapter](#) for at least seven (7) consecutive days prior to claiming partial
19 benefits under this provision; provided, that this provision shall not apply if the individual is entitled
20 to lag day benefits pursuant to § 28-41-9; provided, further, that nothing contained herein shall
21 permit any individual to whom remuneration is payable for any work performed in any week in an
22 amount equal to or greater than his or her weekly benefit rate to receive benefits or waiting period
23 credit for that week.

24 **28-41-34. Temporary caregiver insurance.**

25 The purpose of this chapter is to establish, within the state temporary disability insurance
26 program, a temporary caregiver insurance program to provide wage replacement benefits in
27 accordance with the provisions of this chapter, to workers who take time off work to care for a
28 seriously ill child, spouse, domestic partner, [sibling](#), parent, parent-in-law, [care recipient](#),
29 grandparent, [grandchild](#), or to bond with a new child.

30 Definitions as used in this chapter:

31 (1) "Child" means a biological, adopted, or foster son or daughter, a stepson or
32 stepdaughter, a legal ward, a son or daughter of a domestic partner, or a son or daughter of an
33 employee who stands in loco parentis to that child.

34 (2) "Newborn child" means a child under one year of age.

1 (3) "Adopted child" means a child adopted by, or placed for adoption with, the employee.

2 (4) "Bonding or bond" means to develop a psychological and emotional attachment
3 between a child and his or her parent(s) or persons who stand in loco parentis. This shall involve
4 being in one another's physical presence.

5 (5) "Parent" means a biological, foster, or adoptive parent, a stepparent, a legal guardian,
6 or other person who stands in loco parentis to the employee or the employee's spouse or domestic
7 partner when he/she was a child.

8 (6) "Domestic partner" means a party to a civil union as defined by chapter 3.1 of title 15.

9 (7) "Sibling" means a brother or sister, whether related through half blood, whole blood or
10 adoption, a foster sibling, or a stepsibling.

11 ~~(7)~~(8) "Spouse" means a party in a common law marriage, a party in a marriage conducted
12 and recognized by another state or country, or in a marriage as defined by chapter 3 of title 15.

13 ~~(8)~~(9) "Grandparent" means a parent of the employee's parent.

14 (10) "Grandchild" means the child of the employee's child.

15 ~~(9)~~(11) "Parent-in-law" means the parent of the employee's spouse or domestic partner.

16 ~~(10)~~(12) "Employee" means any person who is or has been employed by an employer
17 subject to chapters 39 -- 41 of this title and in employment subject to those chapters.

18 ~~(11)~~(13) "Serious health condition" means any illness, injury, impairment, or physical or
19 mental condition that involves inpatient care in a hospital, hospice, residential healthcare facility,
20 or continued treatment or continuing supervision by a licensed healthcare provider.

21 ~~(12)~~(14) "Department" means the department of labor and training.

22 ~~(13)~~(15) "Persons who stand in loco parentis" means those with day-to-day responsibilities
23 to care for and financially support a child or, in the case of an employee, who had such
24 responsibility for the employee when the employee was a child. A biological or legal relationship
25 shall not be required.

26 (16) "Care recipient" means a person for whom the employee is responsible for providing
27 or arranging health- or safety-related care, including, but not limited to, helping the person obtain
28 diagnostic, preventive, routine, or therapeutic health treatment.

29 **28-41-35. Benefits.**

30 (a) Subject to the conditions set forth in this chapter, an employee shall be eligible for
31 temporary caregiver benefits for any week in which he or she is unable to perform his or her regular
32 and customary work because he or she is:

33 (1) Bonding with a newborn child or a child newly placed for adoption or foster care with
34 the employee or domestic partner in accordance with the provisions of § 28-41-36(c)(1); or

1 (2) Caring for a child, [grandchild](#), a parent, parent-in-law, [care recipient](#), grandparent,
2 [sibling](#), spouse, or domestic partner, who has a serious health condition, subject to a waiting period
3 in accordance with the provisions of § 28-41-12 [repealed]. Employees may use accrued sick time
4 during the eligibility waiting period in accordance with the policy of the individual's employer.

5 (b) Temporary caregiver benefits shall be available only to the employee exercising his or
6 her right to leave while covered by the temporary caregiver insurance program. An employee shall
7 file a written intent with his or her employer, in accordance with rules and regulations promulgated
8 by the department, with a minimum of thirty (30) days' notice prior to commencement of the family
9 leave. Failure by the employee to provide the written intent may result in delay or reduction in the
10 claimant's benefits, except in the event the time of the leave is unforeseeable or the time of the leave
11 changes for unforeseeable circumstances.

12 (c) Employees cannot file for both temporary caregiver benefits and temporary disability
13 benefits for the same purpose, concurrently, in accordance with all provisions of this act and
14 chapters ~~39—41~~ [39 through 41](#) of this title.

15 (d) Temporary caregiver benefits may be available to any individual exercising his or her
16 right to leave while covered by the temporary caregiver insurance program, commencing on or
17 after January 1, 2014, which shall not exceed the individual's maximum benefits in accordance with
18 chapters 39 -- 41 of this title. The benefits for the temporary caregiver program shall be payable
19 with respect to the first day of leave taken ~~after the waiting period~~ and each subsequent day of leave
20 during that period of family temporary disability leave. Benefits shall be in accordance with the
21 following:

22 (1) Beginning January 1, 2014, temporary caregiver benefits shall be limited to a maximum
23 of four (4) weeks in a benefit year; [Beginning January 1, 2023, temporary caregiver benefits shall](#)
24 [be limited to a maximum of twelve \(12\) weeks in a benefit year.](#)

25 (2) Beginning January 1, 2022, temporary caregiver benefits shall be limited to a maximum
26 of five (5) weeks in a benefit year;

27 (3) Beginning January 1, 2023, temporary caregiver benefits shall be limited to a maximum
28 of six (6) weeks in a benefit year.

29 (e) In addition, no individual shall be paid temporary caregiver benefits and temporary
30 disability benefits that together exceed [the total amount of benefits payable in accordance with the](#)
31 [provisions outlined in § 28-41-7 of this title](#) ~~thirty (30) times his or her weekly benefit rate in any~~
32 ~~benefit year.~~

33 (f)(1) Any employee who exercises his or her right to leave covered by temporary caregiver
34 insurance under this chapter shall, upon the expiration of that leave, be entitled to be restored by

1 the employer to the position held by the employee when the leave commenced, or to a position with
2 equivalent seniority, status, employment benefits, pay, and other terms and conditions of
3 employment including fringe benefits and service credits that the employee had been entitled to at
4 the commencement of leave.

5 (2) Any employee aggrieved by a violation of this subsection shall be entitled to file a
6 complaint with the department of labor and training.

7 (3) The director shall have the same powers and duties as set forth in chapters 12 and 14
8 of title 28 to investigate, inspect, subpoena and enforce through administrative hearings, complaints
9 that allege a violation of this section.

10 (g) During any caregiver leave taken pursuant to this chapter, the employer shall maintain
11 any existing health benefits of the employee in force for the duration of the leave as if the employee
12 had continued in employment continuously from the date he or she commenced the leave until the
13 date the caregiver benefits terminate; provided, however, that the employee shall continue to pay
14 any employee shares of the cost of health benefits as required prior to the commencement of the
15 caregiver benefits.

16 (h) No individual shall be entitled to ~~waiting period credit or~~ temporary caregiver benefits
17 under this section for any week beginning prior to January 1, 2014. An employer may require an
18 employee who is entitled to leave under the federal Family and Medical Leave Act, Pub. L. No.
19 103-3 and/or the Rhode Island Parental and Family Medical Leave Act, § 28-48-1 et seq., who
20 exercises his or her right to benefits under the temporary caregiver insurance program under this
21 chapter, to take any temporary caregiver benefits received, concurrently, with any leave taken
22 pursuant to the federal Family and Medical Leave Act and/or the Rhode Island Parental and Family
23 Medical Leave Act.

24 (i) Temporary caregiver benefits shall be in accordance with the federal Family and
25 Medical Leave Act (FMLA), Pub. L. No. 103-3 and the Rhode Island Parental and Family Medical
26 Leave Act in accordance with § 28-48-1 et seq. An employer may require an employee who is
27 entitled to leave under the federal Family and Medical Leave Act, Pub. L. No. 103-3 and/or the
28 Rhode Island Parental and Family Medical Leave Act, § 28-48-1 et seq., who exercises his or her
29 right to benefits under the temporary caregiver insurance program under this chapter, to take any
30 temporary caregiver benefits received, concurrently, with any leave taken pursuant to the federal
31 Family and Medical Leave Act and/or the Rhode Island Parental and Family Medical Leave Act.

32 SECTION 5. Section 44-30-2.6 of the General Laws in Chapter 44-30 entitled "Personal
33 Income Tax" is hereby amended to read as follows:

34 **44-30-2.6. Rhode Island taxable income -- Rate of tax.**

1 (a) "Rhode Island taxable income" means federal taxable income as determined under the
2 Internal Revenue Code, 26 U.S.C. § 1 et seq., not including the increase in the basic, standard-
3 deduction amount for married couples filing joint returns as provided in the Jobs and Growth Tax
4 Relief Reconciliation Act of 2003 and the Economic Growth and Tax Relief Reconciliation Act of
5 2001 (EGTRRA), and as modified by the modifications in § 44-30-12.

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

18 (c) For tax years beginning on or after January 1, 2001, if a taxpayer has an alternative
19 minimum tax for federal tax purposes, the taxpayer shall determine if he or she has a Rhode Island
20 alternative minimum tax. The Rhode Island alternative minimum tax shall be computed by
21 multiplying the federal tentative minimum tax without allowing for the increased exemptions under
22 the Jobs and Growth Tax Relief Reconciliation Act of 2003 (as redetermined on federal form 6251
23 Alternative Minimum Tax-Individuals) by twenty-five and one-half percent (25.5%) for tax year
24 2001, and twenty-five percent (25%) for tax year 2002 and thereafter, and comparing the product
25 to the Rhode Island tax as computed otherwise under this section. The excess shall be the taxpayer's
26 Rhode Island alternative minimum tax.

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

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

1 (A) Tax imposed.

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

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

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

12 If taxable income is:	The tax is:
13 Not over \$42,650	3.75% of taxable income
14 Over \$42,650 but not over \$110,100	\$1,599.38 plus 7.00% of the excess over \$42,650
15 Over \$110,100 but not over \$178,350	\$6,320.88 plus 7.75% of the excess over \$110,100
16 Over \$178,350 but not over \$349,700	\$11,610.25 plus 9.00% of the excess over \$178,350
17 Over \$349,700	\$27,031.75 plus 9.90% of the excess over \$349,700

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

21 If taxable income is:	The tax is:
22 Not over \$31,850	3.75% of taxable income
23 Over \$31,850 but not over \$77,100	\$1,194.38 plus 7.00% of the excess over \$31,850
24 Over \$77,100 but not over \$160,850	\$4,361.88 plus 7.75% of the excess over \$77,100
25 Over \$160,850 but not over \$349,700	\$10,852.50 plus 9.00% of the excess over \$160,850
26 Over \$349,700	\$27,849.00 plus 9.90% of the excess over \$349,700

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

29 If taxable income is:	The tax is:
30 Not over \$26,575	3.75% of taxable income
31 Over \$26,575 but not over \$64,250	\$996.56 plus 7.00% of the excess over \$26,575
32 Over \$64,250 but not over \$97,925	\$3,633.81 plus 7.75% of the excess over \$64,250
33 Over \$97,925 but not over \$174,850	\$6,243.63 plus 9.00% of the excess over \$97,925
34 Over \$174,850	\$13,166.88 plus 9.90% of the excess over \$174,850

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

3 If taxable income is:	The tax is:
4 Not over \$2,150	3.75% of taxable income
5 Over \$2,150 but not over \$5,000	\$80.63 plus 7.00% of the excess over \$2,150
6 Over \$5,000 but not over \$7,650	\$280.13 plus 7.75% of the excess over \$5,000
7 Over \$7,650 but not over \$10,450	\$485.50 plus 9.00% of the excess over \$7,650
8 Over \$10,450	\$737.50 plus 9.90% of the excess over \$10,450

9 (6) Adjustments for inflation.

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

- 11 (a) Such dollar amount contained in paragraph (A) in the year 1993, multiplied by;
12 (b) The cost-of-living adjustment determined under section (J) with a base year of 1993;
13 (c) The cost-of-living adjustment referred to in subparagraphs (a) and (b) used in making
14 adjustments to the nine percent (9%) and nine and nine tenths percent (9.9%) dollar amounts shall
15 be determined under section (J) by substituting "1994" for "1993."

16 (B) Maximum capital gains rates.

17 (1) In general.

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

20 (a) 2.5% of the net capital gain as reported for federal income tax purposes under section
21 26 U.S.C. § 1(h)(1)(a) and 26 U.S.C. § 1(h)(1)(b).

22 (b) 5% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
23 § 1(h)(1)(c).

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

26 (d) 7% of the net capital gain as reported for federal income tax purposes under 26 U.S.C.
27 § 1(h)(1)(e).

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

30 (C) Itemized deductions.

31 (1) In general.

32 For the purposes of section (2), "itemized deductions" means the amount of federal
33 itemized deductions as modified by the modifications in § 44-30-12.

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

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

3 (3) Basic standard deduction.

4 The Rhode Island standard deduction shall be allowed in accordance with the following
5 table:

6 Filing status	Amount
7 Single	\$5,350
8 Married filing jointly or qualifying widow(er)	\$8,900
9 Married filing separately	\$4,450
10 Head of Household	\$7,850

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

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

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

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

- 18 (a) \$850;
- 19 (b) The sum of \$300 and such individual's earned income;
- 20 (c) Certain individuals not eligible for standard deduction.

21 In the case of:

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

25 The standard deduction shall be zero.

26 (7) Adjustments for inflation.

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

- 29 (a) Such dollar amount contained in paragraphs (3), (4) and (5) in the year 1988, multiplied
30 by
- 31 (b) The cost-of-living adjustment determined under section (J) with a base year of 1988.
- 32 (D) Overall limitation on itemized deductions.

33 (1) General rule.

34 In the case of an individual whose adjusted gross income as modified by § 44-30-12

1 exceeds the applicable amount, the amount of the itemized deductions otherwise allowable for the
2 taxable year shall be reduced by the lesser of:

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

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

7 (2) Applicable amount.

8 (a) In general.

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

11 (b) Adjustments for inflation.

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

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

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

15 (3) Phase-out of Limitation.

16 (a) In general.

17 In the case of taxable year beginning after December 31, 2005, and before January 1, 2010,
18 the reduction under section (1) shall be equal to the applicable fraction of the amount which would
19 be the amount of such reduction.

20 (b) Applicable fraction.

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

23 For taxable years beginning in calendar year	The applicable fraction is
24 2006 and 2007	2/3
25 2008 and 2009	1/3

26 (E) Exemption amount.

27 (1) In general.

28 Except as otherwise provided in this subsection, the term "exemption amount" means
29 \$3,400.

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

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

34 (3) Adjustments for inflation.

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

2 (a) Such dollar amount contained in paragraph (1) in the year 1989, multiplied by

3 (b) The cost-of-living adjustment determined under section (J) with a base year of 1989.

4 (4) Limitation.

5 (a) In general.

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

8 (b) Applicable percentage.

9 In the case of any taxpayer whose adjusted gross income for the taxable year exceeds the
10 threshold amount, the exemption amount shall be reduced by two (2) percentage points for each
11 \$2,500 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year
12 exceeds the threshold amount. In the case of a married individual filing a separate return, the
13 preceding sentence shall be applied by substituting "\$1,250" for "\$2,500." In no event shall the
14 applicable percentage exceed one hundred percent (100%).

15 (c) Threshold Amount.

16 For the purposes of this paragraph, the term "threshold amount" shall be determined with
17 the following table:

18 Filing status	Amount
19 Single	\$156,400
20 Married filing jointly of qualifying widow(er)	\$234,600
21 Married filing separately	\$117,300
22 Head of Household	\$195,500

23 (d) Adjustments for inflation.

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

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

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

27 (5) Phase-out of limitation.

28 (a) In general.

29 In the case of taxable years beginning after December 31, 2005, and before January 1,
30 2010, the reduction under section 4 shall be equal to the applicable fraction of the amount which
31 would be the amount of such reduction.

32 (b) Applicable fraction.

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

1	For taxable years beginning in calendar year	The applicable fraction is
2	2006 and 2007	2/3
3	2008 and 2009	1/3

4 (F) Alternative minimum tax.

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

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

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

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

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

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

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

14 (4) Taxable excess. For the purposes of this subsection the term "taxable excess" means so
15 much of the federal alternative minimum taxable income as modified by the modifications in § 44-
16 30-12 as exceeds the exemption amount.

17 (5) In the case of a married individual filing a separate return, subparagraph (2) shall be
18 applied by substituting "\$87,500" for \$175,000 each place it appears.

19 (6) Exemption amount.

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

21	Filing status	Amount
22	Single	\$39,150
23	Married filing jointly or qualifying widow(er)	\$53,700
24	Married filing separately	\$26,850
25	Head of Household	\$39,150
26	Estate or trust	\$24,650

27 (7) Treatment of unearned income of minor children

28 (a) In general.

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

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

32 (ii) \$6,000.

33 (8) Adjustments for inflation.

34 The dollar amount contained in paragraphs (6) and (7) shall be increased by an amount

1 equal to:

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

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

4 (9) Phase-out.

5 (a) In general.

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

9 (b) Threshold amount.

10 For purposes of this paragraph, the term "threshold amount" shall be determined with the
11 following table:

12 Filing status	Amount
13 Single	\$123,250
14 Married filing jointly or qualifying widow(er)	\$164,350
15 Married filing separately	\$82,175
16 Head of Household	\$123,250
17 Estate or Trust	\$82,150

18 (c) Adjustments for inflation

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

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

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

22 (G) Other Rhode Island taxes.

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

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

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

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

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

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

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

32 (I) Averaging of farm income.

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

1 (a) The Federal averaging of farm income as determined in IRC section 1301 [26 U.S.C. §
2 1301].

3 (J) Cost-of-living adjustment.

4 (1) In general.

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

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

7 (b) The CPI for the base year.

8 (2) CPI for any calendar year.

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

12 (3) Consumer price index.

13 For purposes of paragraph (2), the term "consumer price index" means the last consumer
14 price index for all urban consumers published by the department of labor. For purposes of the
15 preceding sentence, the revision of the consumer price index that is most consistent with the
16 consumer price index for calendar year 1986 shall be used.

17 (4) Rounding.

18 (a) In general.

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

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

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

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

27 (2) Child and dependent care credit;

28 (3) General business credits;

29 (4) Credit for elderly or the disabled;

30 (5) Credit for prior year minimum tax;

31 (6) Mortgage interest credit;

32 (7) Empowerment zone employment credit;

33 (8) Qualified electric vehicle credit.

34 (L) Credit against tax for adoption. For tax years beginning on or after January 1, 2006, a

1 taxpayer entitled to the federal adoption credit shall be entitled to a credit against the Rhode Island
2 tax imposed under this section if the adopted child was under the care, custody, or supervision of
3 the Rhode Island department of children, youth and families prior to the adoption.

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

11 (N) Rhode Island earned-income credit [and Rhode Island paid leave credit](#).

12 (1) In general.

13 For tax years beginning before January 1, 2015, a taxpayer entitled to a federal earned-
14 income credit shall be allowed a Rhode Island earned-income credit equal to twenty-five percent
15 (25%) of the federal earned-income credit. Such credit shall not exceed the amount of the Rhode
16 Island income tax.

17 For tax years beginning on or after January 1, 2015, and before January 1, 2016, a taxpayer
18 entitled to a federal earned-income credit shall be allowed a Rhode Island earned-income credit
19 equal to ten percent (10%) of the federal earned-income credit. Such credit shall not exceed the
20 amount of the Rhode Island income tax.

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

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

29 (2) Refundable portion.

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

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

1 income credit exceeds the Rhode Island income tax.

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

5 (3) Regarding the Rhode Island paid leave credit, for tax years beginning on or after
6 January 1, 2023, a taxpayer who paid into the Temporary Disability Insurance and Temporary
7 Caregiver Insurance fund ("TDI/TCI") as defined in chapter 28 of title 39, but who did not receive
8 TDI/TCI benefits over the calendar year and whose annual earnings were less than twenty-five (25)
9 times the hourly minimum wage, shall be entitled to a credit in the amount the taxpayer paid into
10 the program or one hundred fifty dollars (\$150), whichever is higher.

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

14 (3) For the period January 1, 2011, through December 31, 2011, and thereafter, "Rhode
15 Island taxable income" means federal adjusted gross income as determined under the Internal
16 Revenue Code, 26 U.S.C. § 1 et seq., and as modified for Rhode Island purposes pursuant to § 44-
17 30-12 less the amount of Rhode Island Basic Standard Deduction allowed pursuant to subparagraph
18 44-30-2.6(c)(3)(B), and less the amount of personal exemption allowed pursuant to subparagraph
19 44-30-2.6(c)(3)(C).

20 (A) Tax imposed.

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

RI Taxable Income		RI Income Tax	
Over	But not over	Pay +% on Excess	on the amount over
\$ 0 -	\$ 55,000	\$ 0 + 3.75%	\$ 0
55,000 -	125,000	2,063 + 4.75%	55,000
125,000 -		5,388 + 5.99%	125,000

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

RI Taxable Income		RI Income Tax	
Over	But not over	Pay + % on Excess	on the amount over
\$ 0 -	\$ 2,230	\$ 0 + 3.75%	\$ 0

1 2,230 - 7,022 84 + 4.75% 2,230
 2 7,022 - 312 + 5.99% 7,022

3 (B) Deductions:

4 (I) Rhode Island Basic Standard Deduction.

5 Only the Rhode Island standard deduction shall be allowed in accordance with the
 6 following table:

7 Filing status:	Amount
8 Single	\$7,500
9 Married filing jointly or qualifying widow(er)	\$15,000
10 Married filing separately	\$7,500
11 Head of Household	\$11,250

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

14 (III) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island
 15 purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five thousand
 16 dollars (\$175,000), the standard deduction amount shall be reduced by the applicable percentage.
 17 The term "applicable percentage" means twenty (20) percentage points for each five thousand
 18 dollars (\$5,000) (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable
 19 year exceeds one hundred seventy-five thousand dollars (\$175,000).

20 (C) Exemption Amount:

21 (I) The term "exemption amount" means three thousand five hundred dollars (\$3,500)
 22 multiplied by the number of exemptions allowed for the taxable year for federal income tax
 23 purposes. For tax years beginning on or after 2018, the term "exemption amount" means the same
 24 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
 25 Jobs Act (Pub. L. No. 115-97) on December 22, 2017.

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

30 (III) Identifying information required.

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

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

6 (D) In the case of any taxpayer whose adjusted gross income, as modified for Rhode Island
7 purposes pursuant to § 44-30-12, for the taxable year exceeds one hundred seventy-five thousand
8 dollars (\$175,000), the exemption amount shall be reduced by the applicable percentage. The term
9 "applicable percentage" means twenty (20) percentage points for each five thousand dollars
10 (\$5,000) (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year
11 exceeds one hundred seventy-five thousand dollars (\$175,000).

12 (E) Adjustment for inflation. The dollar amount contained in subparagraphs 44-30-
13 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
14 equal to:

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

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

18 (III) For the purposes of this section, the cost-of-living adjustment for any calendar year is
19 the percentage (if any) by which the consumer price index for the preceding calendar year exceeds
20 the consumer price index for the base year. The consumer price index for any calendar year is the
21 average of the consumer price index as of the close of the twelve-month (12) period ending on
22 August 31, of such calendar year.

23 (IV) For the purpose of this section the term "consumer price index" means the last
24 consumer price index for all urban consumers published by the department of labor. For the purpose
25 of this section the revision of the consumer price index that is most consistent with the consumer
26 price index for calendar year 1986 shall be used.

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

32 (F) Credits against tax.

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

1 as follows:

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

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

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

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

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

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

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

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

19 (i) Credit for tax withheld. Wages upon which tax is required to be withheld shall be taxable
20 as if no withholding were required, but any amount of Rhode Island personal income tax actually
21 deducted and withheld in any calendar year shall be deemed to have been paid to the tax
22 administrator on behalf of the person from whom withheld, and the person shall be credited with
23 having paid that amount of tax for the taxable year beginning in that calendar year. For a taxable
24 year of less than twelve (12) months, the credit shall be made under regulations of the tax
25 administrator.

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

28 (k) Rebuild Rhode Island: Credit shall be allowed for rebuild RI tax credit as provided in
29 § 42-64.20-1 et seq.

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

32 (m) Historic homeownership assistance act: Effective for tax year 2017 and thereafter,
33 unused carryforward for such credit previously issued shall be allowed for the historic
34 homeownership assistance act as provided in § 44-33.1-4. This allowance is for credits already

1 issued pursuant to § 44-33.1-4 and shall not be construed to authorize the issuance of new credits
2 under the historic homeownership assistance act.

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

5 SECTION 6. This act shall take effect on January 1, 2023.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO LABOR AND LABOR RELATIONS -- TEMPORARY DISABILITY
INSURANCE -- GENERAL PROVISIONS

1 This act would increase the taxable wage base upon which employees make contributions
2 to the TDI and TCI fund, change the wage replacement formula to increase individual benefit rates
3 for lower wage individuals, include siblings, grandchildren and care recipients in eligibility for
4 temporary caregiver benefits, increase the maximum weeks for temporary caregivers from four (4)
5 to twelve (12) weeks and establish fines and penalties for not reinstating an employee to work after
6 they use the program and would create a new credit for low wage taxpayers, who contributed to the
7 fund, but did not receive any benefits from it.

8 This act would take effect on January 1, 2023.

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