

2016 -- H 7564

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LC004582  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO TAXATION - TAX AMNESTY

Introduced By: Representatives Shekarchi, Ackerman, McKiernan, McNamara, and Carnevale

Date Introduced: February 11, 2016

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 44-6.1-1, 44-6.1-2, 44-6.1-3, 44-6.1-4, 44-6.1-5, 44-6.1-6, 44-6.1-  
2 7 and 44-6.1-8 of the General Laws in Chapter 44-6.1 entitled "Tax Amnesty" are hereby  
3 repealed.

4 ~~**44-6.1-1. Short title.** --- This chapter shall be known as the "Rhode Island Tax Amnesty~~  
5 ~~Act".~~

6 ~~**44-6.1-2. Definitions.** --- As used in this chapter, the following terms have the meaning~~  
7 ~~ascribed to them in this section, except when the context clearly indicates a different meaning:~~

8 ~~(1) "Taxable period" means any period for which a tax return is required by law to be~~  
9 ~~filed with the tax administrator and for which no return has been previously filed or for which an~~  
10 ~~erroneous return has been filed.~~

11 ~~(2) "Taxpayer" means any person, corporation, or other entity subject to any tax imposed~~  
12 ~~by any law of the state of Rhode Island and payable to the state of Rhode Island and collected by~~  
13 ~~the tax administrator.~~

14 ~~**44-6.1-3. Establishment of tax amnesty.** --- (a) The tax administrator shall establish a tax~~  
15 ~~amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to~~  
16 ~~authorization by any law of the state of Rhode Island and collected by the tax administrator.~~  
17 ~~Amnesty tax return forms shall be prepared by the tax administrator and shall provide for~~  
18 ~~specification by the taxpayer of the tax and the taxable period for which amnesty is being sought~~  
19 ~~by the taxpayer.~~

1       ~~(b) The amnesty program shall be conducted for a ninety (90) day period established by~~  
2 ~~the tax administrator in the state fiscal year 1986-1987. The amnesty program shall provide that~~  
3 ~~upon written application by any taxpayer and payment by the taxpayer of all taxes and interest~~  
4 ~~due from the taxpayer to the state of Rhode Island for any taxable period ending prior to April 1,~~  
5 ~~1986, the tax administrator shall not seek to collect any penalties which may be applicable and~~  
6 ~~shall not seek civil or criminal prosecution for any taxpayer for the taxable period for which~~  
7 ~~amnesty has been granted. Amnesty shall be granted only to those taxpayers applying for amnesty~~  
8 ~~during the amnesty period, who have paid the tax and interest due upon filing the amnesty tax~~  
9 ~~return, or who have entered into an installment payment agreement for reasons of financial~~  
10 ~~hardship upon the terms and conditions set by the tax administrator. In the case of the failure of a~~  
11 ~~taxpayer to pay any installment at the time the installment payment is due under the agreement,~~  
12 ~~the agreement shall cease to be effective and the balance of the amounts required to be paid under~~  
13 ~~this agreement shall be due immediately. Failure to pay all amounts due to the state of Rhode~~  
14 ~~Island shall invalidate any amnesty granted pursuant to this chapter. Amnesty shall be granted for~~  
15 ~~only the taxable period specified in the application and only if all amnesty conditions are satisfied~~  
16 ~~by the taxpayer.~~

17       ~~(c) Amnesty shall not be granted to taxpayers who are a party to any criminal~~  
18 ~~investigations or to any civil or criminal litigation which is pending in any court of the United~~  
19 ~~States or the state of Rhode Island for nonpayment, delinquency, or fraud in relation to any state~~  
20 ~~tax imposed by any law of the state and collected by the tax administrator.~~

21       **44-6.1-4. Interest under tax amnesty.** ~~--- Notwithstanding any general or specific statute~~  
22 ~~to the contrary, interest on any taxes paid for periods covered under the amnesty provisions of~~  
23 ~~this chapter shall be computed at the rate of eleven and one half percent (11.50%) annually from~~  
24 ~~due date to time of payment.~~

25       **44-6.1-5. Amnesty provisions not applicable.** ~~--- The provisions of § 44-6.1-3 shall not~~  
26 ~~apply to the underpayment of any tax imposed by any law for the state of Rhode Island, payable~~  
27 ~~to the state of Rhode Island for any taxable period to the extent that before the written application~~  
28 ~~for amnesty is filed:~~

29       ~~(1) The taxable period for which a written application for amnesty has been filed is~~  
30 ~~currently under audit by the tax administrator; or~~

31       ~~(2) A notice of deficiency or bill with respect to the underpayment was mailed to the~~  
32 ~~taxpayer.~~

33       **44-6.1-6. Appropriation.** ~~--- There is appropriated, out of any money in the treasury not~~  
34 ~~otherwise appropriated for the fiscal year 1986-1987, the sum of one hundred thousand dollars~~

1 ~~(\$100,000) to the division of taxation to carry out the purposes of this chapter and the state~~  
2 ~~controller is authorized and directed to draw his or her orders upon the general treasurer for the~~  
3 ~~payment of the sum or so much of the sum as may be required from time to time upon receipt by~~  
4 ~~him or her of properly authenticated vouchers.~~

5 ~~**44-6.1-7. Implementation.** -- Notwithstanding any provision of law to the contrary, the~~  
6 ~~tax administrator may do all things necessary in order to provide for the timely implementation of~~  
7 ~~this chapter, including but not limited to procurement of printing and other services and~~  
8 ~~expenditure of appropriated funds as provided for in § 44-6.1-6.~~

9 ~~**44-6.1-8. Disposition of monies -- Rules and regulations.** -- (a) All monies collected~~  
10 ~~pursuant to any tax imposed by the state of Rhode Island under the provisions of this chapter shall~~  
11 ~~be accounted for separately and paid into the general fund.~~

12 ~~(b) The tax administrator shall promulgate rules and regulations as are necessary to~~  
13 ~~implement the provisions of this chapter.~~

14 SECTION 2. Sections 44-6.2-1, 44-6.2-2, 44-6.2-3, 44-6.2-4, 44-6.2-5, 44-6.2-6 and 44-  
15 6.2-7 of the General Laws in Chapter 44-6.2 entitled "Rhode Island Tax Amnesty Act" are hereby  
16 repealed.

17 ~~**44-6.2-1. Short title.** -- This chapter shall be known as the "1996 Rhode Island Tax~~  
18 ~~Amnesty Act".~~

19 ~~**44-6.2-2. Definitions.** -- As used in this chapter, the following terms have the meaning~~  
20 ~~ascribed to them in this section, except when the context clearly indicates a different meaning:~~

21 ~~(1) "Taxable period" means any period for which a tax return is required by law to be~~  
22 ~~filed with the tax administrator.~~

23 ~~(2) "Taxpayer" means any person, corporation, or other entity subject to any tax imposed~~  
24 ~~by any law of the state of Rhode Island and payable to the state of Rhode Island and collected by~~  
25 ~~the tax administrator.~~

26 ~~**44-6.2-3. Establishment of tax amnesty.** -- (a) The tax administrator shall establish a tax~~  
27 ~~amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to~~  
28 ~~authorization by any law of the state of Rhode Island and collected by the tax administrator.~~  
29 ~~Amnesty tax return forms shall be prepared by the tax administrator and shall provide for~~  
30 ~~specificity by the taxpayer of the tax and the taxable period for which amnesty is being sought by~~  
31 ~~the taxpayer.~~

32 ~~(b) The amnesty program shall be conducted for a seventy five (75) day period~~  
33 ~~established by the tax administrator in the state fiscal year 1995-1996. The amnesty program shall~~  
34 ~~provide that upon written application by any taxpayer and payment by the taxpayer of all taxes~~

1 ~~and interest due from the taxpayer to the state of Rhode Island for any taxable period ending prior~~  
2 ~~to December 31, 1995, the tax administrator shall not seek civil or criminal prosecution for any~~  
3 ~~taxpayer for the taxable period for which amnesty has been granted. Amnesty shall be granted~~  
4 ~~only to those taxpayers applying for amnesty during the amnesty period, which have paid the tax~~  
5 ~~and interest due upon filing the amnesty tax return, or who has entered into an installment~~  
6 ~~payment agreement for reasons of financial hardship upon the terms and conditions set by the tax~~  
7 ~~administrator. In the case of the failure of a taxpayer to pay any installment at the time the~~  
8 ~~installment payment is due under the agreement, the agreement shall cease to be effective and the~~  
9 ~~balance of the amounts required to be paid under this agreement shall be due immediately. Failure~~  
10 ~~to pay all amounts due to the state of Rhode Island shall invalidate any amnesty granted pursuant~~  
11 ~~to this chapter. Amnesty shall be granted for only the taxable period specified in the application~~  
12 ~~and only if all amnesty conditions are satisfied by the taxpayer.~~

13 ~~(c) The provisions of this section shall include a taxable period for which a notice of~~  
14 ~~deficiency determination or bill has been sent to the taxpayer and/or a taxable period in which an~~  
15 ~~audit is completed but has not yet been billed.~~

16 ~~(d) Amnesty shall not be granted to taxpayers who are a party to any criminal~~  
17 ~~investigation or to any civil or criminal litigation which is pending in any court of the United~~  
18 ~~States or the state of Rhode Island for fraud in relation to any state tax imposed by any law of the~~  
19 ~~state and collected by the tax administrator.~~

20 ~~**44-6.2-4. Interest under tax amnesty.** -- Notwithstanding any general or specific statute~~  
21 ~~to the contrary, interest on any taxes paid for periods covered under the amnesty provisions of~~  
22 ~~this chapter shall be computed at the rate of twelve percent (12%) annually from due to time of~~  
23 ~~payment.~~

24 ~~**44-6.2-5. Implementation.** -- Notwithstanding any provision of law to the contrary, the~~  
25 ~~tax administrator may do all things necessary in order to provide for the timely implementation of~~  
26 ~~this chapter, including but not limited to procurement of printing and other services and~~  
27 ~~expenditures of appropriated funds.~~

28 ~~**44-6.2-6. Disposition of monies -- Rules and regulations.** -- (a) All monies collected~~  
29 ~~pursuant to any tax imposed by the state of Rhode Island under the provisions of this chapter shall~~  
30 ~~be accounted for separately and paid into the general fund.~~

31 ~~(b) The tax administrator shall promulgate rules and regulations as are necessary to~~  
32 ~~implement the provisions of this chapter.~~

33 ~~**44-6.2-7. Analysis of amnesty program by tax administrator.** -- The tax administrator~~  
34 ~~shall provide an analysis of the amnesty program to the chairpersons of the house finance~~

1 ~~committee and senate finance committee with copies to the members of the revenue estimating~~  
2 ~~conference by September 1, 1996. The report shall include an analysis of revenues received by~~  
3 ~~tax source, distinguishing between the tax collected and interest collected for each source. In~~  
4 ~~addition, the report shall further delineate the amounts that are new revenues from that already~~  
5 ~~included in the general revenue receivable taxes defined under generally accepted accounting~~  
6 ~~principles and the state's audited financial statements. The auditor general shall include review of~~  
7 ~~the analysis as part of the activities involved in preparation of the combined annual financial~~  
8 ~~report for fiscal year 1996.~~

9 SECTION 3. Sections 44-6.3-1, 44-6.3-2, 44-6.3-3, 44-6.3-4, 44-6.3-5, 44-6.3-6, 44-6.3-  
10 7, 44-6.3-8 and 44-6.3-9 of the General Laws in Chapter 44-6.3 entitled "2006 Rhode Island Tax  
11 Amnesty Act" are hereby repealed.

12 ~~**44-6.3-1. Short title.** --- This chapter shall be known as the "2006 Rhode Island Tax~~  
13 ~~Amnesty Act".~~

14 ~~**44-6.3-2. Definitions.** -- As used in this chapter, the following terms have the meaning~~  
15 ~~ascribed to them in this section, except when the context clearly indicates a different meaning:~~

16 ~~(1) "Taxable period" means any period for which a tax return is required by law to be~~  
17 ~~filed with the tax administrator;~~

18 ~~(2) "Taxpayer" means any person, corporation, or other entity subject to any tax imposed~~  
19 ~~by any law of the state of Rhode Island and payable to the state of Rhode Island and collected by~~  
20 ~~the tax administrator.~~

21 ~~**44-6.3-3. Establishment of tax amnesty.** --- (a) The tax administrator shall establish a tax~~  
22 ~~amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to~~  
23 ~~authorization by any law of the state of Rhode Island and collected by the tax administrator.~~  
24 ~~Amnesty tax return forms shall be prepared by the tax administrator and shall provide that the~~  
25 ~~taxpayer clearly specify the tax due and the taxable period for which amnesty is being sought by~~  
26 ~~the taxpayer.~~

27 ~~(b) The amnesty program shall be conducted for a seventy five (75) day period ending~~  
28 ~~on September 30, 2006. The amnesty program shall provide that, upon written application by a~~  
29 ~~taxpayer and payment by the taxpayer of all taxes and interest due from the taxpayer to the state~~  
30 ~~of Rhode Island for any taxable period ending prior to December 31, 2005, the tax administrator~~  
31 ~~shall not seek to collect any penalties which may be applicable and shall not seek the civil or~~  
32 ~~criminal prosecution of any taxpayer for the taxable period for which amnesty has been granted.~~  
33 ~~Amnesty shall be granted only to those taxpayers applying for amnesty during the amnesty period~~  
34 ~~who have paid the tax and interest due upon filing the amnesty tax return, or who have entered~~

1 ~~into an installment payment agreement for reasons of financial hardship and upon terms and~~  
2 ~~conditions set by the tax administrator. In the case of the failure of a taxpayer to pay any~~  
3 ~~installment due under the agreement, such an agreement shall cease to be effective and the~~  
4 ~~balance of the amounts required to be paid thereunder shall be due immediately. Amnesty shall be~~  
5 ~~granted for only the taxable period specified in the application and only if all amnesty conditions~~  
6 ~~are satisfied by the taxpayer.~~

7 ~~(c) The provisions of this section shall include a taxable period for which a bill or notice~~  
8 ~~of deficiency determination has been sent to the taxpayer and a taxable period in which an audit~~  
9 ~~has been completed but has not yet been billed.~~

10 ~~(d) Amnesty shall not be granted to taxpayers who are under any criminal investigation~~  
11 ~~or are a party to any civil or criminal proceeding, pending in any court of the United States or the~~  
12 ~~state of Rhode Island, for fraud in relation to any state tax imposed by the law of the state and~~  
13 ~~collected by the tax administrator.~~

14 ~~**44-6.3-4. Interest under tax amnesty.** -- Notwithstanding any general or specific statute~~  
15 ~~to the contrary, interest on any taxes paid for periods covered under the amnesty provisions of~~  
16 ~~this chapter shall be computed at the rate of twelve percent (12%) annually from the due date to~~  
17 ~~the time of payment.~~

18 ~~**44-6.3-5. Appropriation.** -- There is hereby appropriated, out of any money in the~~  
19 ~~treasury not otherwise appropriated for the 2007 fiscal year, the sum of two hundred thousand~~  
20 ~~dollars (\$200,000) to the division of taxation to carry out the purposes of this chapter. The state~~  
21 ~~controller is hereby authorized and directed to draw his or her orders upon the general treasurer~~  
22 ~~for the payment of the sum or so much thereof as may be required from time to time and upon~~  
23 ~~receipt by him of properly authenticated vouchers.~~

24 ~~**44-6.3-6. Implementation.** -- Notwithstanding any provision of law to the contrary, the~~  
25 ~~tax administrator may do all things necessary in order to provide for the timely implementation of~~  
26 ~~this chapter, including but not limited to procurement of printing and other services and~~  
27 ~~expenditure of appropriated funds as provided for in § 44-6.3-5.~~

28 ~~**44-6.3-7. Disposition of monies.** -- (a) Except as provided in subsection (b) within, all~~  
29 ~~monies collected pursuant to any tax imposed by the state of Rhode Island under the provisions of~~  
30 ~~this chapter shall be accounted for separately and paid into the general fund.~~

31 ~~(b) Monies collected for the establishment of the TDI Reserve Fund (§ 28-39-7), the~~  
32 ~~Employment Security Fund (§ 28-42-18), the Employment Security Interest Fund (§ 28-42-75),~~  
33 ~~the Job Development Fund (§ 28-42-83), and the Employment Security Reemployment Fund (§~~  
34 ~~28-42-87) shall be deposited in said respective funds.~~

1           ~~**44-6.3-8. Analysis of amnesty program by tax administrator.** --- The tax administrator~~  
2 ~~shall provide an analysis of the amnesty program to the chairpersons of the house finance~~  
3 ~~committee and senate finance committee, with copies to the members of the revenue estimating~~  
4 ~~conference, by November 1, 2006. The report shall include an analysis of revenues received by~~  
5 ~~tax source, distinguishing between the tax collected and interest collected for each source. In~~  
6 ~~addition, the report shall further identify the amounts that are new revenues from those already~~  
7 ~~included in the general revenue receivable taxes defined under generally accepted accounting~~  
8 ~~principles and the state's audited financial statements. The auditor general shall include a review~~  
9 ~~of this analysis as part of the activities involved in preparation of the combined annual financial~~  
10 ~~report for fiscal year 2007.~~

11           ~~**44-6.3-9. Rules and regulations.** --- The tax administrator shall promulgate such rules~~  
12 ~~and regulations as are necessary to implement the provisions of this chapter.~~

13           SECTION 4. Sections 44-6.4-1, 44-6.4-2, 44-6.4-3, 44-6.4-4, 44-6.4-5, 44-6.4-6, 44-6.4-  
14 7, 44-6.4-8 and 44-6.4-9 of the General Laws in Chapter 44-6.4 entitled "Rhode Island Tax  
15 Amnesty Act" are hereby repealed.

16           ~~**44-6.4-1. Short title.** --- This chapter shall be known as the "2012 Rhode Island Tax~~  
17 ~~Amnesty Act".~~

18           ~~**44-6.4-2. Definitions.** --- As used in this chapter, the following terms have the meaning~~  
19 ~~ascribed to them in this section, except when the context clearly indicates a different meaning:~~

20           ~~(1) "Taxable period" means any period for which a tax return is required by law to be~~  
21 ~~filed with the tax administrator;~~

22           ~~(2) "Taxpayer" means any person, corporation, or other entity subject to any tax imposed~~  
23 ~~by any law of the state of Rhode Island and payable to the state of Rhode Island and collected by~~  
24 ~~the tax administrator.~~

25           ~~**44-6.4-3. Establishment of tax amnesty.** --- (a) The tax administrator shall establish a tax~~  
26 ~~amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to~~  
27 ~~authorization by any law of the state of Rhode Island and collected by the tax administrator.~~  
28 ~~Amnesty tax return forms shall be prepared by the tax administrator and shall provide that the~~  
29 ~~taxpayer clearly specify the tax due and the taxable period for which amnesty is being sought by~~  
30 ~~the taxpayer.~~

31           ~~(b) The amnesty program shall be conducted for a seventy five (75) day period ending~~  
32 ~~on November 15, 2012. The amnesty program shall provide that, upon written application by a~~  
33 ~~taxpayer and payment by the taxpayer of all taxes and interest due from the taxpayer to the state~~  
34 ~~of Rhode Island for any taxable period ending on or prior to December 31, 2011, the tax~~

1 ~~administrator shall not seek to collect any penalties which may be applicable and shall not seek~~  
2 ~~the civil or criminal prosecution of any taxpayer for the taxable period for which amnesty has~~  
3 ~~been granted. Amnesty shall be granted only to those taxpayers applying for amnesty during the~~  
4 ~~amnesty period who have paid the tax and interest due upon filing the amnesty tax return, or who~~  
5 ~~have entered into an installment payment agreement for reasons of financial hardship and upon~~  
6 ~~terms and conditions set by the tax administrator. In the case of the failure of a taxpayer to pay~~  
7 ~~any installment due under the agreement, such an agreement shall cease to be effective and the~~  
8 ~~balance of the amounts required to be paid thereunder shall be due immediately. Amnesty shall be~~  
9 ~~granted for only the taxable period specified in the application and only if all amnesty conditions~~  
10 ~~are satisfied by the taxpayer.~~

11 ~~(c) The provisions of this section shall include a taxable period for which a bill or notice~~  
12 ~~of deficiency determination has been sent to the taxpayer and a taxable period in which an audit~~  
13 ~~has been completed but has not yet been billed.~~

14 ~~(d) Amnesty shall not be granted to taxpayers who are under any criminal investigation~~  
15 ~~or are a party to any civil or criminal proceeding, pending in any court of the United States or the~~  
16 ~~state of Rhode Island, for fraud in relation to any state tax imposed by the law of the state and~~  
17 ~~collected by the tax administrator.~~

18 ~~**44-6.4.4. Interest under tax amnesty.** -- Notwithstanding any provision of law to the~~  
19 ~~contrary, interest on any taxes paid for periods covered under the amnesty provisions of this~~  
20 ~~chapter shall be computed at the rate imposed under § 44-1-7, reduced by twenty five percent~~  
21 ~~(25%).~~

22 ~~**44-6.4.5. Appropriation.** -- There is hereby appropriated, out of any money in the~~  
23 ~~treasury not otherwise appropriated for the 2013 fiscal year, the sum of three hundred thousand~~  
24 ~~dollars (\$300,000) to the division of taxation to carry out the purposes of this chapter. The state~~  
25 ~~controller is hereby authorized and directed to draw his or her orders upon the general treasurer~~  
26 ~~for the payment of the sum or so much thereof as may be required from time to time and upon~~  
27 ~~receipt by him of properly authenticated vouchers.~~

28 ~~**44-6.4.6. Implementation.** -- Notwithstanding any provision of law to the contrary, the~~  
29 ~~tax administrator may do all things necessary in order to provide for the timely implementation of~~  
30 ~~this chapter, including, but not limited to, procurement of printing and other services and~~  
31 ~~expenditure of appropriated funds as provided for in § 44-6.4-5.~~

32 ~~**44-6.4.7. Disposition of monies.** -- (a) Except as provided in subsection (b) within, all~~  
33 ~~monies collected pursuant to any tax imposed by the state of Rhode Island under the provisions of~~  
34 ~~this chapter shall be accounted for separately and paid into the general fund.~~



1       ~~(b) Monies collected for the establishment of the TDI Reserve Fund (§ 28-39-7), the~~  
2       ~~Employment Security Fund (§ 28-42-18), the Employment Security Interest Fund (§ 28-42-75),~~  
3       ~~the Job Development Fund (§ 28-42-83), and the Employment Security Reemployment Fund (§~~  
4       ~~28-42-87) shall be deposited in said respective funds.~~

5       **44-6.4.8. Analysis of amnesty program by tax administrator.** ~~-- The tax administrator~~  
6       ~~shall provide an analysis of the amnesty program to the chairpersons of the house finance~~  
7       ~~committee and senate finance committee, with copies to the members of the revenue estimating~~  
8       ~~conference, by January 1, 2013. The report shall include an analysis of revenues received by tax~~  
9       ~~source, distinguishing between the tax collected and interest collected for each source. In~~  
10       ~~addition, the report shall further identify the amounts that are new revenues from those already~~  
11       ~~included in the general revenue receivable taxes, defined under generally accepted accounting~~  
12       ~~principles and the state's audited financial statements.~~

13       **44-6.4.9. Rules and regulations.** ~~-- The tax administrator may promulgate such rules and~~  
14       ~~regulations as are necessary to implement the provisions of this chapter.~~

15       SECTION 5. This act shall take effect upon passage.

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

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- 1 This act would repeal the Rhode Island Tax Amnesty Acts of 1986, 1996, 2006 and 2012.
- 2 This act would take effect upon passage.

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