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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO TAXATION -- ESTATE AND TRANSFER TAXES--ENFORCEMENT AND  
COLLECTION

Introduced By: Senators Felag, DiPalma, Cool Rumsey, Sosnowski, and Ottiano

Date Introduced: January 16, 2013

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 44-23-5 of the General Laws in Chapter 44-23 entitled "Estate and  
2           Transfer Taxes - Enforcement and Collection" is hereby amended to read as follows:  
3           **44-23-5. Appraisal of estate.** – (a) If any statement filed in accordance with the  
4           provisions of this chapter is considered to be an erroneous or incomplete statement of the  
5           property, real, tangible personal, intangible personal, or of any part of the property, of the  
6           decedent, the tax administrator shall give notice to the executor, administrator, heir-at-law,  
7           beneficiary, or trustee filing the statement, to appear before the tax administrator for the purpose  
8           of examination of and concerning the statement, and concerning all matters appertaining to the  
9           estate and the value of the estate of the decedent; and if the executor, administrator, heir-at-law,  
10          beneficiary, or trustee fails to appear after due notice, or if after appearance and examination of  
11          the executor, administrator, heir-at-law, beneficiary, or trustee the tax administrator still considers  
12          the statement to be an erroneous or incomplete statement, or if the executor, administrator, heir-  
13          at-law, beneficiary, or trustee refuses or neglects to answer the questions propounded in reference  
14          to the statement, the tax administrator may appraise the estate. The tax administrator shall give  
15          notice by mail to the executor, administrator, heir-at-law, beneficiary, or trustee and to all persons  
16          known to have a claim or interest in the estate or property to be appraised, of the time and place  
17          of the appraisal, and the tax administrator or his or her authorized agent shall at that time and  
18          place appraise the estate or property at its full and fair cash value as prescribed in this section; and

1 for that purpose the tax administrator is authorized to issue subpoenas and to compel the  
2 attendance of witnesses and to take the evidence of the witnesses under oath if necessary,  
3 concerning the estate or property and the value of the estate, and the witnesses shall receive the  
4 same fees as those now paid to witnesses subpoenaed to attend the superior court. From the  
5 appraisal and other proof relating to the estate or property, the tax administrator determines the  
6 full and fair cash value of the estate or property upon which all taxes imposed by chapter 22 of  
7 this title are computed and the amount of taxes to which it is liable. If no appraisal is made as  
8 provided in this section, the tax administrator may determine the value of the property upon  
9 which all the taxes are computed and the amount of taxes to which it is liable.

10 (b) Notwithstanding the provisions of subsection 44-23-5(a), all farmland, as such term is  
11 defined in section 44-27-2, included as part of an estate for purposes of this section and utilized  
12 by the executor, administrator, heir-at-law, beneficiary or trustee as farmland, shall be appraised  
13 at its use value according to applicable federal and state law and not at its full and fair cash value.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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RELATING TO TAXATION -- ESTATE AND TRANSFER TAXES--ENFORCEMENT AND  
COLLECTION

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- 1           This act would provide that for estate tax purposes, farmland shall be appraised at its use
- 2 value and not at its full and fair cash value.
- 3           This act would take effect upon passage.

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