

2018 -- H 8018

LC005311

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO TAXATION -- QUALIFIED FAMILY MIGRATION TO RHODE ISLAND  
ACT

Introduced By: Representatives Tobon, Marshall, Barros, Maldonado, and Diaz

Date Introduced: March 29, 2018

Referred To: House Finance

It is enacted by the General Assembly as follows:

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

3 CHAPTER 70

4 QUALIFIED FAMILY MIGRATION TO RHODE ISLAND ACT

5 **44-70-1. Short title.**

6 This chapter shall be known and may be cited as the "Qualified Family Migration to  
7 Rhode Island Act".

8 **44-70-2. Definitions.**

9 As used in this chapter, the following terms have the meaning ascribed to them in this  
10 section, except when the context clearly indicates a different meaning:

11 (1) "Middle class family" means a married couple with at least one minor child or a  
12 single person with at least two (2) minor children and in which the combined household gross  
13 income is in excess of one hundred thousand dollars (\$100,000).

14 (2) "Nonresident" means a resident of a state other than Rhode Island who owns no real  
15 property in Rhode Island.

16 **44-70-3. Findings and declaration.**

17 (a) It is hereby found and declared that due to long-term and short-term negative  
18 economic trends in Rhode Island, nonresident middle class families have found it difficult to

1 move to and settle in Rhode Island. Middle class families are a significant component in the  
2 quality of life and stable cultural fabric of Rhode Island. Consequently, a need exists to promote  
3 the migration of nonresident middle class families to move to and settle in Rhode Island.

4 (b) Through the establishment of the family migration to Rhode Island act, nonresident  
5 middle class families can move to Rhode Island and enhance the local business environment,  
6 improve the economy and enhance the quality of life for state residents.

7 **44-70-4. Tax credit and incentive program.**

8 (a) The "qualified family migration to Rhode Island act" is hereby established as a  
9 program under the jurisdiction of and shall be administered by the general treasurer. The program  
10 may provide tax credits and/or incentive payments to eligible persons for an eligibility period as  
11 further provided in this chapter, but not to exceed December 31, 2020.

12 (b) Eligible persons under the program shall be entitled to a tax credit of up to ten  
13 thousand dollars (\$10,000) per family against taxes imposed pursuant to chapter 30 of title 44 as  
14 further provided in this chapter.

15 (c) Eligible persons unable to utilize the entitled tax credit or a portion thereof as a result  
16 of no tax liability shall receive an incentive payment equal to the unused credit or unused portion  
17 thereof.

18 (d) A middle class family, to be eligible for tax credit or incentive payment under this  
19 program, shall meet the following criteria:

20 (1) No member of the middle class family may be a resident of Rhode Island on June 30,  
21 2018, or within two (2) years prior thereto;

22 (2) Within thirty (30) days of establishing residency in Rhode Island on or after July 1,  
23 2018, an eligible member of the family shall file a notice with the general treasurer on a form  
24 approved by the general treasurer indicating an intent to claim the credit or incentive payment;

25 (3) At least three (3) members of the middle class family shall continuously reside  
26 together in the Rhode Island residence for all periods for which a credit or incentive payment is  
27 claimed; and

28 (4) The annual combined household gross income shall exceed one hundred thousand  
29 dollars (\$100,000).

30 **44-70-5. Calculation of credit or incentive payment.**

31 A nonresident qualified middle class family establishing a full-time residence in Rhode  
32 Island on or after July 1, 2018, or otherwise qualified pursuant to this chapter may claim a tax  
33 credit or incentive payment to be calculated as follows:

34 (1) A credit or payment equal to eight hundred thirty-three dollars and thirty-three cents

1 (\$833.33) may be claimed for each month of full-time residence in Rhode Island.

2 (2) Credit or payment for a partial month of residence shall be on a pro rata basis.

3 (3) The maximum annual credit or payment to a qualified middle class family is ten  
4 thousand dollars (\$10,000).

5 **44-70-6. Sunset.**

6 (a) This program is limited to the first thirty thousand (30,000) qualified applicants. Upon  
7 receipt of thirty thousand (30,000) qualified applications the general treasurer shall accept no  
8 further applications and shall notify the speaker of the house, president of the senate and  
9 governor.

10 (b) No credit or incentive payment shall be authorized or earned after December 31,  
11 2020.

12 SECTION 2. This act shall take effect on July 1, 2018.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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ACT

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1           This act would create the "Qualified Family Migration to Rhode Island Act", which  
2 would encourage middle class families to relocate to Rhode Island using a ten thousand dollar  
3 (\$10,000) tax credit.

4           This act would take effect on July 1, 2018.

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