

2024 -- S 3152

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO TAXATION -- TAXATION OF BANKS

Introduced By: Senator Louis P. DiPalma

Date Introduced: June 09, 2024

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Chapter 44-14 of the General Laws entitled "Taxation of Banks" is hereby  
2 amended by adding thereto the following section:

3           **44-14-14.6. Allocation and apportionment method of income election.**

4           Notwithstanding any other provisions of the general laws, for taxable years beginning on  
5 or after January 1, 2025, any banking institution whose business activities are taxable within and  
6 without this state, may elect the allocation and apportionment method for income provided in §44-  
7 14-14.1. The election shall be made by filing the form prescribed by the tax administrator with the  
8 annual return required by § 44-14-6. The portion of net income apportioned to Rhode Island for a  
9 banking institution making this election shall be determined by multiplying total net income by the  
10 receipts factor provided in § 44-14-14.3.

11           SECTION 2. This act shall take effect on January 1, 2025.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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RELATING TO TAXATION -- TAXATION OF BANKS

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- 1           This act would provide banks with an election to use the allocation and apportionment
- 2 method of income for purposes of taxation.
- 3           This act would take effect on January 1, 2025.

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