

2021 -- H 6313

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO TAXATION -- PERSONAL INCOME TAX

Introduced By: Representatives Henries, Amore, and Kazarian

Date Introduced: May 07, 2021

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-30-1.1 of the General Laws in Chapter 44-30 entitled "Personal
2 Income Tax" is hereby amended to read as follows:

3 **44-30-1.1. Exemption from tax for writers, composers and artists.**

4 (a) This section shall only apply to writers, composers and artists residing within a section
5 of the defined economic development zone within the city of Providence, Pawtucket, Woonsocket
6 ~~or~~ Warwick or East Providence, or the economic development zone within the town of Westerly as
7 defined in § 44-18-30B(c)(1)(i), or within the city of Newport or within the town of Tiverton or the
8 town of Little Compton, or within those areas of the town of Warren which are zoned "waterfront
9 district," "special district," "village business district," "manufacturing district," "business district"
10 or "Warren historic district", or a tax pass-through entity wholly owned by one or more such
11 individuals and who create such work while residing in the zone, or in the case of Newport or the
12 town of Little Compton, within those areas of the city or town which are zoned "general business,"
13 "waterfront business" or "limited business" or have been designated by the city of Newport as part
14 of the arts district, or in the case of Warren, within those areas of the town which are zoned
15 "waterfront district," "special district," "village business district," "manufacturing district,"
16 "business district" or "Warren historic district," or in the case of Tiverton with those areas of the
17 town which are zoned "business commercial," "business waterfront" or "village commercial." For
18 the purposes of this section, a "work" means an original and creative work, whether written,
19 composed, created or executed for "one-of-a-kind, limited" production, before or after the passing

1 of this section, which falls into one of the following categories: (1) a book or other writing; (2) a
2 play or the performance of said play; (3) a musical composition or the performance of said
3 composition; (4) a painting or other like picture; (5) a sculpture; (6) traditional and fine crafts; (7)
4 the creation of a film or the acting of said film; (8) the creation of a dance or the performance of
5 said dance. For purposes of this section, a "work" does not apply to any piece or performance
6 created or executed for industry oriented or related production.

7 (b)(1) This section shall apply to any individual:

8 (i) Who is a resident within the section of the economic development zone designated as
9 the arts and entertainment district in the downtown areas of the cities of Providence, Woonsocket,
10 ~~or~~ Pawtucket or East Providence, and deriving the income exempted from within said district while
11 a resident of said zone, or who is a resident within the section of the arts and entertainment district
12 in the town of Westerly, as defined in § 44-18-30B(c)(1)(i) and who derives the income exempted
13 from within said district while a resident of said zone. For the purposes of this section, the
14 "Providence arts and entertainment district" is defined as the area bounded by Pine Street to the
15 southeast, Dorrance Street to the northeast, Sabin Street to the northwest and Empire Street to the
16 southwest. Said Providence arts and entertainment district also includes the area beginning at the
17 point of intersection of Acorn Street and Harris Avenue, then turning east onto Atwells Avenue to
18 Service Road 7, then turning southerly onto Service Road 7 to Westminster Street, then turning
19 westerly onto Westminster Street, continuing until Bridgham, then turning south onto Bridgham to
20 Cranston Street, then turning southwesterly onto Cranston Street, then continuing to Messer Street,
21 then turning north onto Messer Street to Westminster Street, turning west onto Westminster Street
22 to US Hwy 6 off ramp, then heading west on US Hwy 6 to Sheridan Street, then heading northeast
23 on Sheridan Street to Aleppo Street, then turning southeast along Aleppo Street to Pelham Street,
24 then heading northeast on Pelham Street to Manton Avenue, then continuing southeast on Manton
25 Avenue until Delaine Street, then heading northeast on Delaine Street until Appleton Street, then
26 continuing northwesterly on Appleton Street until Bowdoin Street, then heading north on Bowdoin
27 Street until Barstow Street, then heading east on Barstow until Valley Street, then heading northeast
28 on Valley Street to Hemlock Street, then turning southeast on Hemlock Street until Promenade
29 Street, then heading east on Promenade Street to Acorn Street, then heading south on Acorn Street
30 to the intersection of Acorn Street and Harris Avenue. The abovementioned streets shall be included
31 in the district. The "Westerly arts and entertainment district" is defined in § 44-18-30B(c)(1)(i).
32 The "Pawtucket arts and entertainment district" shall be defined as the area beginning at the point
33 of intersection of Dexter Street and the Central Falls line, then east along the Central Falls Line to
34 the Blackstone River, then north along the city boundary on the Blackstone River to the

1 Cumberland line, then west along the Pawtucket city boundary line to I-95, then south along I-95
2 to Pine Street, then north on Pine Street to AMTRAK Right of Way, then northwest along the
3 AMTRAK Right of Way to Dexter Street, then north on Dexter Street to the Central Falls line. The
4 abovementioned streets shall be included in the district. The "Woonsocket arts and entertainment
5 district" shall be defined as the area beginning at a point of land on the southwest bank of the
6 Blackstone River abutting the bridge for the Providence & Worcester Railroad and proceeding
7 northerly to a point at the intersection of Worrall Street, Clinton Street and Harry S. Truman Drive,
8 then proceeding northwesterly along Worrall Street to its intersection with Social Street, then
9 turning westerly on Social Street proceeding to its intersection with Main Street, Blackstone Street
10 and North Main Street, then turning northwesterly and proceeding along Blackstone Street to its
11 intersection with River Street, then turning northerly and proceeding along River Street to its
12 intersection with the northeast bank of Blackstone River, then following the riverbank southerly to
13 the bridge at Bernon Street and turning easterly crossing the Blackstone River via Bernon Street
14 and proceeding to its intersection with Front Street, then turning northeasterly on Front Street and
15 proceeding to its intersection with Hamlet Avenue, and to include the former Courthouse on the
16 southerly side of Front Street at its intersection with Hamlet Avenue, then turning easterly on
17 Hamlet Avenue and proceeding to its intersection with Manville Road, then turning southeasterly
18 on Manville Road and proceeding to its intersection with Davison Avenue, then turning
19 northeasterly on Davison Avenue and proceeding to a point on the southwest bank of the
20 Blackstone River, then turning northerly, following the southerly riverbank to the point of
21 beginning. The abovementioned streets are included in the district. The Warwick arts district is
22 defined as that area known as Pontiac Village, beginning on Route 5 at the Warwick/Cranston
23 municipal boundary, then south to the intersection of Route 5 and the Pawtuxet River, then
24 following the Pawtuxet River in an easterly and northerly direction to the municipal boundary in
25 the vicinity of Knight Street, then from the intersection of Knight Street and the municipal boundary
26 westerly along the Warwick/Cranston municipal boundary to the intersection of Route 5 and
27 Greenwich Avenue. The above named streets are included in the district. [The "East Providence art
28 district" shall be defined at a point of land on the northeast bank of the Seekonk River abutting the
29 Henderson Bridge and proceeding easterly along Wilmarth Avenue to a point at the intersection of
30 North Broadway, then proceeding southerly to South Broadway and continuing to the intersection
31 of Warren Avenue, then proceeding westerly on the southerly side of Warren Avenue to the
32 intersection with Burgess Avenue, then proceeding southerly to the intersection at Veterans
33 Memorial Parkway, then proceeding westerly to the intersection at Waterfront Drive, including the
34 area known as Bold Point Park, then northerly along the southeast bank of the Seekonk River back](#)

1 [to the point of the beginning.](#)

2 This section shall also apply to any individual who is a resident of the city of Newport or
3 the town of Tiverton or the town of Little Compton and whose income otherwise qualifies for an
4 exemption as provided for in this section.

5 This section shall also apply to any individual who is a resident of the town of Warren and
6 whose income otherwise qualifies for an exemption as provided for in this section.

7 (ii) Who is determined by the tax administrator, after consideration of any evidence in
8 relation to the matter which the individual submits to him or her and after such consultation as may
9 seem to him or her to be necessary with such person or body of persons as in his or her opinion
10 may be of assistance to him or her, to have written, composed or executed either solely or jointly
11 with another individual, a work or works that would fall into one of the categories listed in
12 subsection (a) of this section.

13 (c)(1) An individual to whom this section applies and who duly makes a claim to the tax
14 administrator in that behalf shall, subject to subdivision (2) of this subsection, be entitled to have
15 the profits or gains arising to him or her from the publication, production or sale of a work or works
16 in relation to which the tax administrator has made a determination under paragraph (b)(1)(ii) of
17 this section to be taken as a modification reducing federal adjusted gross income.

18 (2) The modification authorized by this section shall apply to the year in which the profit
19 or gain from the publication, production or sale of a work is realized.

20 (d) The tax administrator may serve on an individual who makes a claim under this
21 subsection a notice or notices, in writing, requiring him or her to make available within any time
22 that may be specified in the notice of all such books, accounts and documents in his or her
23 possession or power as may be requested, being books, accounts and documents relating to the
24 publication, production or sale of the work in respect of the profits or gains of which exemption is
25 claimed.

26 (e) For the purpose of determining the amount of profits or gains subject to modification
27 under this section, the tax administrator may make any apportionment of receipts and expenses that
28 may be necessary.

29 (f) Notwithstanding any other provisions of this chapter, any individual seeking relief under
30 this section shall file a Rhode Island personal income tax return listing the modification reducing
31 federal adjusted gross income relating to profits or gains realized from the works as defined in this
32 section.

1 SECTION 2. 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 -- PERSONAL INCOME TAX

- 1 This act would grant an exemption from the personal income tax to writers, composers and
- 2 artists residing within the East Providence arts zone.
- 3 This act would take effect upon passage.

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