

2022 -- S 2595

LC005223

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO TAXATION -- STATE TAX OFFICIALS

Introduced By: Senators Cano, Acosta, Ciccone, Quezada, Kallman, and Euer

Date Introduced: March 10, 2022

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

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

3 **44-1-2. Powers and duties of tax administrator.**

4 The tax administrator is required:

5 (1) To assess and collect all taxes previously assessed by the division of state taxation in  
6 the department of revenue and regulation, including the franchise tax on domestic corporations,  
7 corporate excess tax, tax upon gross earnings of public service corporations, tax upon interest  
8 bearing deposits in national banks, the inheritance tax, tax on gasoline and motor fuels, and tax on  
9 the manufacture of alcoholic beverages;

10 (2) To assess and collect the taxes upon banks and insurance companies previously  
11 administered by the division of banking and insurance in the department of revenue and regulation,  
12 including the tax on foreign and domestic insurance companies, tax on foreign building and loan  
13 associations, deposit tax on savings banks, and deposit tax on trust companies;

14 (3) To assess and collect the tax on pari-mutuel or auction mutuel betting, previously  
15 administered by the division of horse racing in the department of revenue and regulation;

16 (4) [Deleted by P.L. 2006, ch. 246, art. 38, § 10];

17 (5) To assess and collect the monthly surcharges that are collected by telecommunication  
18 services providers pursuant to § 39-21.1-14 and are remitted to the division of taxation;

19 (6) To audit, assess, and collect all unclaimed intangible and tangible property pursuant to

1 chapter 21.1 of title 33;

2 (7) To provide to the department of labor and training any state tax information, state  
3 records, or state documents they or the requesting agency certify as necessary to assist the agency  
4 in efforts to investigate suspected misclassification of employee status, wage and hour violations,  
5 or prevailing wage violations subject to the agency's jurisdiction, even if deemed confidential under  
6 applicable law, provided that the confidentiality of such materials shall be maintained, to the extent  
7 required of the releasing department by any federal or state law or regulation, by all state  
8 departments to which the materials are released and no such information shall be publicly disclosed,  
9 except to the extent necessary for the requesting department or agency to adjudicate a violation of  
10 applicable law. The certification must include a representation that there is probable cause to  
11 believe that a violation has occurred. State departments sharing this information or materials may  
12 enter into written agreements via memorandums of understanding to ensure the safeguarding of  
13 such released information or materials; and

14 (8) [Expires December 31, 2021.] To preserve the Rhode Island tax base under Rhode  
15 Island law prior to the December 22, 2017, Congressional enactment of Public Law 115-97, The  
16 Tax Cuts and Jobs Act, the tax administrator, upon prior written notice to the speaker of the house,  
17 senate president, and chairpersons of the house and senate finance committees, is specifically  
18 authorized to amend tax forms and related instructions in response to any changes the Internal  
19 Revenue Service makes to its forms, regulations, and/or processing which will materially impact  
20 state revenues, to the extent that impact is measurable. Any Internal Revenue Service changes to  
21 forms, regulations, and/or processing which go into effect during the current tax year or within six  
22 (6) months of the beginning of the next tax year and which will materially impact state revenue  
23 will be deemed grounds for the promulgation of emergency rules and regulations under § 42-35-  
24 2.10. The provisions of this subsection (8) shall sunset on December 31, 2021.

25 (9) To gather data regarding the Rhode Island tax base generated by immigrant taxpayers  
26 who dutifully file their federal and state tax returns using an individual taxpayer identification  
27 number ("ITIN"). The tax administrator is specifically authorized to provide to the general  
28 assembly data for the last two (2) complete tax years, consisting of:

29 (i) The total and average amount of taxes paid by ITIN filers;

30 (ii) The total number of ITIN filers for each of the last two (2) years;

31 (iii) The total number of ITIN filers filing as a business, and the total/average amount paid  
32 in taxes;

33 (iv) The total number of ITIN filers filing as individuals, and the total/average amount paid  
34 in taxes;

1           (v) The total number of ITIN filers, by business and individuals, amount of taxes paid, by  
2           municipality and zip code.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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1           This act would require the tax administrator to provide to the general assembly data  
2 regarding immigrant taxpayers' tax filings for two (2) tax years, and report its findings to the  
3 general assembly.

4           This act would take effect upon passage.

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