



# Rhode Island Department of Revenue

## Division of Taxation

ADV 2018-44  
ESTATE TAX

ADVISORY FOR TAX PROFESSIONALS  
NOVEMBER 19, 2018

### **Rhode Island estate tax credit and threshold set for 2019**

*Law provides annual adjustment based on widely used measure of inflation*

PROVIDENCE, R.I. – The Rhode Island Division of Taxation today announced the Rhode Island estate tax credit amount and threshold for the estates of decedents dying on or after January 1, 2019.

The Rhode Island estate tax credit amount will be \$68,350 for decedents dying on or after January 1, 2019, up from the current credit amount of \$66,810. As a result, the Rhode Island estate tax threshold will be \$1,561,719 for decedents dying on or after January 1, 2019, up from the current threshold of \$1,537,656.

| Rhode Island estate tax threshold amount   |  |
|--|--|
| <i>For decedent whose death occurs in:</i> | <i>Estate tax threshold amount is:</i> |
| 2019                                       | \$ 1,561,719                           |
| 2018                                       | 1,537,656                              |
| 2017                                       | 1,515,156                              |
| 2016                                       | 1,500,000                              |
| 2015                                       | 1,500,000                              |
| 2014                                       | 921,655                                |
| 2013                                       | 910,725                                |
| 2012                                       | 892,865                                |
| 2011                                       | 859,350                                |
| 2010                                       | 850,000                                |
| 2009                                       | 675,000                                |

#### BACKGROUND AND DISCUSSION

Legislation enacted in 2014 made a number of changes to Rhode Island's estate tax. For example, the new law established a Rhode Island estate tax credit of \$64,400, shielding \$1.5 million in assets from the tax -- for decedents dying on or after January 1, 2015.

The new law also established that, starting January 1, 2016, the credit would be adjusted by the percentage increase (if any) in the consumer price index for all urban consumers (CPI-U), determined as of September 30 of the prior calendar year. The adjustment would be rounded up to the nearest \$5.00 increment.

The U.S. Department of Labor's Bureau of Labor Statistics (BLS) announced on October 11, 2018, that the index (before seasonal adjustment) had risen 2.3 percent over the previous 12 months (through September 2018).

Accordingly, for decedents dying on or after January 1, 2019, the credit amount increased to \$68,350, shielding from taxation the first \$1,561,719 of an estate.

Thus, in general, for a decedent dying in 2019, a net taxable estate valued at \$1,561,719 or less will not be subject to Rhode Island's estate tax.

(In certain circumstances, the Rhode Island estate tax will not apply regardless of the estate's size: Rhode Island General Laws Chapter 44-22 provides full details on the computation of the tax, including such factors as the marital and charitable deductions.)

| Rhode Island estate tax credit             |                                     |
|--|-------------------------------------|
| <i>For decedent whose death occurs in:</i> | <i>Estate tax credit amount is:</i> |
| 2019                                       | \$ 68,350                           |
| 2018                                       | 66,810                              |
| 2017                                       | 65,370                              |
| 2016                                       | 64,400                              |
| 2015                                       | 64,400                              |

For questions about the estate tax, contact the Division of Taxation's Excise & Estate Tax section from 8:30 a.m. to 3:30 p.m. business days: Call (401) 574-8829 and select option # 8.

---

*The Rhode Island Division of Taxation office is located at One Capitol Hill in Providence, R.I., diagonally across from the Smith Street entrance to the State House, and is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <http://www.tax.ri.gov/contact/>.*

---