ADV 2025-25
Tax Administration

ADVISORY FOR TAXPAYERS AND TAX PROFESSIONALS
December 16, 2025

Emergency Regulations Effective December 15, 2025

Guidance on Rhode Island taxation in response to H.R.1 for Tax Year 2025 and prior

PROVIDENCE, R.I. - The Rhode Island Division of Taxation (the "Division") informs taxpayers and tax professionals of two emergency regulations that went into effect December 15, 2025. The emergency regulations are effective for 120 days and may be renewed for an additional 60 days.

Emergency Regulations 280-RICR-20-25-16 and 280-RICR-20-55-16 provide guidance to taxpayers regarding Rhode Island tax treatment of Business Corporations Tax and Personal Income Tax respectively for the 2025 Tax Year and previous tax years in light of the state's decoupling from federal legislation H.R.1 (Public Laws No.: 119-21, H.R.1, 119th Cong. (2025), commonly known as the "One Big Beautiful Bill Act"). Since Rhode Island decoupled from H.R.1, certain modifications and deductions allowed federally must be added back for Rhode Island tax purposes.

The enactment of H.R.1 has triggered the enactment of these emergency regulations pursuant to R.I. Gen. Laws §§ 44-11-11(a)(1)(viii) and 44-30-12(b)(9). The intent of the regulations is to preserve Rhode Island's tax base and provide clarity and guidance to taxpayers and tax professionals in light of the new and retroactive tax impacts for businesses and individuals.

Future Guidance

For further information on 280-RICR-20-25-16 and 280-RICR-20-55-16 and guidance on Rhode Island tax treatment in response to H.R.1, visit the Division's dedicated H.R. 1 Guidance webpage, visit the Division's dedicated Regulations webpage, and refer to the Division's previous Advisories: Advisory 2025-18 and Advisory 2025-20.

For specific questions about this tax update, contact the Rhode Island Division of Taxation's Personal and Corporate Income Tax Section by email at tax.assist@tax.ri.gov (Individual or Fiduciary inquiries) or tax.corporate@tax.ri.gov (Partnership, Corporate or Bank Excise inquiries), or by phone at (401) 574-8829 option 3 (Individual or Fiduciary inquiries) or option 6 (Partnership, Corporate, or Bank Excise inquiries) between 8:30 a.m. and 3:30 p.m. on business days.

The Rhode Island Division of Taxation, part of the Rhode Island Department of Revenue, 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 https://tax.ri.gov/about-us/contact-us.