Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations
Department of Revenue

October 19, 2012
ADV 2012-26

Advisory:

Estate tax threshold set for 2013

The Rhode Island Division of Taxation has announced the estate tax threshold for the estates of decedents dying in 2013.

The threshold for 2013 will be $910,725, compared with $892,865 for 2012, an increase of 2 percent. It is the first time that the threshold has exceeded $900,000.

A state law enacted in 2009 raised the threshold to $850,000, from $675,000, effective for decedents dying in 2010. That law also required that the threshold amount be adjusted each January thereafter, based on annual inflation (the Consumer Price Index for all Urban Consumers, CPI-U) compounded annually, and rounded up to the nearest $5 increment.

<table>
<thead>
<tr>
<th>For decedent whose death occurs in:</th>
<th>Rhode Island estate tax threshold amount:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$ 675,000</td>
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<tr>
<td>2010</td>
<td>$ 850,000</td>
</tr>
<tr>
<td>2011</td>
<td>$ 859,350</td>
</tr>
<tr>
<td>2012</td>
<td>$ 892,865</td>
</tr>
<tr>
<td>2013</td>
<td>$ 910,725</td>
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</tbody>
</table>

In general, for a decedent dying in 2013, a net taxable estate valued at $910,725 or less will not be subject to Rhode Island’s estate tax. (In certain circumstances, the Rhode Island estate tax will not apply no matter 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.)

The Tax Division has also set the unified credit amount at $310,982.75 for decedents dying in 2013, up from $304,017.35 for decedents dying in 2012. More information about the estate tax is available from the Tax Division’s Estate Tax section, at (401) 574-8900.

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