GENERAL INSTRUCTIONS

INCOME TERMS DEFINED

In these instructions “total federal income” is federal adjusted gross income as defined in the United States Internal Revenue Code (IRC) and applicable regulations. “Total income from Rhode Island sources” is that portion of your total federal income derived from or connected with Rhode Island sources. “Total Rhode Island income” is your total income from Rhode Island sources after making the additions and subtractions described later in these instructions. Total Rhode Island income of a part-year resident includes total income from Rhode Island sources for the entire year plus other income received during period of residence in Rhode Island after making the additions and subtractions described later in these instructions.

WHO MUST FILE A RETURN

Every nonresident individual required by the laws of the United States to file a federal income tax return and the income derived from or connected with Rhode Island sources must file a Rhode Island individual income tax return. Nonresidents should complete page 7, schedule III.

Every part-year individual who was a resident for a period of less than 12 months is required to file a Rhode Island return if he or she is required to file a federal return. Part-year residents should complete page 9, schedule V.

J O I N T A N D S E P A R AT E R E T U R N S

JOINT RETURNS: Generally, if a husband and wife file a joint federal income tax return they also must file a joint Rhode Island income tax return.

However, if either the husband or wife is a resident and the instructions carefully. For your convenience, joint federal income tax returns and the income derived from or connected with Rhode Island sources must file a Rhode Island individual income tax return. Nonresidents should complete page 7, schedule III.

Every part-year individual who was a resident for a period of less than 12 months is required to file a Rhode Island return if he or she is required to file a federal return. Part-year residents should complete page 9, schedule V.

Nonresident and part-year resident individuals who are not required to file a federal income tax return may be required to file a Rhode Island individual income tax return if he or she has Rhode Island modifications increasing their Federal Adjusted Gross income.

JOINT AND SEPARATE RETURNS

JOINT RETURNS: Generally, if a husband and wife file a joint federal income tax return they also must file a joint Rhode Island income tax return.

However, if either the husband or wife is a resident and the income derived from or connected with Rhode Island sources must file a Rhode Island individual income tax return. Nonresidents should complete page 7, schedule III.

Every part-year individual who was a resident for a period of less than 12 months is required to file a Rhode Island return if he or she is required to file a federal return. Part-year residents should complete page 9, schedule V.

Nonresident and part-year resident individuals who are not required to file a federal income tax return may be required to file a Rhode Island individual income tax return if he or she has Rhode Island modifications increasing their Federal Adjusted Gross income.

UNEMPLOYMENT COMPENSATION

Individuals receiving unemployment compensation must include as a modification increasing Federal AGI, the amount of unemployment compensation not reported on Federal Form 1040, line 19.

SALES TAX PAID IN 2010 ON QUALIFIED MOTOR VEHICLE PURCHASE IN 2009

Individuals who itemize deductions and include the sales tax paid in 2010 on the purchase of a quali-
EXTENSION OF TIME
Any extension of time for filing an individual income tax return granted shall not operate to extend the time for the payment of any tax due on such return.

In General -

1. An individual who is required to file a Rhode Island income tax return shall be allowed an automatic six month extension of time to file such return.
2. An application must be prepared in duplicate on form RI-4868.
3. The original of the application must be filed on or before the date prescribed for the filing of the return of the individual with the Rhode Island Division of Taxation.
4. The application for extension must show the full amount properly estimated as tax for the taxable year, and the application must be accompanied by the full remittance of the amount properly estimated as tax which is unpaid as of the date prescribed for the filing of the return.

NOTE: If no payment is required to be made by your Rhode Island extension form and you are filing a federal extension form for the same period of time, then you do not need to submit the Rhode Island form. Attach a copy of the Federal Form 4868 or the electronic acknowledgement you receive from the IRS to your Rhode Island individual income tax return at the time it is submitted.

WHERE TO GET FORMS
As far as practical, tax forms and instructions are mailed directly to taxpayers. Additional forms may be obtained from:

The website http://www.tax.ri.gov
The Division of Taxation (401) 574-8970

MISSING OR INCORRECT FORM W-2
This form is given to you by your employer showing the amount of your income tax withheld on your behalf by your employer. A copy of it must accompany your Rhode Island income tax return if you are to receive credit for such withheld tax. Only your employer can issue or correct this form. If you have not received a Form W-2 from your employer by February 15, 2011 or if the form which you have received is incorrect, contact your employer as soon as possible.

ROUNDING OFF TO WHOLE DOLLARS
The money items on your return and schedules may be shown in whole dollars. This means that you may eliminate any amount less than 50 cents and increase any amount from 50 cents to 99 cents to the next higher dollar.

CHANGES IN YOUR FEDERAL TAXABLE INCOME OR FEDERAL TAX LIABILITY
You must report to the Rhode Island Division of Taxation any change or correction in federal taxable income or federal tax liability as reported on your federal income tax return, whether resulting from the filing of an amended federal return or otherwise, within 90 days after filing such amended return or final determination of such change by the Internal Revenue Service. Use form RI-1040X to report any changes.

RHODE ISLAND LOTTERY PRIZES
Winning and prizes received from the Rhode Island Lottery are taxable under the Rhode Island personal income tax and are includable in the income of both residents and non-residents alike.

ESTIMATED INCOME TAX PAYMENTS
If a taxpayer can reasonably expect to owe more than $250 after allowing for withholding tax and/or credits, he or she must make estimated tax payments. Estimated tax payments are made on Form RI-1040ES that has instructions for computing the estimated tax and making payments.

PAYMENTS OR REFUNDS
Any payment of tax liability shown on your return to be due the State of Rhode Island must be paid in full with your return. Make check or money order payable to the Rhode Island Division of Taxation and send with your return to:
Rhode Island Division of Taxation
One Capitol Hill
Providence, RI 02908 – 5806

An amount due of less than one dollar ($1) need not be remitted.

A refund will be made if overpayment of income tax is shown on your return, unless you indicate on your return that such overpayment is to be credited to estimated tax liability for 2011. No other application for refund is necessary. Please note that no refund can be made unless your return is properly signed.

If you have an overpayment to be refunded, mail your return to:
Rhode Island Division of Taxation
One Capitol Hill
Providence, RI 02908 – 5806

Refunds of less than $1.00 will not be made unless specifically requested.

SIGNATURE
You must sign your Rhode Island income tax return and both husband and wife must sign their joint return. An unsigned return cannot be processed.

Any paid preparer who prepares a taxpayer’s return must also sign as “preparer”. If a firm or corporation prepares the return, it should be signed in the name of the preparer on behalf of the firm or corporation.

If you wish to allow the Tax Division to contact your paid preparer should questions arise about your return, check the appropriate box above the preparer’s name.

Don’t need forms mailed to you next year? Taxpayers who pay someone else to prepare their returns probably do not need a booklet mailed to them each year. If you do not need a booklet mailed to you next year, check the box below the signature line.

NET OPERATING LOSS DEDUCTIONS
The Rhode Island Personal Income Tax law relating to Net Operating Loss deduction (NOL) has been amended by enactment of RIGL §44-30-2.8 and RIGL §44-30-87.1

Under the provisions of RIGL §44-30-2.8, the five (5) year carry back provision for years ending in 2001 and 2002 provided by the Job Creation and Worker Assistance Act of 2002 (PL.107-147) for federal tax purposes shall not be allowed for Rhode Island tax purposes.

If a taxpayer has already filed a return claiming a five (5) year carry back, he/she must file a Rhode Island amended return on form RI-1040X.

Under the provisions of RIGL §44-30-87.1, for losses incurred for taxable years beginning on or after January 1, 2002, an NOL deduction may not be carried back for Rhode Island personal income tax purposes, but will only be allowed as a carry forward for the number of succeeding years as provided in IRS Section 172. A carry forward can only be used on the Rhode Island return to the extent that the carry forward is used on the federal return.

Should you have any questions regarding this notice, please call the Personal Income Tax Section at (401) 574-8829.

BONUS DEPRECIATION
A bill passed disallowing the new federal bonus depreciation for Rhode Island tax purposes. When filing a Rhode Island tax return any bonus depreciation taken for federal purposes must be added back to income as a modification on Schedule I, line 23D for Rhode Island purposes. In subsequent years, when federal depreciation is less than what previously would have been allowed, the difference may be deducted from income as a modification on Schedule I, line 24I for Rhode Island purposes.

A separate schedule of depreciation must be kept for Rhode Island purposes. The gain or loss on the sale or other disposition of the asset is to be determined, for Rhode Island purposes, using the Rhode Island depreciation schedule.

EXAMPLE: A company bought equipment after September 11, 2001 that cost $10,000 and had a 10 year life and qualified for 30% bonus depreciation. Depreciation for federal purposes in the first year was $3,700 (30% x $10,000) + (10% x 7,000). Normal depreciation in the first year would have been $1,000. The Company should add back on RI-1040NR, Schedule I, line 23D - Bonus Depreciation, the amount of $2,700 ($3,700 - $1,000). In subsequent years the company should deduct $300 ($1000 - $700) each year while depreciation lasts. The deduction should be on RI-1040NR, Schedule I, line 24I - Bonus Depreciation. If a taxpayer has already filed a return, a form RI-1040X should be filed.

Questions on this procedure should be addressed by calling the Personal Income Tax Section at (401) 574-8829, Option #3.

SECTION 179 DEPRECIATION
Rhode Island passed a bill disallowing the increase in the Section 179 depreciation under the Jobs & Growth Tax Relief Reconciliation Act of 2003. Section 179 depreciation will remain limited to $25,000 for Rhode Island income tax purposes. When filing your Rhode Island tax return any additional Section 179 depreciation taken must be added back to federal adjusted gross income as a modification on RI-1040NR, schedule I, line 23E - Section 179 Depreciation. In subsequent years, when federal depreciation is less than what previously would have been allowed, the difference may be deducted from federal adjusted income as a modification on RI-1040NR, schedule I, line 24J - Section 179 Depreciation.

A separate schedule of depreciation must be kept for Rhode Island purposes. The gain or loss on the sale or other disposition of the asset is to be
that amount

Rhode Island depreciation schedule.

determined, for Rhode Island purposes, using the
Rhode Island law and/or regulations for specific requirements for each credit
it such as carryover provisions and the order in
which the credits must be used. Taxpayers claim-
ing credits must attach RI Schedule CR and the
proper form(s) and other documentation to the
return. Failure to do so will result in disallowance of
the credit. A list of credits is available on RI
Schedule CR.

INTEREST

Any tax not paid when due, including failure to
pay adequate estimated tax, is subject to interest at
the rates of 18% (.1800) per annum.

Interest on refunds of tax overpayments will be
paid if the refund is not paid within 90 days of the
due date or the date the completed return was filed,
whichever is later. The interest rate for tax overpay-
ments is 3.25% (.0325) per annum.

Penalties

The law provides for penalties in the following
circumstances:

- Failure to file an income tax return by the due
date. A late filing penalty will be assessed at 5%
(0.0500) per month on the unpaid tax for each
month or part of a month the return is late. The
maximum late filing penalty is 25% (0.2500).

- Failure to pay any tax due by the due date. A
late payment penalty will be assessed at 1/2%
(0.0050) per month on the unpaid tax for each
month or part of a month the tax remains unpaid.
The maximum late payment penalty is 25%
(0.2500).

- Preparing or filing a fraudulent income tax return.

Use of Federal Income tax Information

All amounts reported from the Federal Form
1040, 1040A, 1040EZ, 1040NR and 1040NR-EZ,
as well as those reported on Form RI-1040NR are
subject to verification and audit by the Rhode Island
Division of Taxation.

The Rhode Island Division of Taxation and the
Internal Revenue Service exchange income tax
information to verify the accuracy of the information
reported on Federal and Rhode Island income tax
returns.

Other Questions

Obviously the foregoing general instructions and
the specific instructions for completing the return
form(s) which follow will not answer all questions
that may arise. If you have any doubt regarding
completion of your return, further assistance may
be obtained at the Division of Taxation, One Capitol
Hill, Providence RI 02908-5801 or by calling tax-
payer assistance at (401) 574-8829, Option #3.

Specific Line Instructions

Name and Address

If the name or address shown on the return is
incorrect, print or type any necessary correction on
the return. If you did not receive the booklet and
pre-addressed return, please complete the identifi-
cation portion of the return, including the city or
town of legal residence.

Electoral System Contribution

You may designate a contribution of five dollars
($5) or ten dollars ($10) if married and filing a joint
return, to the account for the public financing of the
electoral system. The first two dollars ($2) or four
dollars ($4) if married and filing a joint return, up to
a total of two hundred thousand dollars ($200,000)
collectively for all parties and the nonpartisan
account, shall be allocated only to political parties
which at the preceding general election, nominated
a candidate for governor and such candidate polled
at least 5 percent of the entire vote cast in the state
for governor. The remaining funds shall be allocat-
ed for the public financing of campaigns for govern-
or.

An electoral system contribution will NOT
increase your tax due or reduce your refund.

Designation of Political Party

If you don’t name a political party, your contribu-
tion will by credited to the nonpartisan general
account or you can check the box and designate a
political party. If you designate:

(1) a political party which did not receive at
least 5 percent of the entire vote for Governor
in the preceding general election,
(2) a non-existent political party,
(3) a particular office,
(4) an individual officeholder or political figure
or
(5) a national party which is not a state party,
your electoral system contribution will be credited to
the nonpartisan general account.

If you designate more than one political party,
your contribution will be credited to the first political
party named.

Rhode Island tax credits

Rhode Island law provides special Rhode Island
tax credits which may be applied against the Rhode
Island income tax. Before claiming any credits, tax-
payers should refer to the Rhode Island law and/or
regulations for specific requirements for each credit.
Line 7 – Rhode Island Taxable Income: Subtract line 6 from line 5.

Line 8A – Rhode Island Income Tax: Enter the RI income tax from the RI Tax Table or Tax Computation Worksheet, RI Schedule J or RI-8615. Check the box to indicate the method used to calculate the RI Income tax. Check only one box.

Line 8B – Other RI Taxes: Enter the amount from RI Schedule OT, page 3, line 14. Use this line to report tax any from lump-sum distributions, parent’s election to report child’s interest and dividends, Rhode Island Alternative Minimum Tax, based on your modified federal adjusted gross income. If you did not report a federal alternative minimum tax, but a federal alternative minimum tax, but a federal alternative minimum tax would be required based on your modified federal adjusted gross income on line 2, you must calculate a federal alternative minimum tax. Enter any other payable on line 12. If zero or less, enter zero.

LINE 8615 is only for children under 18 with investment income. Full-time students at least age 18, but under age 24 must complete a Federal Form 1040 without using Federal Form 8615.

Line 9 – Rhode Island Alternative Minimum Tax: If you are reporting an alternative minimum tax on your federal income tax return, you must complete form RI-6251 and enter the amount from RI-6251, line 6 on Form RI-1040NR, page 1, line 9. Attach a copy of Form RI-6251 to your RI-1040NR.

NOTE: If you have claimed modifications to federal adjusted gross income on line 2, you must recalculate Federal Form 8251, Alternative Minimum Tax, based on your modified federal adjusted gross income. If you did not report a federal alternative minimum tax, but a federal alternative minimum tax would be required based on your modified federal adjusted gross income, you must calculate a federal alternative minimum tax based on your modified federal adjusted gross income for Rhode Island purposes and complete RI-6251.

Line 10 – Total Rhode Island Income Tax: Add lines 8A, 8B and 9.

Line 11 – Rhode Island Percentage of Allowable Federal Credits: Enter the amount of allowable federal credits from page 2, schedule II, line 34.

Line 12 – Rhode Island Tax After Allowable Federal Credits – Before Allocation: Subtract line 11 from line 10. If zero or less, enter zero.

Line 13 – Rhode Island Allocated Income Tax: If all your income is from Rhode Island, check the first box and enter the amount from line 12 on this line. If you are a NON-RESIDENT with income from outside Rhode Island, complete page 7, schedule III and enter the result on this line. Also, check the second box. If you are a PART-YEAR RESIDENT with income from outside Rhode Island, complete page 9, schedule V and enter the result on this line. Also check the third box.

Line 14 – Other Rhode Island Credits: Enter amount of Other Rhode Island credits from RI Schedule CR, line 23 on page 6. Attach RI Schedule CR and a copy of the appropriate credit form, certificate and all necessary documentation to your RI-1040NR.

NOTE: Some credits require the original certificate be attached to the return. Failure to do so will result in the disallowance of the credit until the original can be provided.

Line 15A – Total Rhode Island Income Tax – After Rhode Island Credits: Subtract line 14 from line 13. If zero or less, enter zero.

Line 15B – Alternative Flat Tax: Enter the amount of Rhode Island Alternative Flat Tax from page 3, RI Schedule FT, line 29.

Line 15C – Rhode Island Tax: Enter the SMALL-ER of your RI tax on line 15A or your RI Alternative Flat Tax on line 15B. If your tax is calculated using the Alternative Flat Tax method on Schedule FT, make sure you check the box on line 15C.

Line 16 – Rhode Island Checkoff Contributions: Enter amount of checkoff contributions from page 3, Schedule IV, line 1. A listing of the checkoff contributions is contained on page I-7 of these instructions. These checkoff contributions will increase your tax due or reduce your refund.

Line 17 – Total Rhode Island Tax and Checkoff Contributions: Add lines 15C, 16 and any Use/Sales Tax from line 6 on the Use/Sales Tax worksheet on page 12 of this booklet. Also, enter the amount of Use/Sales tax in the space provided on line 17.

WHAT IS A USE TAX? A Use Tax is a tax on the use of tangible personal property in a state where the property has not been subject to the sales tax. Rhode Island Use Tax applies when merchandise purchased outside of Rhode Island is brought into Rhode Island. Sales and use taxes are complementary taxes and are assessed at the same rate. In Rhode Island, the sales and use tax rate is 7%. The Rhode Island Use Tax is most often due when merchandise subject to the sales tax in Rhode Island is purchased from an out-of-state vendor who did not collect the Rhode Island tax and the property is subsequently used in this state. Common examples of transactions from which use tax liability may arise are mail order catalog sales and toll-free “800” purchases and purchases made over the internet.

WHAT IS TAXABLE? The same items that are subject to the Rhode Island Sales Tax are subject to the use tax. Some typical examples of taxable items are jewelry, computers and electronic equipment, clothing and footwear are not taxable.

HOW DO I FILE AND PAY? To report use tax, please complete the Rhode Island Individual Consumer’s Use/Sales Tax worksheet on page 12.

Line 18A – Rhode Island Income Tax Withheld: Enter total amount of Rhode Island 2010 income tax withheld from Schedule W, line 21. (Attach state copy of all forms W-2, 1099s, etc. to the front of the return.) Credit for Rhode Island income tax withheld will be allowed only for those amounts supported by attached W-2s, 1099s, etc.

Withholding from a Pass-through entity reported on a RI-1099PT should be entered on Schedule W and included in the amount for Line 18A.

NOTE: You can not claim Rhode Island Temporary Disability Insurance payments (RI TDI or SDI) as income tax withheld. These amounts are non refundable on RI-1040NR.

Line 18B – 2010 Estimated Payments and Amount Applied from 2009 return: Enter the amount of estimated payments on 2010 Form RI-1040ES and the amount applied from your 2009 return.

Line 18C – Nonresident Withholding on Real Estate Sales in 2010: Enter the amount of Rhode Island income tax withheld on sales of real estate located in Rhode Island.

Line 18D – RI Earned Income Credit: Enter amount from RI Schedule EIC, page 2, line 43. If you are claiming a RI earned income credit you must attach RI Schedule EIC to your RI-1040NR.

Line 18E – Other Payments: Enter any other payments, including advance payments made with your application for an automatic extension of time to file (Form RI-4868). Attach a copy of Form RI-4868 and check the box on the face of the RI-1040NR to the right of line 18.

Line 18F – Total Payments and Credits: Add lines 18A, 18B, 18C, 18D and 18E.

Line 19 – Balance Due: If the amount on line 17 is greater than the amount of line 18F, SUBTRACT line 18F from line 17 and enter the balance due on line 19. This is the amount you owe. This amount is payable in full with your return. Complete Form RI-1040V. Send payment and Form RI-1040V with your return. An amount due of less than one dollar ($1) need not be paid.

If you owe underestimating interest, complete Form RI-2210 or Form RI-2210A. Indicate the amount of interest due from RI-2210, line 12 or line 22 or form RI-2210A, line 12 in the space provided on line 19. Add the interest to the amount due, enter the total on line 19 and include the total amount due with your return.

Line 20 – Overpayment: If the amount on line 18F is greater than the amount on line 17, SUBTRACT line 17 from line 18F and enter the overpayment on line 20.

Line 21 – Overpayment to be Refunded: Enter the amount of the overpayment on line 20 that is to be refunded. Refunds of less than $1.00 will not be paid unless specifically requested.

Line 22 – Overpayment to be Applied to 2011: Enter the amount of overpayment on line 20 which is to be applied to your 2011 estimated tax. (See General Instructions)

RI SCHEDULE I MODIFICATIONS TO FEDERAL ADJUSTED GROSS INCOME

You must attach all supporting schedules to any modifications claimed. If supporting documents are not attached, the processing of your return will be delayed.

Modifications INCREASING Federal AGI:

Line 23A – Enter income from obligations of any state or its political subdivision, other than Rhode Island under RIGL §44-30-12(1) and §44-30-12(2).

Line 23B – Rhode Island fiduciary adjustment as beneficiary of an estate or trust under §44-30-17.

Line 23C – Recapture of Family Education Account Modifications under RIGL §44-30-25(g).

Line 23D – Bonus depreciation that has been taken for federal purposes that must be added back
Line 23E – Increased Section 179 depreciation that has been taken for federal purposes that must be added back to Rhode Island income under RIGL §44-61-1. (See general instructions for more details).

Line 23F – Recapture of Tuition Savings Program modifications (section 529 accounts) under RIGL §44-30-12(d)(4) (See general instructions for more details).

Line 23G – Recapture of Historic Tax Credit or Motion Picture Production Company Tax Credit modifications decreasing Federal AGI previously claimed under RIGL §44-33.2-3(2) and RIGL §44-31.2-9, respectively.


Line 23I - Unemployment compensation received but not included in federal adjusted gross income under RIGL §44-30-12(b)(6). Amount not included on Federal Line 1040 Line 19, 1040A Line 13 and 1040NR Line 20.

Line 23J - Deduction allowed for sales tax paid on a qualified motor vehicle purchase as defined by IRC section 164(a)(6) under RIGL §44-30-12(b)(7). Amount included in Federal Schedule A, line 5b or amount from Federal Schedule A, line 7. If you are not itemizing deductions for Rhode Island purposes, you should not include any sales tax paid on this line.


Line 23L – Total Modifications Increasing Federal Adjusted Gross Income: Add lines 23A through 23K.

Modifications Decreasing Federal AGI:

Line 24A – Enter income from obligations of the United States Government to the extent included in adjusted gross income for federal tax purposes but exempt for state purposes. Example – US Government Series E bond interest. Taxpayers claiming these modifications must submit a schedule showing the source and amount of income claimed to be exempt.

Line 24B – Rhode Island fiduciary adjustment as beneficiary of an estate or trust under RIGL §44-30-17.

Line 24C – Elective deduction for new research and development facilities under RIGL §44-32-1 (Attach form RI-1040RD).

Line 24D – Railroad Retirement benefits included in gross income for federal income tax purposes but exempt from state income taxes under the laws of the United States.

Line 24E – Qualifying investment in a certified venture capital partnership under RIGL §44-43-2.

Line 24F – Family Education Accounts under RIGL §44-30-25 – Enter amount of modification decreasing federal AGI from RI-1040FEA.

Line 24G – Tuition Saving Program (section 529 accounts) RIGL §44-30-12 - A modification decreasing federal adjusted gross income may be claimed for any contributions made to a Rhode Island account under the tuition savings program. The maximum modification shall not exceed $500, $1,000 if a joint return. (See general instructions for more details).

Line 24H – Exemptions from tax on profit or gain for writers, composers and artists residing within a section of the defined Economic Development Zone as defined in RIGL §44-30-1-1 within the cities of Newport, Providence, Pawtucket, Woonsocket or Warwick, or the Towns of Little Compton, Tiverton, Warren or Westerly and creating artistic works while a resident of the Zone. Taxpayers claiming these modifications must submit a schedule showing the source and amount of income claimed to be exempt.

Line 24J – Depreciation that has not been taken for federal purposes because of the bonus depreciation that must be subtracted from Rhode Island income - RIGL §44-61-1. (See general instructions for more details)


Line 24N – Income from the discharge of business indebtedness deferred under the American Recovery and Reinvestment Act of 2009 under §44-66-1. When claimed as income on a federal tax return, this income may be reported as a decreasing modification to federal adjusted gross income to the extent it was previously included as Rhode Island income.


Line 25 – Net Modifications: Combine lines 23L and 24V. Enter here and on RI-1040NR, page 1, line 2.

RI SCHEDULE CR OTHER RI CREDITS

This credit schedule details “Other Rhode Island Credit(s)” being used on your RI-1040NR. Each Rhode Island credit has its own line. On the appropriate line, enter the dollar amount of the credit being taken. The total of all credits will be entered on page 1, line 14.

Proper documentation must be submitted for each credit you are using or carrying forward.

If you are using amounts carried forward from prior years, attach a schedule showing the year of credit origination and any amounts used to date.

If you are using amounts passed through to you, attach documentation supporting the credit given to the entity, as well as, documentation of your share of the credit(s). Any missing or incomplete documentation may cause a delay in processing your return.

Line 1 - Investment Tax Credit - RI-3468 – for manufacturing and other property. Proper documentation must be attached to your return. If using a 10% ITC, the 10% Certification letter from the Department of Labor and Training must be included with your documentation. RIGL §44-31
original certificate must be attached to the return. The credit must be used in the tax year that the entity made the contribution. Unused amounts CANNOT be carried forward. RIGL §44-62

Line 14 - Farm to School Income Tax Credit - RI-6336 - RIGL §44-30-27 - Credit is 5% of cost of farm products. This credit cannot reduce your tax below zero, cannot be carried forward and may not be used until all other credits available to the taxpayer for that taxable year have been used.

Line 15 - Incentives for Innovation and Growth - RI-4482 - RIGL §44-63 - An eligible qualified innovative company may apply for a tax credit certificate in an amount equal to fifty percent (50%) of any investment made in the company, not to exceed $100,000. Unused amounts may be carried forward for 3 years. The original certificate must be attached to the return.

Line 16 - Juvenile Victim Restitution Program Credit - RI-5883 - RIGL §14-1-32.1 - The employer of a juvenile hired pursuant to the provisions of this section shall receive a credit of ten percent (10%) of the amount of wages paid to the juvenile annually against the state income tax owed by the employer, provided the credit shall not exceed the sum of three thousand dollars ($3,000) annually.

Line 17 - Hydroelectric Development Tax Credit - RI-H20 - RIGL §44-30-22 - Credit is 10% of the installation costs of a hydropower facility limited to $50,000.

Line 18 - Tax Credit for Art - RI-7473 - RIGL §44-30-24 -Credit is 10% for each $1,000 of purchase (maximum purchase price $10,000). This credit cannot reduce your tax below zero, cannot be carried forward and may not be used until all other available credits are used.

Line 19 - Tax Credit to Trust Beneficiary Receiving Accumulation Distribution - RI-7424 - RIGL §44-30-19 - A resident beneficiary of a trust whose Rhode Island income includes all or part of an accumulation distribution by the trust, as defined in 26 U.S.C. § 667, shall be allowed a credit against the tax otherwise due under this chapter for all or a proportionate part of any tax paid by the trust under this chapter for any preceding taxable year which would not have been payable if the trust had in fact made distributions to its beneficiaries at the times and in the amounts specified in 26 U.S.C. § 667.

Line 20 - Alternative Fueled Vehicle and Filling Station Tax Credit - RI-AFV1 - RIGL §44-39.2 - (Carry forward only) This credit expired 1/1/2008. Unused credits are allowed. Unused credit may be carried forward for 5 years. You must attach a copy of the original credit information to your return.

Line 21 - Employment Tax Credit - RI-3675 - for an employer participating in the bonus program under RIGL §40-40-6.3. A written certificate from the Director of Human Services must be attached to your return. The credit cannot reduce your tax below $100.00. Any unused amounts CANNOT be carried forward to future years. RIGL §44-39.1.

Line 22 - Capital Investment Wage Credit - RI-8227 - for entrepreneurs of a qualifying business entity under RIGL §44-43.16. Credit is 3% of eligible wages over $50,000.00. This credit cannot reduce your tax below $100.00 and is not refundable. Any unused amounts CANNOT be carried forward to future years. This credit may not be applied until all other credits available to the entrepreneur have been applied. §44-43

Line 23 - TOTAL CREDITS - Add lines 1 through 22. Enter the total here and on Form RI-1040NR, page 1, line 14.

RI SCHEDULE II
ALLOWABLE FEDERAL CREDITS

RIGL §44-30-2.6(d)(f)

Not all federal credits are available to take on your Rhode Island return. In general only the federal credits that were enacted prior to January 1, 1996 are eligible. These credits listed in this section are eligible. Credits such as the Child Tax Credit, Retirement Savings Contribution Credit and Education credits are not allowed.

Line 26 – Rhode Island Income Tax: Enter the amount from Form RI-1040NR, page 1, line 10.

Line 27 – Credit for Child and Dependent Care Expenses: Enter the amount from Federal Form 1040, line 48; 1040A, line 29 or 1040NR, line 46.

Line 28 – Credit for Elderly or the Disabled: Enter the amount from Federal Schedule R, line 22.

Line 29 – Federal Mortgage Interest Credit: Enter the amount from Federal Form 8396, line 9.

Line 30 – Federal Adoption Credit: You can only claim the Adoption credit if the adopted child was under the care, custody or supervision of the Rhode Island Department of Children, Youth and Families prior to the adoption. Enter the amount that applies from Federal Form 8839, line 14. Attach a copy of your DCYF adoption documentation to your return.

Line 31a – Credit for Federal Tax Paid on Fuels: Enter the amount from Federal Form 1040, line 70 or 1040NR, line 65.

Line 31b – Other federal credits: Enter the amount of allowable federal credits from Federal Form 1040, lines 53 and 71 or 1040NR, lines 50 and 66.

Allowable Federal Credits included on Federal Form 1040, lines 53 & 71 or 1040NR, lines 50 & 66:
(1) 3468 Investment Credit
(2) 6478 Credit for Alcohol Used as Fuel
(3) 6765 Credit for Increasing Research Activities
(4) 8586 Low-Income Housing Credit
(5) 8826 Disabled Access Credit
(6) 8830 Enhanced Oil Recovery Credit
(7) 8835 Renewable Electricity Production Credit
(8) 8845 Indian Employment Credit
(9) 8846 Credit for Employer Social Security and Medicare Taxes Paid on Certain Employees
(10) 8847 Credit for Contributions to Selected Community Development Corporations
(11) 8801 Credit for Prior Year Minimum Tax
(12) 8834 Qualified Electric Vehicle Credit
(13) 8844 Empowerment Zone Employment Credit

Line 32 – Total Allowable Federal Credits: Add lines 27, 28, 29, 30, 31a and 31b.

Line 33 – Multiply the amount on line 32 by 25%.

Line 34 - Maximum Credit: Enter the amount from line 26 or 33, whichever is less. Enter here and on Form RI-1040NR, page 1, line 11.

RI SCHEDULE I
EARNED INCOME CREDIT

Line 35 – Rhode Island Income Tax: Enter the amount from RI-1040NR, page 1, line 15a.
RI SCHEDULE IV
CHECK-OFF CONTRIBUTIONS

NOTE: These checkoff contributions will increase your tax due or reduce your refund. All checkoff contributions are voluntary.

Lines 1 through 7 – Contributions: A contribution to the following programs may be made by checking the appropriate box(es) or by entering the amount you want to contribute. All such contributions are deposited as general revenues.

1. Drug Program Account
2. Olympic Contribution
3. Rhode Island Organ Transplant Fund
4. RI Council on the Arts
5. Rhode Island Non-game Wildlife Appropriation
6. Childhood Disease Victims' Fund
7. Rhode Island Military Family Relief Fund

RI SCHEDULE OT
OTHER RHODE ISLAND TAXES

Complete this schedule if you are reporting a federal tax on lump-sum distributions, parents’ election to report child’s interest and dividends, a recapTURE of federal income taxes or other miscellaneous federal income taxes.

RI SCHEDULE III
NONRESIDENT TAX CALCULATION

This worksheet is located on page 7, Form RI-1040NR and is to be completed by full year nonresidents. – Part-year residents complete schedule V on page 9.

Part 1 – Allocation & Tax Worksheet

Column A, Lines 1 through 10 –

1. Wages, Salaries, Tips, etc.
Enter the amount of your total wages, salaries, commissions, tips, etc. reported on your federal return which were received for services performed in Rhode Island.

Compensation earned partly within and partly without Rhode Island – If total wage and salary income was earned partly within and partly without Rhode Island and your employer does not separately report the amount of earnings in Rhode Island, determine the amount allocable to Rhode Island by completing schedule III, part 2 on page 8 or attaching a separate schedule setting out how such allocation was made.

The amount allocable to Rhode Island is that portion of your wage and salary income which the number of days worked in Rhode Island bears to the total number of days (exclusive of nonworking days, such as Saturday, Sundays, holidays, sick leave, vacation, etc.) employed both within and without the state during the year.

If your compensation subject to allocation depends entirely on volume of business transacted, as in the case of a salesman working on commission, do not use schedule III, part 2. In this event, the amount of compensation allocable to Rhode Island is that portion of the compensation included in Column B, line 1 which the volume of business transacted inside the state bears to the total volume of business transacted both inside and outside the state. The determining factor in ascertaining where business is transacted is the location where the services or sales activities were actually performed. Attach a schedule to your return showing the computation of the allocation to Rhode Island of compensation based on volume of business transacted.

If your personal service compensation is allocated on a basis other than those covered in the preceding two paragraphs, please attach a separate schedule showing complete details.

Line 2, Column A – Interest and Dividends: Enter the amount of interest and dividends included in state return. Failure to attach a copy of the other state return may result in the credit being disallowed.

1. Recapture of Mortgage Credit Certificate
2. Tax on Accumulation Distribution of Trusts

RI-8615
TAX FOR CHILDREN UNDER 18 WITH INVESTMENT INCOME

NOTE: FOR TAXPAYERS UNDER AGE 18 FILING FEDERAL FORM 8615. TAXPAYERS AT LEAST AGE 18 BUT UNDER AGE 24 MUST COMPLETE A FEDERAL FORM 1040 WITHOUT USING FEDERAL FORM 8615.

RI-8615

Line 12 – Add lines 9, 10 and 11.
Line 13 – The RI percentage rate for 2010 is 25%.
Line 14 – Other RI Taxes: Multiply line 12 by line 13. Enter here and on RI-1040NR, line 8B.

RI SCHEDULE FT-NR
ALTERNATIVE FLAT TAX

NOTE: If you elect to use the Alternative Flat Tax, check the box on RI-1040NR, page 1, line 15C.

RI SCHEDULE FT
ALTERNATIVE FLAT TAX

Line 18 - Modified RI Source Income: Enter the amount of modified federal adjusted gross income from RI-1040NR, page 7, schedule III, line 12, column A or page 9, schedule V, line 13.

Line 19 - The Flat Tax Rate for 2010 is 6.0% (.0600)

Line 20 - Multiply line 18 by line 19.

PART YEAR RESIDENTS ONLY. YOU ONLY NEED TO COMPLETE LINES 21 THROUGH 28 IF YOU ARE CLAIMING A CREDIT FOR INCOME TAXES PAID TO ANOTHER STATE. IF YOU ARE NOT CLAIMING A CREDIT, THEN ENTER THE AMOUNT FROM LINE 20 ON LINE 29, OTHERWISE CONTINUE TO LINE 21.

FULL YEAR NONRESIDENTS ENTER THE AMOUNT FROM LINE 20 ON LINE 29.

Line 21 - Income Taxed by Other States, While a Rhode Island Resident: (Part year residents only) - Enter the amount of income taxed by another state while a Rhode Island resident included in the amount on line 17 from RI-1040NR, page 10.

NOTE: If, while a resident, you had income taxed by two or more other states, a separate computation should be made on a multiple state credit schedule (RI-1040NRMU). This schedule can be obtained by calling the Rhode Island Division of Taxation at (401) 574-8970 or at our web site www.tax.ri.gov.

Line 22 - Divide line 21 by line 18.

Line 23 - Tentative Credit: Multiply line 20 by line 22.

Line 24 - Tax Due and Paid to Other State: Enter the amount of tax due and paid to the other state. Make sure to indicate the name of the state in the space provided.

NOTE: You must attach a signed copy of the other
federal income, which are derived from Rhode Island sources.

Line 3, Column A – Business Income
Enter the amount of net profit (or loss) from a business or profession carried on in Rhode Island. If the business or profession is carried on both within and without Rhode Island and accounts clearly reflecting income from Rhode Island operations are maintained, enter the net profit (or loss) from business carried on in Rhode Island. If your Rhode Island business income is not separate and distinct from that of other states you should use the uniform division of income formula to determine your Rhode Island business income. This involves the construction of a three-factor formula, which is applied against your total business income to determine the income allocable to Rhode Island. The three factors are:
(1) Property in Rhode Island to property everywhere,
(2) Payroll in Rhode Island to payroll everywhere, and
(3) Sales or services in Rhode Island to sales or services everywhere.
Add the result of these three factors and divide by three or the number of factors. The resulting figure is the percent to be applied against the amount of total business income to determine the amount derived from Rhode Island sources. Complete schedule III, part 3, which is found on page 6. If an approved alternative method of allocation is used, attach schedule.

Line 4, Column A – Sale or Exchange of Property
Capital gain (or loss) – Enter the net capital gain (or loss) determined in accordance with applicable federal provisions for determining capital gains and losses. Include on this line only transactions resulting from property located in Rhode Island.
Capital transactions from Rhode Island sources include capital gains or losses from real or personal property having an actual situs within Rhode Island whether or not connected with a trade or business. Capital gains or losses from stocks, bonds, and other intangible personal property used in or connected with a business, trade or occupation that is carried on within Rhode Island are subject to Rhode Island income tax. Also to be included is your share of any capital gain or loss derived from Rhode Island sources of a partnership of which you are a member, or an estate or trust of which you are a beneficiary.

If any capital gains or losses are from business property (other than real property) of a business carried on both within and without Rhode Island, apply the business allocation percentage applicable. In all cases the federal basis of property is to be used for computing the Rhode Island gain or loss.

Line 5, Column A – Pension and Annuities, Rents, Royalties, Etc.
Enter that portion of rent and royalty income derived from or connected with Rhode Island sources. Include rents and royalties from real property situated in Rhode Island whether or not used in or connected with a business, tangible personal property not used in a business if such property has an actual situs in Rhode Island and tangible and intangible personal property used in or connected with a business, trade, profession or occupation carried on in Rhode Island.

If a business is carried on both within and without Rhode Island, the business allocation percentage should be applied to items included above. However, no allocation applies to income from real property. Income from real property is 100% includable if it is located in Rhode Island or it is entirely excluded if located outside Rhode Island.

Partnership Income: Each partner must report his share of the partnership income. Include your share of the ordinary income of the partnership, joint venture, or the like, whose taxable year ends within or with the year covered by your return, which is derived from Rhode Island sources. If your distributive share of partnership income includes any items of income taxable to a nonresident (such as capital gains), such items must be included separately. Attach schedule.

Income from Estates or Trusts: Enter the portion of your share of estate or trust income which is derived from Rhode Island sources. If your share includes any specific items of trust or estate income taxable to a nonresident, you must separately describe the nature of the income.

Line 6, Column A – Farm Income
The above instructions for reporting business income (line 3) including the instructions for reporting farm business carried on both within and without Rhode Island also apply to reporting farm income.

Line 7, Column A – Miscellaneous income
Enter the portion of this income that is derived from or connected with Rhode Island sources. This includes but is not limited to taxable Rhode Island state income tax refunds. Rhode Island unemployment compensation payments and gambling winnings from Rhode Island.

Line 8 – Total, Column A:
Add lines 1 through 7 in column A.

Line 9, Column A – Adjustments
Enter amount from Federal Form 1040, line 36; 1040A, line 20 or 1040NR, line 34 applicable to Rhode Island income. If an adjustment item relates to wage or salary income earned partly within and partly without Rhode Island or to income from a business which is carried on both within and without Rhode Island, the adjustment item must be allocated to Rhode Island on the same basis as the income to which it relates. Attach Schedule.

Line 10, Column A – Adjusted Gross Income:
Subtract line 9 from line 8.

Line 11, Column A – Modifications to Federal Adjusted Gross Income: Enter the amount of modifications to federal adjusted gross income attributable to RI source income.

Line 12, Column A – Modified Rhode Island Source Income: Combine amounts on lines 10, column A and 11, column A.

Column B, Lines 1 through 7 – Enter in Column B the total amounts reported on your federal return for each of the applicable items listed in Column B.

Line 8 - Total, Column B:
Add lines 1 through 7 in column B.

Line 9, Column B – Adjustments: Enter adjustments from Federal Form 1040, line 36; Federal Form 1040A, line 20 or 1040NR, line 34.

Line 10, Column B – Adjusted Gross Income: Subtract line 9, column B from line 8, column B


Line 12, Column B – Modified Federal Adjusted Gross Income: Combine amounts on lines 10, column B and 11 column B. Amount should equal amount on Form RI-1040NR, page 1, line 3.

Line 13 – Allocation Percentage: Divide amount on line 12, column A by amount on line 12, column B. If the amount on line 12, column A is greater than the amount on line 12, column B, enter 1.0000.

Line 14 – Rhode Island Tax After Credits – Before Allocation: Enter amount from RI-1040NR, page 1, line 12.

Line 15 – Rhode Island Tax: Multiply the amount on line 14 by the percentage on line 13. Enter here and on RI-1040NR, page 1, line 13.

PART II - ALLOCATION OF WAGE AND SALARY INCOME TO RHODE ISLAND

Line 1 – Wages, Salaries, Tips, Etc.: Enter total amount of wages, salaries, tips, commissions, etc., reported on your federal return.

Line 2 – Total Number of Days: Enter the total number of days in the year. (For a calendar year, enter 365 days. For a leap year, enter 366 days.)

Line 3 – Sick Leave: Enter the total number of days you were absent from work due to illness.

Line 4 – Vacation: Enter the total number of days you were absent from work on vacation.

Line 5 – Other Non-working Days: Enter the total number of other non-working days, such as Saturdays, Sundays and holidays.

Line 6 – Total Number of Non-working Days: Add lines 3, 4 and 5.

Line 7 – Total Days Worked in Year: Subtract line 6 from line 2.

Line 8 – Total Days Worked Outside Rhode Island: Enter number of total days worked outside Rhode Island.

Line 9 – Days Worked in Rhode Island: Subtract line 8 from line 7.

Line 10 – Allocation Percentage: Divide line 9 by line 7.

Line 11 – Rhode Island amount: Multiply amount on line 1 by percentage on line 10. Enter here and
PART 3 – BUSINESS ALLOCATION
PERCENTAGE
Line 1 – Real Property Owned: Enter in column A, the amount of real property owned and located in Rhode Island. Enter in Column B, the amount of property owned everywhere.

Line 2 – Real Property Rented from Others: Enter in Column A, annual rental expense times 8 for real and personal property located in Rhode Island. Enter in Column B, rental expense times 8 for real and personal property located everywhere.

Line 3 – Tangible Property Owned: Enter in Column A, the amount of tangible personal property located in Rhode Island. Enter in Column B the amount of tangible personal property located everywhere.

Line 4 – Total Property: Enter in Column A, the total of Column A, lines 1, 2 and 3. Enter in Column B, the total of Column B, lines 1, 2 and 3. Then divide the amount in Column A by the amount in Column B and enter the resulting percentage in Column C.

Line 5 – Wages, Salaries: Enter in Column A, the amount paid for wages, salaries, and other personnel service compensation in Rhode Island during the year. Enter in Column B, the amount paid for wages, salaries, and other personnel service compensation everywhere during the year. Then divide the amount in Column A by the amount in Column B and enter the resulting percentage in Column C.

Line 6 – Gross Sales of Merchandise and Charges for Services: Enter in Column A, the amount of gross sales of merchandise and charges for services in Rhode Island during the year. Enter in Column B, the amount of gross sales of merchandise and charges for services everywhere during the year. Then divide the amount in Column A by the amount in Column B and enter the resulting percentage in Column C.

Line 7 – Total Percentages: Add percentages in Column C, lines 4, 5 and 6.

Line 8 – Business Allocation Percentage: Divide line 7 by three or the number of percentages on lines 4, 5 and 6. Enter here and on lines 9, 10, 11, 12 and 13, Column B.

Lines 9 through 13: Enter the line number and the amount of each item of business income (or loss) reported on RI-1040NR, page 7, schedule III, part 1, column B required to be allocated and multiply by the allocation percentage to determine Rhode Island amount. Then enter the amounts from column C on the corresponding lines on Form RI-1040NR, page 7, schedule III, part 1, column A.

RI SCHEDULE V
PART-YEAR RESIDENT
TAX CALCULATION
This schedule is only to be completed by part year residents – full year nonresidents complete schedule III on page 7 of RI-1040NR.
Part 1 – Allocation and Tax Worksheet
Column A – Income From Federal Return: Enter in column A, lines 1 through 10, the total amounts of income and adjustments as reported on your federal income tax return.

Enter in column A, line 11, the total net modifications to federal adjusted gross income from RI-1040NR, page 1, line 2.

Column B – Rhode Island Resident Period: Enter in column B, lines 1 through 10, all income earned and adjustments reported in column A during the period you lived in Rhode Island. This includes income earned both within and without Rhode Island.

Enter in column B, line 11, the modifications to federal adjusted gross income attributable to the income reported in column B.

Column C – Rhode Island Nonresident Period: Enter in column C, lines 1 through 10, all income earned and adjustments reported in column A during the period you were not living in Rhode Island. This includes income earned both within and without Rhode Island.

Enter in column C, line 11, the modifications to federal adjusted gross income attributable to the income reported in column C.

Column D – Rhode Island Nonresident Period: Enter in column D, lines 1 through 10, all amounts of income and adjustments reported in column C (nonresident period) derived from or connected with Rhode Island sources.

Enter in column D, line 11, the modifications to federal adjusted gross income attributable to the income reported in column D.

Line 12 – Modified Federal AGI: Combine the amounts on lines 10 and 11.

Line 13 – Total Rhode Island Income: Add the amounts on line 12, column B and line 12, column D.

Line 14 – Allocation Percentage: Divide the amount on line 13 by the line on 12. If line 13 is greater than line 12, enter 1.0000.

Line 15 – Rhode Island Tax After Credits –Before Allocation: Enter the amount from RI-1040NR, page 1, line 12.

Line 16 – Rhode Island Income Tax: Multiply the amount on line 15 by the percentage on line 14. If you have income earned in another state while you were a resident of Rhode Island, complete part 2 on page 10. Otherwise, enter here and on RI-1040NR, page 1, line 13. Check the part-year resident box.

PART 2 - CREDIT FOR INCOME TAXES PAID TO ANOTHER STATE AND TAX WORKSHEET
Line 17 – Rhode Island Income Tax: Enter the amount of Rhode Island income tax from RI-1040NR, page 9, schedule V, part 1, line 16.

Line 18 – Income Taxed by Other States, While a Rhode Island Resident: Enter the amount of income taxed by another state while a Rhode Island resident included in the amount on page 9, schedule V, part 1, line 10, column B.

Line 19 – Total Rhode Island Income: Enter the Rhode Island income reported on page 9, schedule V, part 1, line 13.

Line 20 – Divide the amount on line 18 by the amount on line 19.

Line 21 – Multiply the amount on line 17 by the percentage on line 20.

Line 22 – Tax Due and Paid to Other State: Enter the amount of income tax liability paid to the other state. Also, enter the name of the other state in the space provided.

Line 23 – Enter the amount from line 18 above.

Line 24 – Other State’s Adjusted Gross Income: Enter the amount of total adjusted gross income reported on the income tax return filed with the other state. Attach a completed signed copy of the return filed with the other state.

Line 25 – Divide the amount on line 23 by the amount on line 24.

Line 26 – Multiply the amount on line 22 by the percentage on line 25.

Line 27 – Maximum Tax Credit: Enter the amount on line 17, 21 or 26 whichever is the SMALLEST.

Line 28 – Rhode Island Income Tax: Subtract the amount on line 27 from the amount on line 17. Enter here and on Form RI-1040NR, page 1, line 13 and check the part-year resident box.

NOTE: If, while a resident, you had income taxed by two or more other states, a separate computation should be made on a multiple state credit schedule (RI-1040NRML). This schedule can be obtained by calling the RI Division of Taxation at (401) 574-8970 or at our web site www.tax.ri.gov.

RI-6251
ALTERNATIVE MINIMUM TAX

NOTE: If you have claimed modifications to federal adjusted gross income on page 1, line 2, you must recalculate Federal Form 6251, Alternative Minimum Tax, based on your modified federal adjusted gross income.

Line 2 – Exemption
Filing status Not over Exemption
Single 131,700 41,850
Head of Household 131,700 41,850
Married Joint 175,650 57,350
Qualifying widow(er) 175,650 57,350
Married Separate 87,825 28,675

If line 1 is not over the amount listed for your filing status, enter the exemption amount for your filing status on line 2. If the amount on line 1 is over the amount listed above for your filing status, you must complete RI-6251 Exemption Worksheet on the Rhode Island Worksheets page. Enter the amount from line 10 on RI-6251, line 2.

Line 3 – Subtract line 2 from line 1.

Line 4 – If line 3 is less than $175,000 ($87,500 if Married filing separately), multiply line 3 by 6.5% (.0650). Otherwise, multiply line 3 by 7% (.0700) and subtract $875 ($438 if Married filing separately) from the result.

Line 5 – Enter your RI tax from RI-1040NR, page 1, line 8A.

Line 6 – RI Alternative Minimum Tax: Subtract line 5 from line 4. (If zero or less, enter zero). Enter here and on RI-1040NR, page 1, line 9.