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Rhode Island estate tax threshold and credit unchanged for 2016

Law provides for annual adjustment for inflation, but latest data shows inflation unchanged over past year

PROVIDENCE, R.I. – Rhode Island Tax Administrator David M. Sullivan announced today that the Rhode Island estate tax threshold and the related credit amount will remain unchanged for 2016. The threshold will be \$1.5 million and the related credit amount will be \$64,400 for decedents dying on or after January 1, 2016. The same amounts apply for decedents dying in 2015.

Legislation enacted in 2014 requires that, beginning on January 1, 2016, the Rhode Island credit amount be adjusted by the percentage increase in the consumer price index for all urban consumers (CPI-U) determined as of September 30 of the prior calendar year. The U.S. Department of Labor’s Bureau of Labor Statistics announced on October 15, 2015, that the index was unchanged. Accordingly, the Rhode Island credit amount will remain at \$64,400 in 2016, effectively shielding from taxation the first \$1.5 million of an estate. Thus, in general, for a decedent dying in 2016, a net taxable estate valued at \$1,500,000 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.
- For more information about the legislative changes in 2014, see Rhode Island General Laws § 44-22-1.1, as amended by Rhode Island Public Law 2014, ch. 145, art. 12, § 12.
- The Division of Taxation’s Estate Tax section is available by phone from 8:30 a.m. to 3:30 p.m. business days at (401) 574-8900.

<i>For decedent whose death occurs in:</i>	<i>Rhode Island estate tax threshold amount is:</i>
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

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