



Rhode Island Department of Revenue

Division of Taxation

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ESTATE TAX

ADVISORY FOR TAX PROFESSIONALS
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Rhode Island estate tax credit and threshold set for 2017

Law provides for annual adjustment based on widely used gauge 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, 2017.

The Rhode Island estate tax credit amount will be \$65,370 for decedents dying on or after January 1, 2017, up from the current credit amount of \$64,400. As a result, the Rhode Island estate tax threshold will be \$1,515,156 for decedents dying on or after January 1, 2017, up from the current threshold of \$1,500,000.

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

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 (BLS) announced on October 15, 2015, that the index was unchanged.

On October 18, 2016, the BLS announced that the index had increased. Accordingly, for decedents dying on or after January 1, 2017, the credit amount will be \$65,370, shielding from taxation the first \$1,515,156 of an estate. Thus, in general, for a decedent dying in 2017, a net taxable estate valued at \$1,515,156 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 Division of Taxation plans to update its Form RI-100A for 2017.

- *The Rhode Island 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.*