

IMPORTANT NOTICE

Included in the FY 2008 Budget, Rhode Island enacted Title 44 Chapter 65 entitled “The Imaging Services Surcharge Act.” This law imposes a surcharge on certain medical revenue. This notice discusses that surcharge.

Imaging Services Surcharge

A surcharge of 2% is imposed on the net patient revenue received each month by every provider of imaging services. For the purposes of this law a provider of imaging services is any person that furnishes imaging services for the purpose of patient diagnosis assessment or treatment. A person includes, but is not be limited to, any individual, corporation, company, including a limited liability company, association, partnership, including a limited liability partnership, joint stock association, and the legal successor thereof A provider of imaging services does not include any of the following:

1. licensed hospital or rehabilitation hospital center, or a not-for-profit organized ambulatory care facility, pursuant to the provisions of chapter 17 of title 23 of the Rhode Island General Laws as amended
2. person performing less than two hundred (200) radiological procedures per month (use monthly average for the prior calendar year to determine if excluded)
3. person subject to chapter 64 of title 44
4. person licensed in the state of Rhode Island as a dentist or a podiatrist or a veterinarian.

The net patient revenue means all monies and other consideration received for the provision of imaging services which includes all the professional and technical components of x-ray, ultrasound (including echocardiography), computed tomography (CT), magnetic resonance imaging (MRI), positron emission tomography (PET/CT), general nuclear medicine, and bone densitometry procedures. In cases where a practice may have revenue from other sources, that other revenue is not subject to the surcharge.

The surcharge is imposed on the net patient revenue received for the provision of imaging services each month with no allowance for when the charges were billed. It applies to any net patient revenue received on or after July 1, 2007.

A return is due for each month on the 25th day of the following month. After the return for the month of September 2007 all remittances shall be sent to the Rhode Island Division of Taxation by electronic funds transfer.

If a payment is late it is subject to statutory interest. If any delinquency is due to negligence, an additional 10% penalty shall be due.

If you have any questions, you may contact the Corporate Tax Section @ 222-1120.