

IMPORTANT NOTICE

Included in the FY 2008 Budget, Rhode Island enacted Title 44 Chapter 64 entitled “The Outpatient Health Care Facility Surcharge Act.” This law imposes a surcharge on certain medical revenue. This notice discusses that surcharge.

The Outpatient Health Care Facility Surcharge

A surcharge of 2% is imposed on all of the net patient revenue received each month by every outpatient health care facility. For the purposes of this law an outpatient health care facility is defined to include, but 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, or governmental unit that is licensed in accordance with chapter 17 of title 23 to establish, maintain and operate any of the following:

1. free-standing ambulatory surgery center
2. physician ambulatory surgery center
3. podiatry ambulatory surgery center

The surcharge is imposed on all of the net patient revenue received each month by the facility with no allowance for when the charges were billed. It applies to any net patient revenue received on or after July 1, 2007. Net patient revenue means all monies or other consideration received for patient care services.

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.