<table>
<thead>
<tr>
<th>TABLE 15</th>
<th>TAXATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Corporate Income Tax/Franchise Tax</td>
<td>State</td>
</tr>
<tr>
<td>Rate (percent)</td>
<td>7.7% flat as of 1/3/2019; 15% reduction</td>
</tr>
<tr>
<td>Form (e.g., Sales, Property &amp; Payroll)</td>
<td>Sales, Property &amp; Payroll: Equally Weighted</td>
</tr>
<tr>
<td>Federal Tax Deductible</td>
<td>No</td>
</tr>
<tr>
<td>Accelerated Depreciation Permitted (Yes or No)</td>
<td>Yes (Sec. 179 up to federal maximum starting 2014)</td>
</tr>
<tr>
<td>II. Personal Income Tax</td>
<td>State</td>
</tr>
<tr>
<td>Rate (percent)</td>
<td>3.75%, 3.75%, 3.75%, 3.75%, 3.75%</td>
</tr>
<tr>
<td>Earnings Income (e.g., Dividends)</td>
<td>3.75%, 3.75%, 3.75%, 3.75%, 3.75%</td>
</tr>
<tr>
<td>III. Local Occupation Tax (Paid by Employer)</td>
<td>Rate</td>
</tr>
<tr>
<td>City Residents</td>
<td>None</td>
</tr>
<tr>
<td>Non-City Residents</td>
<td>None</td>
</tr>
<tr>
<td>IV. Local Wage Tax (Paid by Employer)</td>
<td>Rate</td>
</tr>
<tr>
<td>City Residents</td>
<td>None</td>
</tr>
<tr>
<td>Non-City Residents</td>
<td>None</td>
</tr>
<tr>
<td>V. Gross Receipts Tax Rate By Type of Business</td>
<td></td>
</tr>
<tr>
<td>A)</td>
<td>$25 for gross receipts less than $50,000</td>
</tr>
<tr>
<td>B)</td>
<td>$35 for gross receipts from $50,000 to $99,999</td>
</tr>
<tr>
<td>C)</td>
<td>$75 for gross receipts from $100,000 to $399,999</td>
</tr>
<tr>
<td>D)</td>
<td>$100 for gross receipts from $400,000 to $999,999</td>
</tr>
<tr>
<td>E)</td>
<td>$125 plus fraction thereof per $1,000,000</td>
</tr>
<tr>
<td>VI. Sales/Use Tax Rate</td>
<td>State</td>
</tr>
<tr>
<td>Rate</td>
<td>7.00%</td>
</tr>
<tr>
<td>Total</td>
<td>7.00%</td>
</tr>
</tbody>
</table>

Sales Tax Rate by Industry:
- Electric Power: none
- Natural Gas: none
- Fuel Oil: none
- Water: none
- Sewer: not subject to state sales tax (unless otherwise specified)

VII. Telephone
- Local: subject to state sales tax
- Long Distance In State: subject to state sales tax
- Long Distance Out of State: subject to state sales tax

VIII. Machinery & Equipment Subject to Sales/Use Tax
- Exempt (Tangible personal property, including utilities, used in the production process is not subject to sales/use tax)

Production Tax
- Non-Production: Subject
- Pollution Control: Exempt (Once approved by state Department of Environmental Management)

IX. Office Furniture/Visitors/Equipment
- Subject to sales tax/subject to state sales tax (unless otherwise specified)

X. Office Building Construction Materials
- Yes, but R&D facilities are exempt, as are real estate purchases and reconstruction of damaged manufacturing facilities

XI. Industrial Building Construction Materials
- No

XII. Manufacturer/Repair Materials
- No

XIII. Standard Software
- No

XIV. Custom Software
- No

XV. Intangible Property
- Corporate tax rate OR capital stock tax apply (not both). Intangible property shall not be subject to property tax of any jurisdiction per RIGS 44-3-2-1

XVI. Machinery & Equipment Subject to Local Sales/Use Tax
- Capital stock in transit at $2.95 per $1,000 and each fraction thereof in lieu of corporate tax if such an amount is greater than the corporate tax due.

XVII. Basis & Rate
- Stock Bond Transaction Fee (Yes No Or No & No Tax Rate) | No |

XVIII. Real Property Tax Rates for Jurisdictions Featuring Major Employment Centers

City/Millage
- County Millage: Rates vary by community. Please see:
- Special District Millage: Rates vary by community. Please see:

XIX. Personal Property Tax Rates per $100
- City/Millage: Rates vary by community. Please see:

XX. State Property Tax Effective Rate per $100
- Real Property: No State Property Tax
- Personal Property (machinery/equipment): No State Property Tax

XXI. Property Tax After Core Income Tax
- Rate: N/A
- Basis & Rate: N/A

XXII. Property Tax After Core Income Tax: Tax & State Excise Tax
- Taxable Items: N/A
- Rates for Each Item: N/A

XXIII. Personal Property Tax
- Subject to Personal Property Tax: Exempt per RIGS 44-3-3
- Non-Production Machinery & Equipment: Subject
- Pollution Control: Exempt per RIGS 44-3-3
- Inventory: Exempt per RIGS 44-3-3
- Raw Materials: Exempt per RIGS 44-3-3
- Work in Progress: Exempt per RIGS 44-3-3
- Finished Goods: Exempt per RIGS 44-3-3
- Proper Legislation
- Applicable to Warehousing: Exempt per RIGS 44-3-3
- Applicable to Manufacturing: Exempt per RIGS 44-3-3
- Goods Found in a Public Warehouse: Exempt per RIGS 44-3-3
- Office Furniture/Furniture: Exempt per RIGS 44-3-3
- Computer Equipment: Exempt per RIGS 44-3-3
- Webstore: Exempt per RIGS 44-3-3
- Telephones: Exempt per RIGS 44-3-3
- Furniture: Exempt per RIGS 44-3-3
- Company Vehicles: Subject
- Software: Tax on intangible property exempt per RIGS 44-3-3
- Custom Software: Tax on intangible property exempt per RIGS 44-3-3

Sources:
- Rhode Island Department of Revenue, Division of Corporate Income Tax: [http://www.tax.state.ri.us/Departments/DivisionofCorporateIncomeTax](http://www.tax.state.ri.us/Departments/DivisionofCorporateIncomeTax)
- Rhode Island Department of Revenue, Division of Corporate Income Tax: [http://www.tax.state.ri.us/Departments/DivisionofCorporateIncomeTax](http://www.tax.state.ri.us/Departments/DivisionofCorporateIncomeTax)