

## CONCISE EXPLANATORY STATEMENT

In accordance with the Administrative Procedures Act, R.I. Gen. Laws § 42-35-2.6, the following is a concise explanatory statement:

**AGENCY:** Rhode Island Department of Revenue

**DIVISION:** Division of Taxation

**RULE IDENTIFIER:** 280-RICR-20-25-17

**RULE TITLE:** Modifications to Net Income Due to Decoupling from P.L. 119-21, H.R.1 (2025)

**REASON FOR RULEMAKING:** Pursuant to R.I. Gen. Laws § 44-11-11(a)(1)(viii), Rhode Island has decoupled from the One Big Beautiful Bill Act (Public Laws No: 119-21, H.R.1, 119th Cong. (2025)) (“H.R.1”) for Tax Year 2025 and prior tax years and has promulgated this regulation in order to preserve the Rhode Island tax base under Rhode Island law for Tax Year 2025 and prior tax years from impacts related to H.R.1.

**ANY FINDING REQUIRED BY LAW AS A PREREQUISITE TO THE EFFECTIVENESS OF THE RULE:** No findings were required.

**TESTIMONY AND COMMENTS:** No testimony or comments were provided for this rule.

**CHANGE TO TEXT OF THE RULE:** There are no changes between the text of the rule as proposed and the text of the final rule.

**REGULATORY ANALYSIS:** This regulation implements R.I. Gen. Laws § 44-11-11(a)(1)(viii). The purpose of this regulation is to provide guidance to taxpayers to aid effective voluntary compliance in light of the new and retroactive statutory mandate.