



# Rhode Island Department of Revenue

## Division of Taxation

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Tax Administration

ADVISORY FOR TAXPAYERS AND TAX PROFESSIONALS  
September 06, 2023

### Earned Income Tax Credit increase

*One of the main tenets of the Rhode Island Division of Taxation's mission is to "assist taxpayers by helping them understand and meet their tax responsibilities." To ensure taxpayers and tax professionals understand the impacts of recent law changes, the Division is issuing a series of communications, such as this one, intended to be plain-language summaries for reference and use by taxpayers to aid voluntary compliance.*

PROVIDENCE, R.I. – The Rhode Island Division of Taxation reminds taxpayers that the passage of House Bill 5200, Substitute A, as amended, increased the Rhode Island earned income tax credit (EITC) for Tax Years beginning on or after January 1, 2024, to 16% of the federal credit.<sup>1</sup> The refundable portion continues to be 100% of the amount by which the Rhode Island EITC exceeded the Rhode Island income tax.

The EITC is a tax credit program for employed Rhode Islanders earning under a certain threshold. It is available under federal and Rhode Island law. Eligible taxpayers may claim a federal EITC and a Rhode Island EITC.

#### Past Years

For tax year 2015, the Rhode Island credit was 10% of the federal credit, and was fully refundable. For tax year 2016, the Rhode Island credit was 12.5% of the federal credit, and was fully refundable.

For tax years beginning on or after January 1, 2017, the Rhode Island credit increased to 15% of the federal credit. The credit remained fully refundable.

**Rhode Island earned income tax credit: % of federal credit**

Tax Year:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Percentage of federal EITC:	10%	12.5%	15%	15%	15%	15%	15%	15%	15%	16%

Rhode Island credit is fully refundable for each year shown.

<sup>1</sup> Enacted in [House Bill 5200, Substitute A, as amended, Article 4, Section 3](#); affects [Rhode Island General Laws Section 44-30-2.6](#).

*The Rhode Island Division of Taxation, part of the Rhode Island Department of Revenue, is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <https://tax.ri.gov/about-us/contact-us>.*