



Rhode Island Department of Revenue

Division of Taxation

ADV 2020-60
TAX ADMINISTRATION

ADVISORY FOR TAXPAYERS AND TAX PROFESSIONALS
DECEMBER 10, 2020

Division finalizes regulation on health insurance mandate

Details provided on penalty, exemptions, reporting requirements, other matters

PROVIDENCE, R.I. – The Rhode Island Division of Taxation has posted, as final, a regulation involving Rhode Island’s health insurance mandate.

Under legislation proposed by Rhode Island Governor Gina M. Raimondo and approved by the Rhode Island General Assembly in its 2019 session, Rhode Island residents must maintain sufficient health-care coverage (known as “minimum essential coverage”), effective January 1, 2020.

If a Rhode Island resident, and/or any dependent, fails to maintain sufficient health-care coverage and does not qualify for an exemption, that person must pay a penalty on that person’s Rhode Island income tax return.¹ The penalty will first appear on returns in 2021, covering the 2020 tax year.²

The regulation, which is effective December 28, 2020, includes the following:

- details about the health insurance requirement;
- information about the procedure for claiming a penalty exemption;
- guidance about minimum essential coverage;
- details on what information employers (and certain others) must send to the Division and to their employees, showing, among other things, the dates the individuals had minimum essential coverage for the previous calendar year; and
- other information.

Plain-language summary

This Advisory is a plain-language summary of a regulation involving Rhode Island’s health insurance mandate. This Advisory is for general information purposes only and is not a substitute for Rhode Island General Laws, or for Rhode Island Division of Taxation regulations, rulings, or notices.

In August 2020, the Division posted the proposed version of the regulation, held a public hearing via conference call (due to the coronavirus (COVID-19) pandemic), and received comments. The final regulation reflects some of the input received from various stakeholders. To view the final version of the regulation: <https://rules.sos.ri.gov/regulations/part/280-20-55-15/11143>.

More information about the mandate is available via the following link: <http://www.tax.ri.gov/healthcoveragemandate/index.php>.

¹ Someone who does not maintain minimum essential coverage and does not qualify for an exemption must pay a tax, known as a shared responsibility payment penalty. See regulation for details.

² Most people have minimum essential coverage, through employer-sponsored health insurance, Medicaid, Medicare, TRICARE, or some other means, and will not have to pay the penalty.