



# Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations  
Department of Revenue

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**Advisory:**

## Inflation-adjusted amounts for tax year 2013

The Rhode Island Division of Taxation has set the standard deduction amounts, exemption amounts, tax bracket ranges, and other key figures for tax year 2013. Following is a summary.

### Standard deduction, exemption amounts

For Rhode Island's personal income tax, the standard deduction and exemption amounts will increase for 2013 by about 2.6 percent.

Standard deduction amounts		
Filing status:	For 2012:	For 2013:
single	\$ 7,800	\$ 8,000
married filing jointly	15,600	16,000
head of household	11,700	12,000
married filing separately	7,800	8,000

Personal and dependency exemption amounts		
	For 2012:	For 2013:
	\$ 3,650	\$ 3,750

### Personal income tax: Phase-out range

Most taxpayers are able to claim the full amount of the standard deduction to which they are entitled. The same is true for personal exemptions and dependency exemptions. However, if a taxpayer's federal adjusted gross income (as modified for Rhode Island tax purposes) falls within a certain income range, the standard deduction amount – and the personal and dependency exemption amounts – are limited.

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If income exceeds the range, the taxpayer cannot claim a standard deduction or personal or dependency exemption amount. The income ranges are listed in the table below:

Phase-out range for standard deduction, exemption amounts		
	Tax year 2012:	Tax year 2013:
	\$181,900 to \$202,700	\$186,550 to \$207,950

### Tax brackets

The Tax Division has recalculated tax bracket ranges for tax year 2013, as required by statute. The recalculations, to reflect inflation, boost the dollar figures in each bracket by about 2.6 percent compared with tax year 2012. The changes were made to the Rhode Island personal income tax's uniform tax rate schedule – which is used by all filers.

Rhode Island personal income tax: uniform tax rate schedule for 2012				
Taxable income:				
Over	But not over	Pay	+ percent on excess	of the amount over
\$ 0	\$ 57,150	\$ --	3.75%	\$ 0
57,150	129,900	2,143.13	4.75%	57,150
129,900	--	5,598.75	5.99%	129,900

Applied to tax  
year 2012

Rhode Island personal income tax: uniform tax rate schedule for 2013				
Taxable income:				
Over	But not over	Pay	+ percent on excess	of the amount over
\$ 0	\$ 58,600	\$ --	3.75%	\$ 0
58,600	133,250	2,197.50	4.75%	58,600
133,250	--	5,743.38	5.99%	133,250

Applies to tax  
year 2013

If tax brackets remained constant, a taxpayer might be bumped into a higher bracket solely because of an annual wage increase that is intended to help the worker keep pace with inflation -- an outcome often referred to as bracket creep. To help offset the effects of bracket creep, the General Assembly adopted a provision that requires the tax brackets to be adjusted annually with inflation. Standard deduction and exemption amounts are adjusted in similar fashion.

### Withholding tables for employers

The Tax Division has posted its booklet of [personal income tax withholding tables for 2013](#). Employers will use the tables to calculate how much Rhode Island personal income tax to withhold from a worker's pay.

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The tables are adjusted for inflation. The booklets include a single, uniform table that employers may use to calculate withholding. Employers should use the uniform table no matter the employee's "filing status" (whether "single" or "married filing jointly," for example.) The uniform table reflects a change in state law enacted in June 2010. Each booklet also includes a copy of the [Form RI W-4 that employees can use to adjust their withholding](#).

The Tax Division is making the withholding booklet available only online, at the agency's website; the agency last year decided not to offer bulk mailings of the withholding booklets, a move that will save on printing and postage costs for taxpayers. The booklet is available:

- by downloading a copy from the Tax Division website: <http://www.tax.ri.gov>
- by calling the agency's forms request line, at (401) 574-8970; or
- by requesting, via e-mail, an individual printed copy of the booklet, using the following e-mail address: [TaxForms@tax.ri.gov](mailto:TaxForms@tax.ri.gov)

Keep in mind that [certain employers must make withholding tax payments to the Tax Division by electronic funds transfer](#).

### Estimated tax booklets

The Tax Division has finalized the [form that many taxpayers use to make quarterly estimated tax payments](#). The agency plans to mail out about 40,000 copies of the Form RI-1040ES, "Rhode Island Resident and Nonresident Estimated Payment Coupons," starting December 26. Each will include payment coupons.

### Trusts and estates: income tax brackets

The Tax Division has posted the income tax rate schedule for 2013 that will be used by fiduciaries for many estates. It is as follows:

Trusts and estates: income tax rate schedule for 2013				
Taxable income:				
Over	But not over	Pay	+ percent on excess	of the amount over
\$ 0	\$ 2,350	\$ --	3.75%	\$ 0
2,350	7,450	88.13	4.75%	2,350
7,450	--	330.38	5.99%	7,450

Table is for non-grantor trusts and non-bankruptcy estates. To calculate income tax for grantor trusts and bankruptcy estates, use personal income tax table.

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