

# State of Rhode Island - Division of Taxation

## Personal Income Tax

### Regulation PIT 99-20

#### Modification of Certain Income of Writers, Composers and Artists

##### GENERAL

The profit or gain realized by a writer, composer or artist derived from the publication, production or sale of a "work" shall be a modification reducing federal adjusted gross income under section 44-30-12(c)(1), provided that the writer, composer or artist derived said profit or gain from a work which was created in a statutory defined economic development zone ("zone") while residing in the zone; and the profit or gain is received while the writer, composer or artist is a resident of the zone.

##### DEFINITIONS

A "work" shall mean an original and creative work, whether written, composed, created or executed for "one-of-a-kind, limited" production, before or after the passing of this section, which falls into one (1) of the following categories:

1. a book or other writing;
2. a play or the performance of said play;
3. a musical composition or the performance of said composition;
4. a painting or other like picture;
5. a sculpture;
6. traditional and fine crafts;
7. the creation of a film or the acting of said film;
8. the creation of a dance or the performance of said dance;

For purposes of this section, a "work" does not apply to any piece or performance created or executed for industry oriented or related production.

Economic Development Zone ("zone") shall mean the statutory defined area designated in R.I.G.L. 44-30-1.1.

##### RESIDING IN THE ZONE

A writer, composer or artist shall be deemed to be residing in the zone if he/she:

- a. is domiciled in the state, or
- b. is not domiciled in the state but maintains a permanent place of abode in this state and is in the state for an aggregate of more than one-hundred eighty-three (183) days of the taxable year,
- c. meets the requirements of either (a) or (b) above and physically occupies a place of abode within the economic development zone.

#### FILING OF RETURN

Any individual seeking a modification reducing federal adjusted gross income pursuant to section 44-30.1.1(c)(c) shall file a Rhode Island personal income tax return for the year in which the modification is claimed. The individual must attach a statement to the return describing the "work," the party to whom it was sold and the amount received for the "work". If the "work" is an item of tangible personal property for which a certificate of exemption was issued, a copy of said certificate must be attached to the individual's personal income tax return.

#### RECORDS

The tax administrator may require any individual seeking a modification pursuant to section 44-30.1.1(c)(1) to make available all books, accounts or other documents relating to the publication, production or sale of a work. In determining the amount of modification allowed, the tax administrator may make such apportionment of receipts and expenses as may be necessary.

R. GARY CLARK  
TAX ADMINISTRATOR  
EFFECTIVE: JANUARY 1, 1999

THIS REGULATION AMENDS AND SUPERCEDES REGULATION PIT97-20  
PROMULGATED JANUARY 1, 1997 AND PIT98-20 PROMULGATED JANUARY 1, 1998.