

## Income Apportionment

**Depository Institutions:** Income of banks having a regular place of business outside Rhode Island are entitled to apportion net income using a three-factor formula similar to that used for the corporate income tax. (Excludes the deduction allowed in 44-14-14.1 from the definition of net income.)

- [RI General Law](#)

**Credit Card Banks:** Banking institutions engaged only in credit card business may elect to apportion net income derived directly or indirectly from the banking institution to Rhode Island only to the extent that customers of the taxpayer are domiciled in Rhode Island. Companies choosing this type of income allocation must do so for successive periods of five years.

- [RI General Law](#)

**Regulated Investment Companies & Securities Brokerage:** Income of Regulated Investment Companies and Securities Brokerage Services may be apportioned to Rhode Island using a onefactor formula based on the ratio of gross sales to Rhode Island residents to gross sales everywhere.

- [RI General Law](#)

**Retirement and Pension Plans:** Pension fund service firms may use a one-factor formula based on the ratio of total Rhode Island receipts to total receipts everywhere. Taxpayers who provide traditional administrative services to pension or retirement plans may elect to have its net income apportioned on the basis of the domicile of its employee beneficiaries.

- [RI General Law](#)