



# RESIDENTIAL LEAD ABATEMENT INCOME TAX CREDIT

## What is the amount of the income tax credit?

The personal income tax credit is equal to the amount actually paid for the required lead abatement or lead hazard mitigation up to a maximum of \$1,500 per dwelling unit for mitigation and up to \$5,000 per dwelling unit for abatement.

## Who is eligible to claim the tax credit?

All homeowners and landlords are eligible for the tax credit. However, claims will be paid based on the following priorities and the amount of annual funding allocated for the tax credit:

- Households whose income is equal to or less than \$38,650 during the year for which the claim was filed
- Landlords who rent or lease a dwelling unit to a household whose income is equal to or less than \$38,650 during the year for which the claim was filed
- All other claimants, without regard to income or property ownership, but only after the claims of the other two categories are paid

If the allowable amount of the tax credit claim exceeds the income taxes owed by the claimant or if no Rhode Island personal income tax is due, the credit will be treated as a tax refund to the claimant.

## How do you qualify to claim the tax credit?

A claimant is entitled to tax relief if he or she does the following:

- Obtains a Housing Resources Commission regulated certificate of conformance for mitigation, or obtains a Department of Health regulated lead safe certificate for abatement, **AND**
- Supplies written proof of lead hazard reduction or mitigation costs paid and the name and address of the owner or managing agent of property rented

## Are there limits on the number of units or number of times a specific unit can be claimed for the tax credit?

Each claimant may only claim relief for mitigation or abatement efforts for three separate dwelling units. Only one abatement claim may be filed for any dwelling unit. If a mitigation claim already was filed for a unit, the amount of the abatement claim will be reduced by the amount of the mitigation claim, even if the unit has been transferred to another owner or tenant.

## When can the income tax credit begin to be claimed?

The income tax credit may be claimed on taxes due to the state and certified mitigation or abatement completed during the tax year. There is a \$250,000 cap on the total amount available for tax credit claims.

## Who do I call if I have questions about the tax credit?

For more information, call the Taxpayer Assistance line (401) 574-8829, option # 3.

CHILDHOOD LEAD ACTION PROJECT

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