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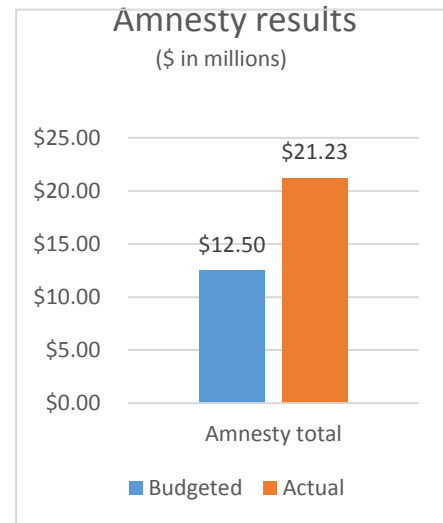
Amnesty results announced
Total amount exceeds budgeted estimate

PROVIDENCE, R.I. – The Rhode Island Division today announced the results of the recently completed Rhode Island tax amnesty program: The Division processed 10,461 amnesty applications and generated approximately \$21.23 million in revenue.

“We are pleased that so many businesses and individuals came forward to take advantage of the many benefits of amnesty,” said Mark Furcolo, Director of the Department of Revenue. “For those who paid what they owed, we waived penalties and reduced interest by 25 percent. As a result, these taxpayers were able to get a clean slate, a fresh start,” he said.

The “Rhode Island Tax Amnesty Act of 2017” was proposed and approved by the Rhode Island General Assembly and signed into law by Rhode Island Governor Gina M. Raimondo on August 3, 2017, as part of the state budget for the current fiscal year, which ends June 30, 2018.¹

The budgeted estimate for the amnesty was \$12.5 million. The results announced today show that the amnesty total exceeded the budgeted estimate by approximately \$8.73 million.²



“This was a team effort, and I am grateful to everyone who worked on our amnesty program to make it a success,” said Neena S. Savage, the Tax Administrator. She commended the staff of the Division of Taxation, as well as Revenue Solutions Inc. (RSI), the Division’s computer system vendor, and RDW Group, which provided advertising, public relations, and related services under contract with the agency.

The Division introduced a reservation system, implemented a call-center model and extended evening and weekend hours in an effort to provide taxpayers with enhanced convenient options to increase participation in the amnesty program.

¹ Rhode Island Public Law 2017, ch. 302, art. 8, § 17, codified at Rhode Island General Laws § 44-6.5-1 et seq.

² The amnesty was open not only to those who had a known Rhode Island state tax liability, but also to non-filers.

Of the \$21.23 million generated by the amnesty, the personal income tax resulted in the single largest amount of amnesty-related deposits, totaling approximately \$10.5 million. Next was the sales tax, at approximately \$4 million, and the corporate income tax, at \$2.9 million.

Overall, the Division received amnesty-related deposits involving 27 tax types and fees, totaling \$21,232,400.70. That total includes \$6,709,752.94 in interest and \$14,522,647.76 in tax.

As previously noted, under the terms of amnesty as set forth in statute, those who paid their tax in full were eligible for a waiver of penalties and a 25 percent reduction in interest. When the amnesty was completed, the Division ended up forgiving, in the aggregate, \$9,213,456.27 in penalties and interest, in accordance with the terms of the amnesty statute.

TAX/FEE TYPE	TOTAL DEPOSITS
PERSONAL INCOME TAX	\$ 10,495,579.58
SALES TAX REVENUE	\$ 3,997,610.73
CORPORATE REVENUE	\$ 2,855,122.81
ESTATE TAX	\$ 2,209,617.95
USE TAX – SALES	\$ 551,964.10
WITHHOLDING REVENUE	\$ 481,431.91
EMPLOYER TAX	\$ 164,383.82
PUBLIC SERVICE REVENUE	\$ 160,960.84
BANK EXCISE REVENUE	\$ 105,254.98
INSURANCE REVENUE	\$ 64,495.49
MEALS & BEVERAGE REVENUE	\$ 63,257.66
COMPASSION CENTER REVENUE	\$ 41,679.96
TOBACCO PRODUCTS REVENUE	\$ 11,118.31
RENTAL VEHICLE REVENUE	\$ 10,416.58
HOTEL REVENUE	\$ 7,586.73
CIGARETTE STAMP REVENUE	\$ 3,982.56
TELECOM PREPAID WIRELESS REVENUE	\$ 2,040.23
IMAGING SERVICES REVENUE	\$ 1,592.81
HEALTHCARE NURSING REVENUE	\$ 965.67
BEVERAGE CONTAINER & LITTER REVENUE	\$ 908.38
IFTA REVENUE	\$ 625.62
DOT MOTOR FUEL REVENUE	\$ 533.05
1% LOCAL HOTEL TAX	\$ 518.42
HARD TO DISPOSE REVENUE	\$ 514.11
TELECOM WIRELINE REVENUE	\$ 201.84
6% LOCAL HOTEL TAX	\$ 35.87
SALES PERMIT REVENUE	\$ 0.69
TOTAL	\$ 21,232,400.70

"IFTA" means International Fuel Tax Agreement. "Total" means gross revenue – i.e., total amount of tax and reduced interest submitted with amnesty returns.

Amnesty report

The 75-day amnesty began in early December 2017 and ended on February 15, 2018. The Division continues to fine-tune amnesty totals and will include the finalized totals in its formal report on amnesty.

The report, which will include an analysis of the amnesty program, must be made to the chairpersons of the House Finance Committee and Senate Finance Committee, with copies to the members of the Revenue Estimating Conference, by April 30, 2018.

ABOUT THE DOR: The Rhode Island Department of Revenue oversees the Division of Taxation, the Division of Lottery, the Division of Motor Vehicles, the Division of Municipal Finance, and the Office of Revenue Analysis.