



Rhode Island Department of Revenue

Division of Taxation

ADV 2021-02
SALES AND USE TAX

ADVISORY FOR TAX PROFESSIONALS
JANUARY 29, 2021

Annual sales tax reconciliation is due February 1

Returns are filed by holders of sales permits; many returns can be filed online

PROVIDENCE, R.I. – The Rhode Island Division of Taxation reminds retailers and others that the annual sales tax reconciliation is due on or before Monday, February 1, 2021.¹

The annual reconciliation returns are filed by holders of Rhode Island sales permits and cover the 2020 calendar year. The sales tax reconciliation return serves as a kind of annual report for retailers. On the form, filers account for their sales, deductions, and certain other items for 2020 – including the amount of sales tax remitted.

The annual reconciliation can be filed online or on paper. Most holders of sales permits file their annual reconciliations online.

Following is summary of the rules for filing online. Further details are located elsewhere in this Advisory.

If you currently file your sales tax returns online, you may also file your annual sales tax reconciliation online via the Division of Taxation’s [“Business Tax Filings”](#) online site. (The following filers cannot file their annual sales tax reconciliation via this site: liquor stores, writers, composers, and artists.)

If you are not registered to file online via the Division of Taxation’s [“Business Tax Filings”](#) online site mentioned above, you cannot file your annual sales tax reconciliation via that site. However, you can file your annual sales tax reconciliation via the Division of Taxation’s [online portal](#). (Once they’ve established an account, all sales permit holders can use the online portal, including liquor stores, writers, composers, and artists.) Please see the following page for details.

HIGHLIGHTS

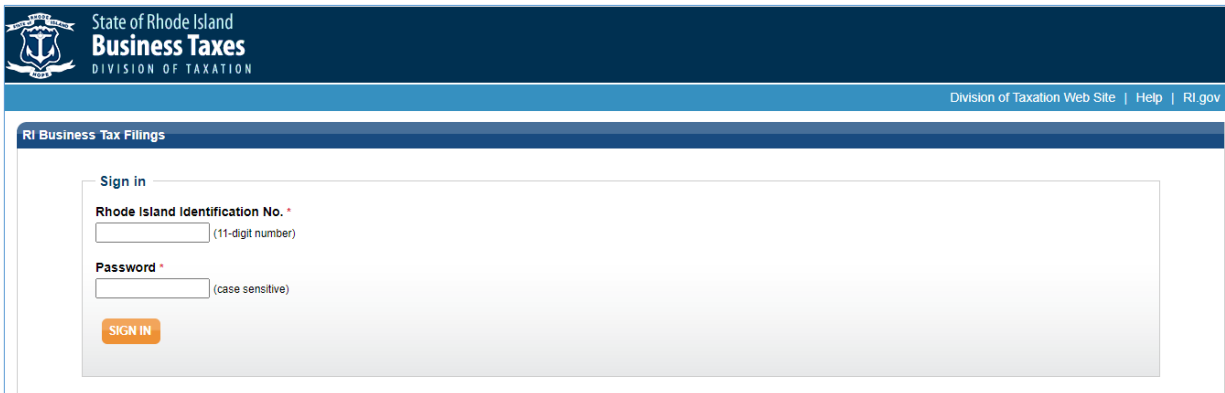
- If you hold a Rhode Island sales tax permit, you must file an annual reconciliation – an annual return.
- The annual reconciliation return covers the 2020 calendar year. On it, you report sales, deductions, and other items.
- The reconciliation return is due on or before February 1, 2021. It can be filed electronically or on paper. Most people and businesses file their annual reconciliation returns online.

¹ The annual deadline is usually January 31, but that falls on a Sunday this year. Therefore, the deadline moves to the next business day: Monday, February 1, 2021.

FURTHER DETAILS

1.) Many retailers may once again file their annual sales tax reconciliations online via the Division's traditional "Business Tax Filings" webpage (see screenshot below). The link is as follows: <https://www.ri.gov/taxation/business/index.php>. Most filers of the annual reconciliation return can use this online option, but the following cannot use the "Business Tax Filings" site:

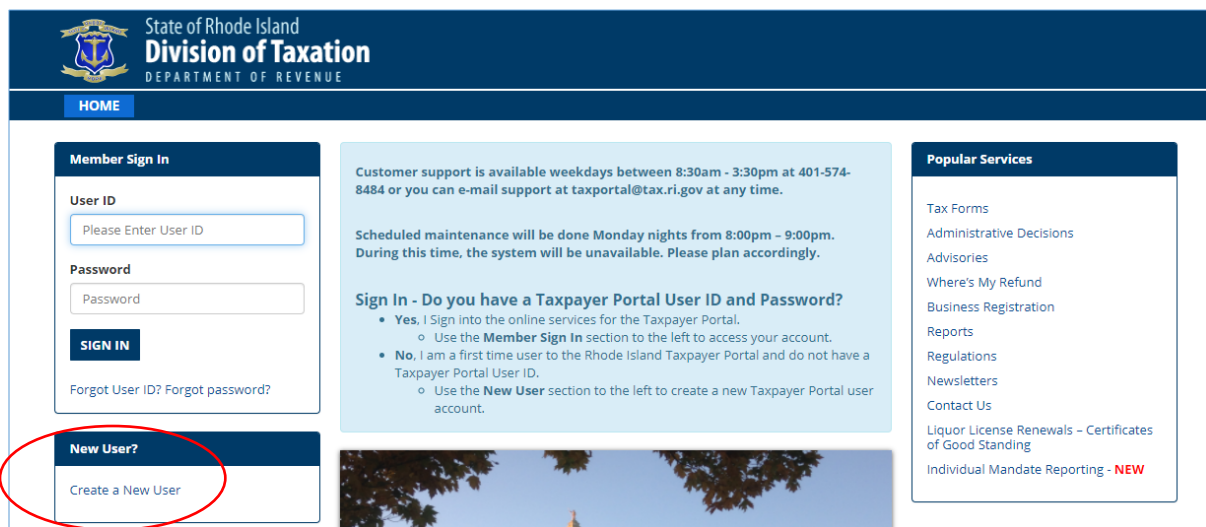
- The annual reconciliation for liquor stores.
- The annual reconciliation for writers, composers, and artists.



The screenshot shows the "RI Business Tax Filings" sign-in page. At the top, there is a header for the State of Rhode Island Business Taxes, Division of Taxation. Below the header, there is a navigation bar with links for "Division of Taxation Web Site", "Help", and "RI.gov". The main content area is titled "RI Business Tax Filings" and contains a "Sign in" form. The form has two input fields: "Rhode Island Identification No. *" (with a note "(11-digit number)") and "Password *" (with a note "(case sensitive)"). Below the fields is a "SIGN IN" button.

2.) Holders of sales permits can file their annual sales tax reconciliations online via the Division's portal: <https://www.taxportal.ri.gov>. If you're not already signed up, click on the "New User" link and follow the instructions (see screenshot below).

All filers can use the portal to file their annual reconciliation returns, including general retailers, liquor stores, writers, composers, and artists.



The screenshot shows the homepage of the Rhode Island Division of Taxation Taxpayer Portal. The header includes the State of Rhode Island logo and the text "Division of Taxation DEPARTMENT OF REVENUE". Below the header is a "HOME" navigation bar. The main content area is divided into three columns. The left column is titled "Member Sign In" and contains a "User ID" field (with a placeholder "Please Enter User ID"), a "Password" field, a "SIGN IN" button, and links for "Forgot User ID?" and "Forgot password?". Below this is a "New User?" section with a "Create a New User" link, which is circled in red. The middle column contains customer support information, including a note about scheduled maintenance on Monday nights from 8:00pm to 9:00pm. Below this is a "Sign In - Do you have a Taxpayer Portal User ID and Password?" section with two bullet points: one for existing users and one for new users. The right column is titled "Popular Services" and lists various services such as "Tax Forms", "Administrative Decisions", "Advisories", "Where's My Refund", "Business Registration", "Reports", "Regulations", "Newsletters", "Contact Us", "Liquor License Renewals - Certificates of Good Standing", and "Individual Mandate Reporting - NEW".

When preparing to file your annual sales tax reconciliation return, please keep the following points in mind:

- The Division of Taxation recently sent a mailer reminding certain filers of sales tax reconciliation returns about their filing obligation and the due date. There were 250 mailings to liquor stores; 1,002 mailings to artists, composers, and writers; and 34,498 mailings to other retailers. (Please note: The mailing is a reminder only. It is not a notice or indication that the annual reconciliation is delinquent and/or not filed.)
- When filing your return, use your annual reconciliation account ID number. The number is included on the mailings the Division recently sent out.
- Keep in mind that the sales and use tax reconciliation is an annual filing and is separate from your regular monthly or quarterly sales and use tax return. There is no change to the schedule for making sales and use tax payments or for filing sales and use tax returns.

For those who file their annual sales tax reconciliation on paper, forms are now available. There are three versions of the annual reconciliation for 2020: One is specifically for writers, composers, and artists. One is for liquor stores. One is for all other retailers (in other words, for the vast majority of retailers). All are on the Division’s website.

Sales and use tax – annual reconciliation		
FORM NUMBER	WHO USES THE FORM	AVAILABLE ONLINE
Form T-204W-Annual	Writers, composers, artists	Click here
Form T-204A-Annual	Alcoholic beverages return for liquor stores	Click here
Form T-204R-Annual	All sales permit holders not mentioned above*	Click here
* Most retailers use Form T-204R.		

Most holders of sales tax permits file their annual reconciliation returns online. If you file yours on paper, you may download the applicable form from the Division’s website. First, click [here](#), then choose the form that applies to your situation for the 2020 calendar year (see highlight of screenshot below). Note: When filing the annual reconciliation, use the current year version of the form – the one for 2020. Do not use a prior-year form. (Prior-year forms should only be used if the prior-year filing was delinquent or needs to be changed.)



SALES PERMITS

Sales tax permits are renewable each year. This time around, the deadline for renewal is February 1, 2021. The renewal fee is \$10. Once renewed, the permit will take effect July 1, 2021, and is to be mailed out by the Division at about that time. (The permit will cover the period from July 1, 2021, through June 30, 2022.) To renew online, click [here](#) or [here](#). For a copy of the paper renewal form, click [here](#).

FORMS, QUESTIONS

In addition to using the links embedded in this Advisory, you may obtain forms by phone: (401) 574-8970, or by email: Tax.Forms@tax.ri.gov. (Please note: The email address is for requesting that copies of forms be sent to you. It is not to be used for filing your tax return.)

You may also obtain forms in person by visiting the agency at One Capitol Hill in Providence. (The office is open to the public from 8:30 a.m. to 3:30 p.m. business days.) However, if you visit, you must self-screen ahead of time, and you will be subject to safety protocols amid the coronavirus (COVID-19) pandemic. These provisions are required in order to help stop the spread of the virus. For more information about rules regarding Division office visits, click [here](#).



For more information about the annual sales tax reconciliation return, or about other matters involving sales and use taxes, call the Division's Excise & Estate Tax area at (401) 574-8955 between 8:30 a.m. and 3:30 p.m. business days, or email: Tax.Excise@tax.ri.gov.

The Rhode Island Division of Taxation is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <http://www.tax.ri.gov/contact/>.
