



# Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations  
Department of Revenue

## Advisory

March 7, 2014

ADVISORY: ADV 2014-03

## Total amount of refunds up 3%; average refund now stands at \$567

The Rhode Island Division of Taxation has issued more than \$92.9 million in personal income tax refunds so far this season, up 3 percent from the same point a year ago. For the filing season to date, the average Rhode Island refund is \$567, up 5 percent compared with the corresponding period a year ago, when the average refund was \$541.

	Filing season 2013	Filing season 2014	Difference
Number of refunds	166,153	163,737	- 1.45%
Total amount refunded	\$89,808,037	\$92,918,458	+3.46%
<b>Average refund</b>	<b>\$541</b>	<b>\$567</b>	<b>+4.81%</b>

Cumulative figures for tax year 2012 refunds through March 1, 2013, and for tax year 2013 refunds through February 28, 2014. Figures are before interest and offset, and do not include refunds for tax years other than those stated.

■ **Guide to Refunds:** Don't forget to read the Division of Taxation's new "Guide to Refunds." Among the topics in the guide: how to find out the status of your refund; what to do when a direct deposit goes astray; why your refund amount may be more – or less – than you expected; and common errors that lead to refund delays. Click [here](#) for a copy.

The Division of Taxation has processed about 234,000 personal income tax returns so far this season, up about 6 percent compared with the same point last year. More than 97 percent of the returns were e-filed. Rhode Island Tax Administrator David M. Sullivan urged taxpayers and practitioners to file their state returns electronically because e-filing is faster, more efficient, results in fewer errors, and generates refunds more quickly. Also, only e-filers have the option to have their refunds deposited directly into their bank or credit union accounts. (The direct deposit option is not available to paper filers.)

	Filing season 2013	Filing season 2014	Difference
E-filed returns	212,263	226,899	+ 6.90 %
Paper returns	6,034	6,921	+ 14.70 %
<b>Total returns:</b> *	<b>220,888</b>	<b>233,820</b>	<b>+ 5.85 %</b>
% of returns e-filed:	96.10%	97.04%	+ 0.98 %

\* "Total returns" also includes figures, not shown here, for paper returns filed with two-dimensional barcodes generated by software used by taxpayers or practitioners.

Table shows cumulative figures for tax year 2012 returns filed through March 6, 2013, and tax year 2013 returns filed through March 5, 2014.

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## Business taxes: deadlines and forms

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Calendar-year C corporations, S corporations, and limited liability companies (LLCs) that have elected to be treated as corporations, all must file their returns on or before March 17, 2014. The usual deadline is March 15, but that falls on a Saturday this year, so the Division of Taxation has made the deadline the following business day: March 17.

Note that a request for an automatic six-month filing extension is made on Form RI-7004. The Division of Taxation does not accept e-filed extensions; Form RI-7004 must be filed on paper. There is an exception: If you make an extension payment online, you don't need to send in an extension form. Here's the address:

<https://www.ri.gov/taxation/business/index.php>

Also, even though the Division of Taxation does not accept e-filed extensions, the Division does accept – and encourage – e-filed returns, including e-filed returns that are on extension.

Some other filings are also due on or before March 17, 2014. They include:

- the first corporate estimated tax payments for calendar year 2014, as well as estimated payments for the bank deposits tax, bank excise tax, insurance gross premium tax, and public service corporation tax;
- the annual return for a political organization with \$100 or more of political organization taxable income; and
- the annual bank excise tax return.

The Division of Taxation has consolidated some forms. For example:

- Extensions involving the political organization tax, bank excise tax, and public service corporation tax are now made on Form BUS-EXT.

- The form for making estimated payments for the political organization tax, insurance gross premium tax, public service corporation tax, bank excise tax, and bank deposits tax are now made on Form BUS-EST.
- Form BUS-V is the business tax payment voucher form. Use it for making a payment for the political organization tax, insurance gross premium tax, surplus line broker gross premium, self-procurement insurance premiums tax, public service corporation tax, bank excise tax, and bank deposits tax.

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## Tax news in brief

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■ **Commercial farms:** The Division of Taxation has proposed a regulation dealing with commercial farm-related items. The proposed regulation is [SU 14-151](#) "Commercial Farming and Related Items." It would include material currently in three other regulations, which the Division of Taxation proposes to repeal: [SU 07-36](#), "Farm Equipment and Farm Structure Construction Materials"; [SU 01-44](#), "Feeds, Fertilizer, Plants and Seeds, Cattle Bedding, Chicken Litter"; and [SU 87-57](#), "Livestock and Poultry". A public hearing is to be held on Wednesday, April 23, 2014, at 9:30 a.m. at the Division of Taxation, One Capitol Hill, Providence, R.I. For more information about the proposed regulation and public hearing, please click [here](#). The Division of Taxation also proposes to repeal Regulation [SU 87-11](#), "Boarding of Animals", which is outdated.

■ **Administrative Decision:** A [new Administrative Decision](#), recently posted by the Division of Taxation, focuses on a tax credit for lead abatement. To view all Administrative Decisions posted recently: <http://www.tax.ri.gov/AdministrativeDecisions/>

■ **Historic tax credits:** The Division of Taxation has posted a number of projects involving historic preservation tax credits, [the most recent involving a project in Watch Hill](#). To view all the postings: <http://www.tax.ri.gov/taxcreditreports/historictax2013.php>

■ **Free File:** The Division of Taxation's website includes links to a number of online tax preparation programs that allow eligible taxpayers to prepare and file their federal and Rhode Island personal income tax returns at no charge. Taxpayers must first meet the eligibility requirements, then read each program's terms and conditions carefully. The links are available at: <http://www.tax.ri.gov/misc/efile.php>

■ **Contact information:** For a complete listing of contact information for the Division of Taxation, use the "Contact Us" section of the website: <http://www.tax.ri.gov/contact/>

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For questions about this Advisory, contact:

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