

Rhode Island Tax News

Second and Third Quarter, 2022

[Visit Our Website](#)



A message from the Tax Administrator



The Rhode Island Division of Taxation is committed to communicating effectively with all of our stakeholders. As you know, we strive to provide you with the best information in formats that meet your needs.

We are pleased to bring you our long-standing newsletter in this new email format. This edition will cover both the second and third quarters of 2022. We have taken the time to test this new software extensively, and as always, value your feedback.

*- Neena S. Savage, Tax Administrator,
Rhode Island Division of Taxation*

A note to our readers:

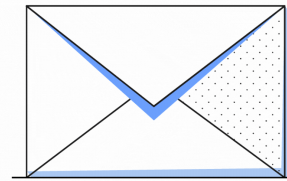
For your convenience, this newsletter will remain available in our [newsletter archive](#).

Help us improve

Is the content of our newsletter relevant to you?

Yes

No



Follow

Tax Tip Line

Do you have information about wrongdoing involving Rhode Island state taxes?



Rhode Island Division of Taxation's Special Investigation Unit staffers follow up on all tips.

Contact:



Stay up to date!

The best way to stay up to date with the Division of Taxation is to follow us on Twitter!

We post updates, share tips, and highlight great content from other agencies - like the IRS.

[Follow](#)

Updates

Letters of Good Standing

Have a question on whether you need a Letter of Good Standing vs. a Certificate of Good Standing?

**401-574-TIPS
(8477)**

or

Report Online

You can choose to leave your name and contact information or remain anonymous.

The RI Secretary of State's office and the Division of Taxation now have a useful one-page guide to help.

LOGS or COGS?



Occasionally, your business may be asked to prove it is "in good standing" with the State of Rhode Island. But what does that mean?

Depending on the reason your business must establish good standing, you may need to request a **Certificate of Good Standing**, a **Letter of Good Standing**, or both!

Letter of Good Standing
Issued by: Division of Taxation, RI Department of Revenue

COMMON USES
Reinstatement, financing, sale of assets, confirming tax status

A Letter of Good Standing verifies that an entity is in good standing with the Rhode Island Division of Taxation. "Good Standing" means that the entity is up-to-date with filing all required state tax returns, paying its state taxes and fees, and obtaining state licenses and permits issued by the Rhode Island Division of Taxation, and is compliant with other related requirements for operating the business.

COST \$50



Learn how to request a Letter of Good Standing at <https://tax.ri.gov>

Certificate of Good Standing
Issued by: Business Services Division, RI Department of State

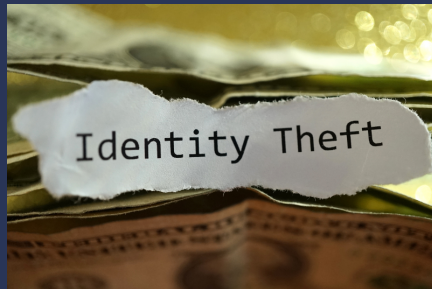
COMMON USES
Registering the business in another state

A Certificate of Good Standing verifies that the entity is in good standing with the Rhode Island Department of State, meaning it has successfully filed all required Annual Reports and has maintained a valid Registered Agent/Office. A Certificate of Good Standing does not verify that the entity has no outstanding tax obligations.

COST
FOR-PROFIT ENTITIES \$20 - NON-PROFIT ENTITIES \$5



Learn how to request a Certificate of Good Standing at <https://www.sos.ri.gov>



7 Steps for Overcoming Identity Theft

Identity theft is a crime that often results from the loss of personal data. When someone uses your Social Security number or other personal information without your knowledge to open new accounts or make purchases, that is identity theft.

Learn what to do if your identity is stolen



Receive All the Benefits You Are Eligible For

For tax year 2022, up to \$15,000 of your federally taxable retirement income may be excluded from Rhode Island personal income tax.

Learn more in the Division's guide to the Modification for Income from Pensions, 401(k) Plans, Annuities, and Other Such Sources.

Read the guide

Sales and Taxation of Alcoholic Beverages Report

Each year, the Division produces a report regarding the taxes related to alcoholic beverages sales. The report includes the:

- Total sales of alcoholic beverages
- Sales tax collections
- Excise tax collections

for Class A licensees in Rhode Island for the 2021 calendar year by county.

[Sales and Taxation of Alcoholic Beverages Report](#)



Summary of Legislative Changes

The Division of Taxation has published a summary of the State tax changes that were enacted during the 2022 session of the Rhode Island General assembly.

The [Summary of Legislative Changes](#) contains plain-language explanations of these changes.

[Read it here](#)

Child Tax Rebate

As announced recently by Governor Daniel J. McKee, many Rhode Island taxpayers will be receiving a one-time Child Tax Rebate this fall. Rhode Island's Fiscal Year 2023 budget provides for a Child Tax Rebate for eligible Rhode Island families.

The Division of Taxation will issue a rebate payment of \$250 per qualifying child, up to a maximum of three children (maximum \$750), to eligible taxpayers. For the purposes of

this rebate, a child is defined as an individual claimed as a dependent in Rhode Island who is eighteen years of age or under as of December 31, 2021.

Visit the Division's webpage created specifically for the Child Tax Rebate. This page contains up-to-date information including FAQs and in the coming months will host a rebate payment tracking tool that will allow you to check the status of your rebate.

To ensure that resources are available to process rebates as quickly as possible, please use the Child Tax Rebate webpage to receive the most recent updates regarding the Child Tax Rebate.

Child Tax Rebate Webpage

Congratulations!



Congratulations to Bethany M. Whitmarsh on her promotion to Assistant Tax Administrator.

Bethany is an attorney and member of the Rhode Island Bar Association. She joined the Division of Taxation in April 2019, and in her time here, Bethany has demonstrated an approachable professionalism that is perfectly suited for her new role.

[More about Bethany](#)

Reminder

The Division of Taxation will always mail you written notification regarding a tax debt before we call.



If you receive correspondence or contact that seems suspicious - call us to confirm authenticity: [401-574-8829](tel:401-574-8829).

Call us

Legal Corner

Administrative Decisions

An administrative decision is a final decision issued following an agency proceeding in which an individual or entity formally requests a hearing.

In the latest Administrative Decisions, the issues addressed were:

[Administrative Decision 2022-01:](#)

The Taxpayers' personal income tax refund claim for the calendar year 2017 was denied for being out of time.

[Administrative Decision 2022-02:](#)

It was determined that the Taxpayer owes the assessed marijuana tax, interest, and penalty.

[Administrative Decision 2022-03:](#)

The Taxpayer's personal income tax refund claim for the calendar year 2018 was denied for being out of time.

[Administrative Decision 2022-04:](#)

The Taxpayer owes the assessed Rhode Island personal income tax, interest, and penalty for 2018.

[Administrative Decision 2022-05:](#)

[Administrative Decision 2022-09:](#)

The Taxpayer breached its 2019 stipulation related to cigarette and other tobacco products taxes and owes the full assessment of tax and penalties as a result.

[Administrative Decision 2022-10:](#)

It was determined that the Taxpayer owes the tax and penalties assessed on other tobacco products. The Taxpayer's cigarette dealer's license was also suspended for 40 days.

[Administrative Decision 2022-11:](#)

It was determined that the Taxpayer owes the assessed income tax, penalty, and interest on her unemployment compensation for tax year 2020.

[Administrative Decision 2022-12:](#)

The Taxpayer's personal income tax refund claim for the calendar year 2017 was denied for being out of time.

[Administrative Decision 2022-06:](#)

It was determined that the Taxpayer owed the assessment for personal income tax, interest, and penalty due to a federal income tax adjustment.

[Administrative Decision 2022-07:](#)

The Taxpayer's claim for refund for sales tax was denied because the Taxpayer did not provide evidence that it met statutory requirements relating to the Manufacturer's Exemption Certificate.

[Administrative Decision 2022-08:](#)

It was determined that the Taxpayer did not file a personal income tax return for tax year 2013 and owed the assessment of tax, interest, and penalty.

It was determined that the Taxpayer was nonresponsive to requests for records, and owes the assessed sales tax, interest, and penalty for 2015 and 2016.

[Administrative Decision 2022-13:](#)

The Taxpayer's personal income tax refund claim for the calendar year 2018 was denied for being out of time.

[Administrative Decision 2022-14:](#)

The Taxpayer's request for a refund for sales tax paid on his 2020 purchase of a car that was totaled was denied due to lack of proof of the loss of the car.

[View Administrative Decisions Archive](#)



We're Hiring

The Division of Taxation regularly posts job openings on our diverse, motivated, service-oriented team.



Join Our Team

"I like to pay taxes. With them, I buy civilization."

— Oliver Wendell Holmes Jr.

Contact



RI Division of Taxation | 1 Capitol Hill, Providence, RI 02908 <https://tax.ri.gov/>

[Unsubscribe amanda.tirocchi@tax.ri.gov](mailto:amanda.tirocchi@tax.ri.gov)

[Constant Contact Data Notice](#)

Sent by outreach@notification.tax.ri.gov