

Agenda

- About Us: Division of Taxation
- Taxpayer Experience Office/Team
- The Tax Administration Efficiency Continuum
- Taxpayer Experience Office Strategy
- Small Businesses
- Future Plans
- Taxpayer Portal
- Resources
- Closing remarks

About Us

The Division of Taxation: One of six agencies in the Department of Revenue

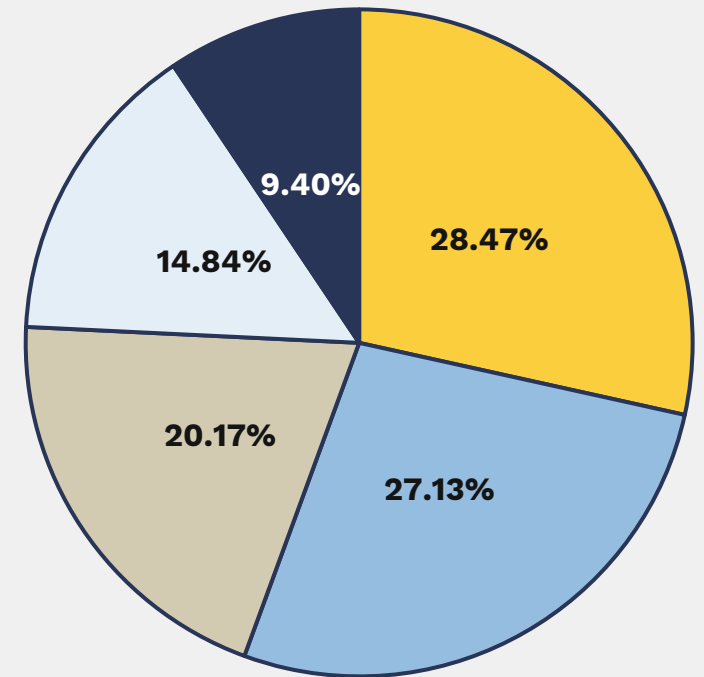
- The Rhode Island Division of Taxation employs **223 tax professionals**, administering more than **59 different taxes and fees**.
- Taxes represent **the most significant source of General Fund revenue** for Rhode Island – funds used to help pay for vital services including public safety, education, transportation, and recreation for all Rhode Islanders.
- Each year, the Division **collects and distributes more than \$5 billion** in funds to the State, municipalities, and other agencies (as of FY 22).

Our Mission

- To foster voluntary compliance with the Rhode Island tax laws and instill public confidence through professional, impartial and ethical conduct.
- To administer and collect all taxes as required by Rhode Island law in the most efficient and cost-effective manner.
- To assist taxpayers by helping them understand and meet their tax responsibilities.

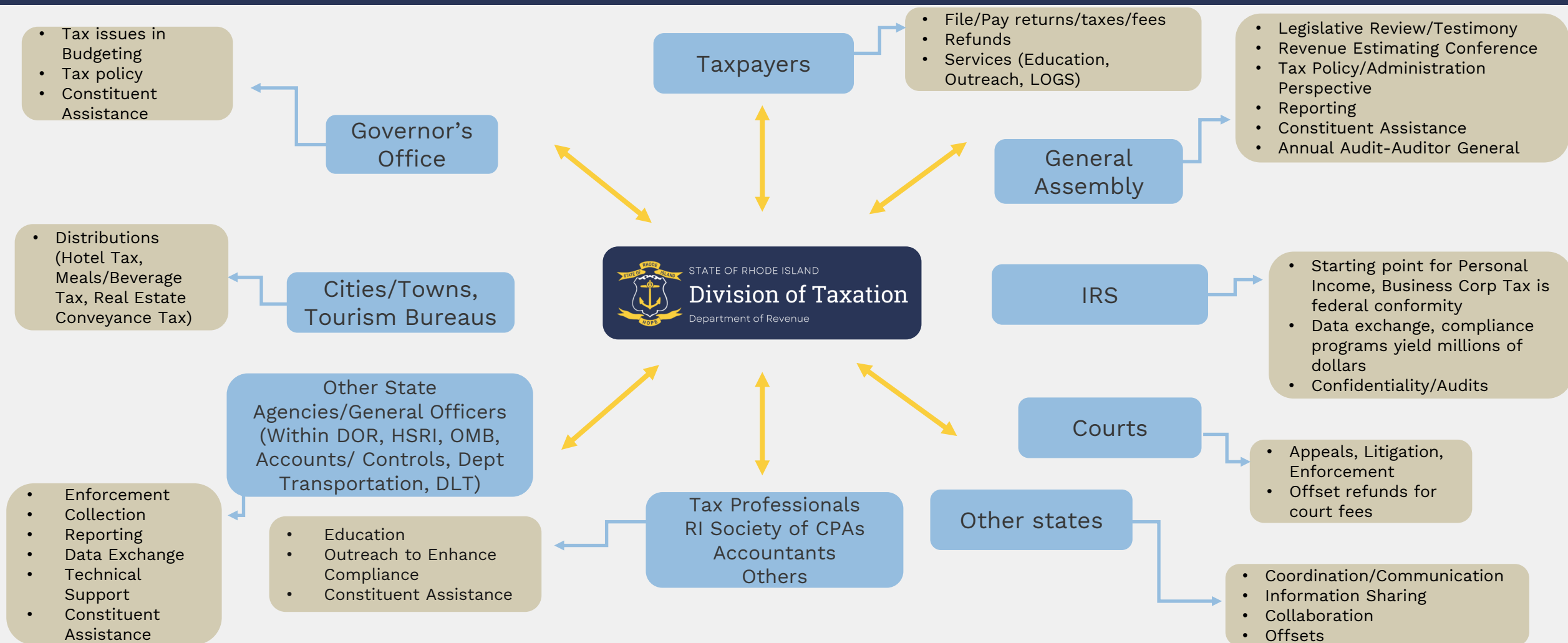
Total State Tax Revenue Collected by the Division of Taxation for Fiscal Year 2022 (\$, In Millions)

FY22 Receipts: \$5B

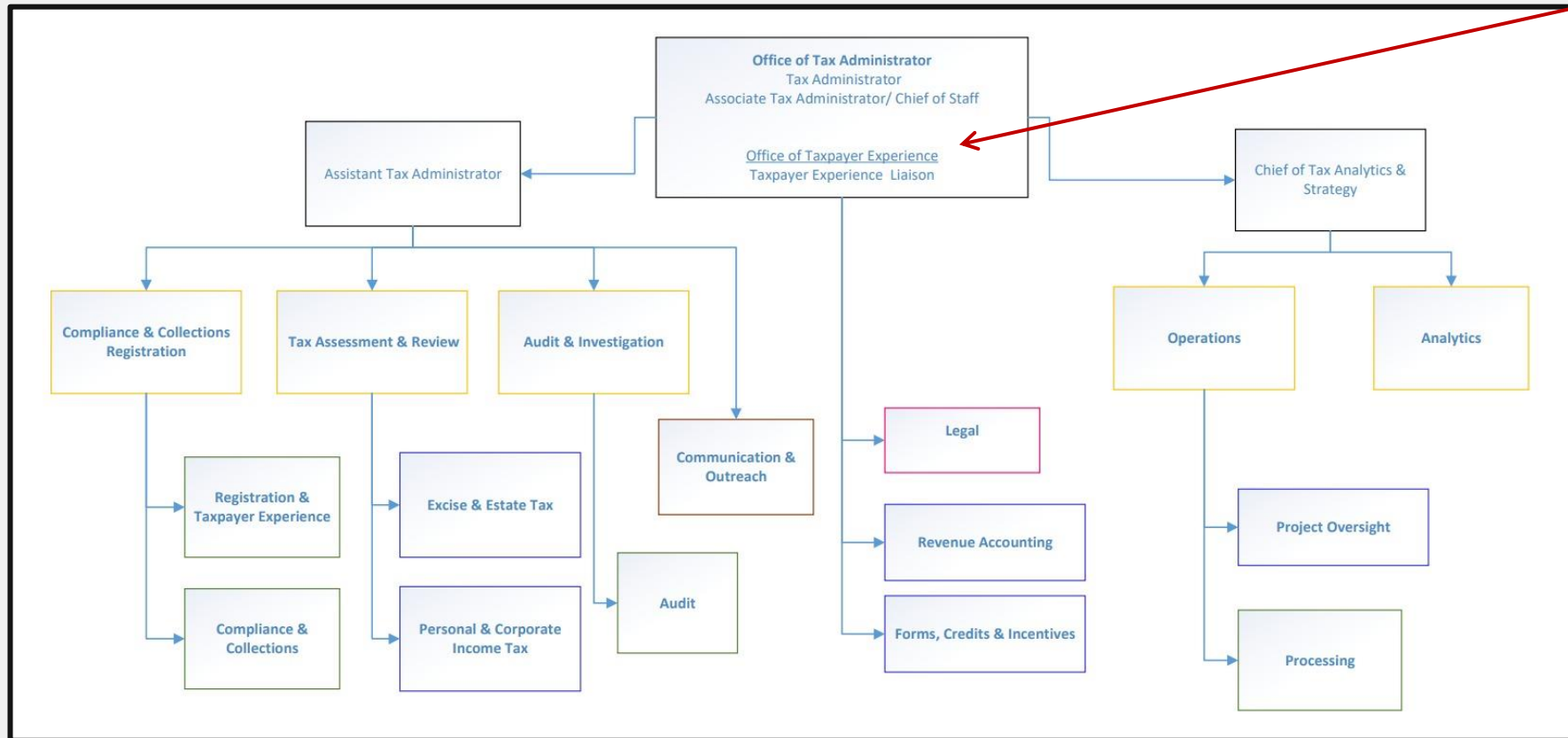


■ Withholding ■ Sales ■ Corp ■ PIT ■ Estate, M&B, Hotel & Other

About Us: Key Stakeholders/Interactions



Taxpayer Experience Office/Team



Taxpayer Experience Office Team

- Tax Administrator
- Asst Tax Administrator
- **External Facing: Taxpayer Experience Liaison**
- **Internal Taxpayer Experience Team** (With Initial Focus on Collections/Compliance)
- Continue Improvements Across Agency at all Taxpayer Contact Points

Division of Taxation: Mission

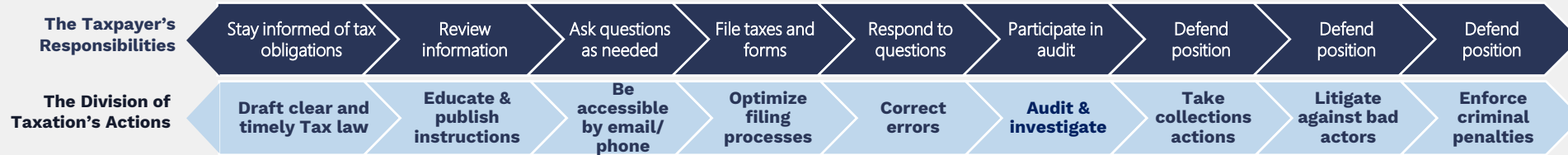
The Tax Administration Efficiency Continuum

VOLUNTARY COMPLIANCE

FORCED COMPLIANCE

Less expensive, more efficient revenue generation

More expensive, less efficient, but necessary



How are we improving taxpayer services, voluntary compliance?

▲
Creating a dedicated taxpayer experience team, expanding outreach to aid taxpayers, providing more direct access for taxpayers, creating educational material for common taxpayer issues

▲
Expanding the taxpayer service portal, creating digital signature options, upgrading technology, appointment system pilot

▲
Improving staff training, data analysis, improving forms and data retrieval

▲
Expanding the remote audit program, implementing best practices

Developing industry guidelines

Taxpayer Experience Office/Team

Taxpayer Experience Office Strategy

- Internal: Continue improvements in wait times (telephone, email, walk-ins)
- External Outreach Plan with Key Stakeholders
- Listening Tour with Key Stakeholders, Continuous Documentation and Improvement

Internal Taxpayer Experience Improvements

- Continue to cross-train staff to focus on improving taxpayer inquiries (phones, emails, walk-ins).
- Proactive appointments at Taxpayer's convenience via virtual appointment cards and appointments being piloted.
- Investigating cloud-based soft phone enhancements to meet taxpayer demand.
- Self-service Taxpayer Kiosk.

External Taxpayer Experience Liaison

- Dedicated resource to engage on outreach to taxpayers and assist taxpayers.
- Incorporate taxpayer responses and track metrics.
- Will aid voluntary compliance by messaging.

Outreach to Stakeholders

- In the process of planning the next six months of outreach with: RISCPA (and other tax professional entities), Hospitality Association, League of Cities and Towns, Manufacturers, Tourism Bureaus, Chambers of Commerce.
- Necessary to aid understanding of Division of Taxation processes, resources, and enhance compliance.

Leo Lebeuf,
Taxpayer Experience Liaison
Email: Taxpayer.Experience@tax.ri.gov



Assisting Taxpayers and the State



Tax Professional Education

The Division regularly meets with professionals from the Rhode Island Society of Certified Public Accountants, the Rhode Island Association of Public Accountants, the National Association of Tax Professionals, CPE Associates, and the Rhode Island Society of Enrolled Agents, enabling a continuous dialogue among parties—and impacting thousands of individuals and businesses.



Data Sharing and Offset Programs

The Division of Taxation collects and provides data to several state partners to support their operations, including the Secretary of State, Commerce, DLT, cities and towns, and the General Treasurer’s office. In addition, the Division assists DHS and the state’s Child Support program through the operation of offset programs.



Municipal Distributions

The Division collects and distributes several taxes on behalf of cities and towns in the state, helping to provide municipalities with regular sources of revenue, including meals and beverage taxes, hotel taxes, and acquired real estate taxes.



Community Outreach

Currently, most e-mail communications received by the Division are responded to within 24 hours. As part of its effort to reach seniors and low-income taxpayers, the Division meets regularly with representatives of the Volunteer Income Tax Assistance (VITA) program and the AARP Foundation Tax-Aide program.



Key Stakeholder Partnerships

Working with industry associations to refine communication, provide information, and enhance voluntary compliance: tax professionals, cities/towns, business groups, hospitality and manufacturing representatives.

Initial Targeted Assistance for Small Business

Internal Taxpayer Experience Team

Enhanced Services

Direct Access

Division is available via phone and e-mail and responds quickly to communications from taxpayers. Provide Follow-up assistance to new businesses within 10 days.

Tax Portal

Easy access to account information and simple payment options.

Business Registration Services

Dedicated staff to assist with registrations and related questions.

Outreach

Social Media

Division posts updates and valuable information on listserv, blog and Twitter.

Community Events

In-person or Zoom events to discuss tax law and changes impacting the community.

Key Stakeholder Outreach

Regular and coordinated efforts to engage with CPAs including specialized publications and conferences.

Piloting an appointment system in the next month with RI Society of CPAs. Adding League of Cities/Towns, Hospitality Association, Manufacturers, Chambers of Commerce and Tourism Bureaus.

External Taxpayer Experience Liaison and Team

Our Future Taxpayer Experience Plans



Establishment Taxpayer Experience Team

This team will consist of an external facing taxpayer experience liaison, an internal taxpayer experience team including taxpayer service representatives to answer general questions, and a taxpayer experience team within our tax registration team. All staff will be trained to assist taxpayers as needed. Listening to stakeholders and developing content.



Expansion of the Taxpayer Portal

The Division's online resource for filings and payments, the taxpayer portal, has been established as an alternative to paper filings or filings through an antiquated system. The Division continues to improve ease of use-based taxpayer feedback with videos and other content related to usability.



Promotion of Taxpayer Education

In evaluating the effectiveness of these processes, the Division seeks to expand its outreach to individuals and businesses through direct communication and social media resources.

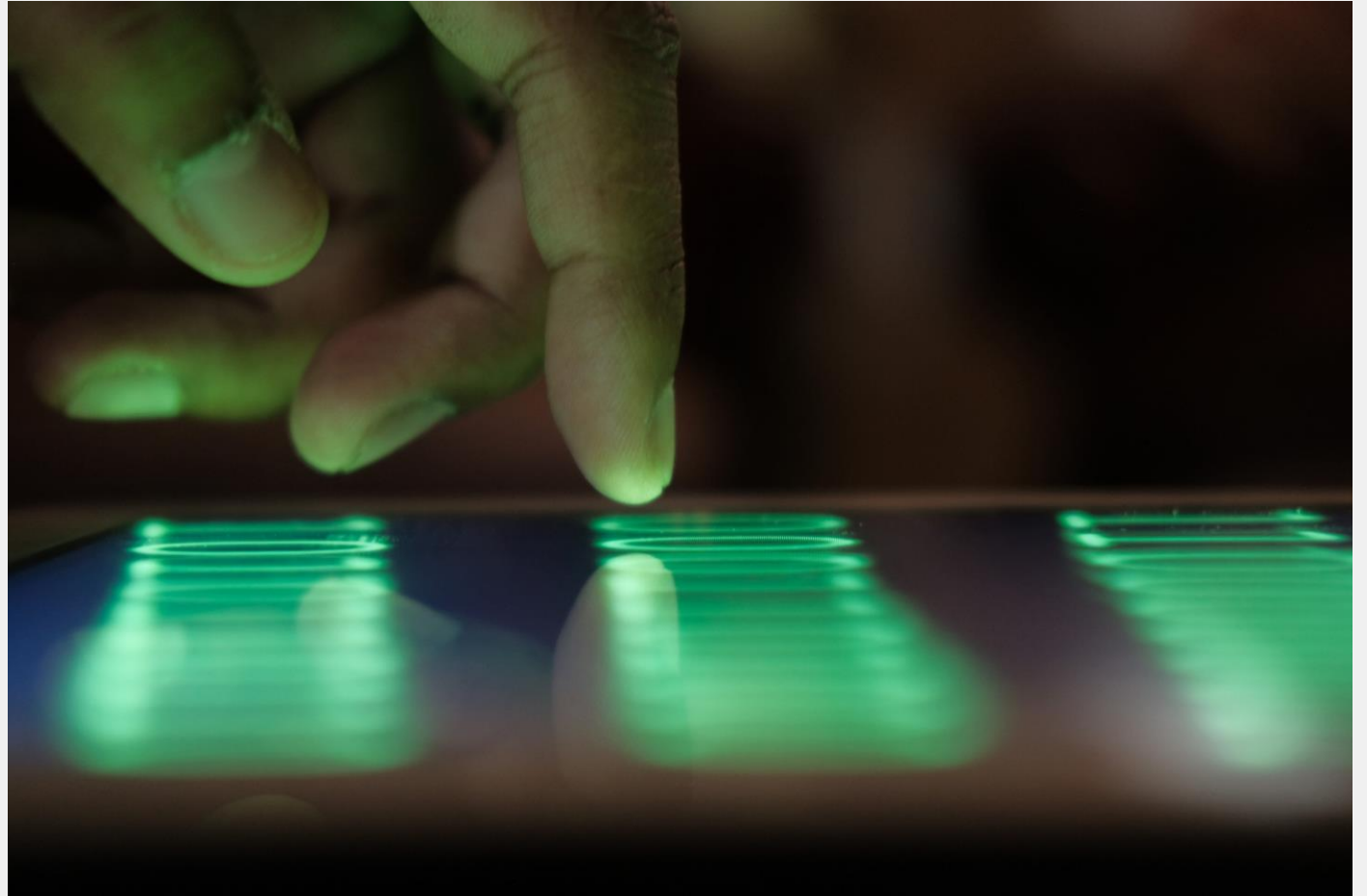


Innovations in Auditing

Another product of the pandemic, the Division was able to shift from physical in-person audits to remote auditing that allows for additional comfort for taxpayers and staff without sacrificing security and effectiveness. The Division will increase its reliance on remote auditing to maintain its audit capacity and timeline and increase compliance.

Fraud Trends

- IRS/States/Tax Software Industry collaborating on fraud detection and prevention and monitoring data/trends through the IDTTRF-ISAC and the Security Summit.
- [How Do You Report Suspected Tax Fraud Activity? | Internal Revenue Service \(irs.gov\)](#)
- [Dirty Dozen | Internal Revenue Service \(irs.gov\)](#)
- Criminals are becoming more creative, with better technology, and means to perpetrate fraud.



How to Mitigate Fraud

- Consistently update software and operating systems with latest patches—outdated applications and operating systems are the most targeted vulnerabilities for ransomware.
- Train your staff about phishing, cyber security and to look carefully at emails before responding. Check and double check.
- Multifactor Authentication/Strong Passwords.
- Back up data on a regular basis; maintain it on a separate device and store it offline.
- Implement a disaster recovery plan.
- Check the Taxpayer Portal: [RI Taxpayer Portal](#).
- [How Do You Report Suspected Tax Fraud Activity? | Internal Revenue Service \(irs.gov\)](#) .
- Reach out to the RI Division of Taxation: [Contact Us | RI Division of Taxation](#)

Resources for Businesses

- [Sales & Excise | RI Division of Taxation](#)
- [Corporate | RI Division of Taxation](#)
- [Contact Us | RI Division of Taxation](#)
- [Credits | RI Division of Taxation](#)
- [RI Tax Credits & Financing | Rhode Island Commerce \(commerceri.com\)](#)

The screenshot shows the website's navigation bar with links for Online Services, Resources for..., Tax Sections, Forms, Guidance, and About Us. Below the navigation bar is an orange banner for Agency Announcements. The breadcrumb trail reads Home » Resources For... » Businesses. A left-hand menu titled 'Resources for...' is expanded to show 'Businesses' with a minus sign, listing sub-categories: Audit, Corporate, Electronic Filing Mandate, Registration, and Sales & Excise. The main content area features the heading 'Resources for Businesses' and a new announcement: '* NEW * [The Restaurant Industry & Rhode Island Tax Guide](#)'. Below this is a paragraph explaining that starting in 2023, larger business registrants must file returns electronically. A sub-heading 'Business Taxes' is followed by a paragraph stating that the page provides information on common taxes. A highlighted box at the bottom of the screenshot contains a plus sign icon and the text 'Corporate Tax'.

Sales Tax vs Use Tax

Sales Tax

Sales tax is a levy imposed on the retail sale, rental or lease of many goods and services. Any sale is a retail sale if the property or service sold will be used and not resold in the regular course of business

Sales tax collection is required by a retailer in most cases

Use Tax

Use tax is a levy imposed on the storage, use of other consumption in this state

Use tax is due when tax is not collected by a retailer on taxable goods or services

Trust Fund Taxes

What are Trust Fund Taxes?

- Trust Fund Taxes are taxes that are collected by one taxpayer from another taxpayer and are held in trust for the state.
- The statutes that enforce these taxes require the collecting taxpayer to remit those taxes to the state at a definite date.
 - [R.I. Gen Laws § 44-19-35](#)
 - [R.I. Gen Laws § 44-30-76](#)

Trust Fund Taxes

Examples of Trust Fund Taxes:

- Sales Tax
 - State Sales Tax is collected by a retailer from their customers. All sales taxes collected must be remitted to the state by the 20th of the following month. The retailer's tax obligation or liability relates directly to its collection of taxes from another taxpayer - in this case their customer.
- Withholding Taxes
 - Withholding Taxes are withheld by an employer from their employee's wages. The tax withheld or collected is held in trust for the state and not for the employer's use.

Trust Fund Taxes

How does this impact a business?

- When Trust Fund Taxes are collected, the law indicates that these funds **must** be remitted by the prescribed due date **without exception**.
- There are penalties for misappropriation of trust funds including holding a responsible officer personally liable for the misappropriation.
- It is important for a business owner and their representatives to understand the importance of trust fund remittance.
- Additional details can be found in an article from our latest [quarterly newsletter](#).

Sales Tax Modernization

- New version of Sales Tax Form
 - Beginning January 2023
 - Alignment with neighboring states
 - Impacts monthly and quarterly filers but will now use same form
 - Return remains only one page
 - Allow taxpayer to reconcile sales tax monthly/quarterly
 - New booklet mailing
 - [Sales Tax Modernization Advisory](#)
- Tips
 - Accurately complete all fields
 - Gross Sales
 - Itemize deductions
 - Include NAICS code and account ID#

Interest Rate Reduction

- Interest Rate Reduction for non-trust funds
 - Minimum of 12% for most taxes-Effective 01/01/2023
 - Minimum of 18% remains for trust fund taxes
 - Sales
 - Hotel
 - Meals and Beverage
 - Withholding
 - [ADV 2022-25.pdf](#)
 - [Interest Rate Change FAQ](#)

Electronic Filing & Payment Mandate

- Electronic filing and payment mandate for large business registrant taxpayers effective 01/01/2023
 - Large Business Registrant defined:
 - is operating a business whose combined annual liability for **all taxes** administered by the Division of Taxation for the entity is or exceeds \$5,000; or
 - is operating a business whose annual gross income is over \$100,000 for the entity
 - Penalties
 - \$50 per occurrence for failure to file electronically
 - 5% of tax amount or \$500, whichever is less for failure to pay electronically
 - Taxpayers with reasonable causes may be exempt on a case-by-case basis.

How do I file/pay?

The Division of Taxation Taxpayer Portal

Step 1: Visit www.taxportal.ri.gov and create a username and password.

The screenshot shows the homepage of the Rhode Island Division of Taxation Taxpayer Portal. At the top left is the state seal and the text "STATE OF RHODE ISLAND Division of Taxation Department of Revenue". Below this is a "Home" navigation bar. The main content area is divided into several sections:

- Member Sign In:** A form with fields for "User ID" (with placeholder text "Please Enter User ID") and "Password", a "SIGN IN" button, and links for "Forgot User ID?" and "Forgot password?".
- New User?:** A link to "Create a New User".
- Don't Have a Portal User Account?:** A section titled "Use our Same-Day Services" with links for "Make a Payment (same day withdrawal)" and "File a Form (alone or with payment)".
- Customer Support:** A text box stating "Customer support is available weekdays between 8:30am - 3:30pm at 401-574-8484 or you can e-mail support at taxportal@tax.ri.gov at any time." Below this is a warning: "Don't have your PIN? Unable to log in to your account? Many forms can be filed and paid without a PIN using our Same Day Services. The File a Form link is located on the bottom left of this page." Below the text is a photograph of the Rhode Island State Capitol building.
- Popular Services:** A list of links including "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".
- Frequently Asked Questions:** A list of links including "Guest Bill Payments (Video)", "Guest Filing (Video)", "Portal Registration (Video)", "Portal User Guide", "Who should use the online taxpayer portal and what taxes can be filed?", and "How do I link my tax entity to my portal account?".

How do I file/pay?

The Division of Taxation Taxpayer Portal

Step 2: Get PIN from Taxation (call us at 401-574-8484 or email taxportal@tax.ri.gov).

Step 3: Log in using name and password.

The screenshot shows the homepage of the Rhode Island Division of Taxation Taxpayer Portal. At the top left is the logo for the State of Rhode Island, Department of Revenue, Division of Taxation. Below the logo is a navigation bar with "Home" selected. The main content area is divided into several sections:

- Member Sign In:** This section is circled in red. It contains a "User ID" field with the placeholder text "Please Enter User ID", a "Password" field with the placeholder text "Password", and a "SIGN IN" button. Below the fields are links for "Forgot User ID?" and "Forgot password?".
- Customer Support:** A text box stating "Customer support is available weekdays between 8:30am - 3:30pm at 401-574-8484 or you can e-mail support at taxportal@tax.ri.gov at any time." Below this is a warning: "Don't have your PIN? Unable to log in to your account? Many forms can be filed and paid without a PIN using our Same Day Services. The file a Form link is located on the bottom left of this page."
- Popular Services:** A list of links including "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".
- Don't Have a Portal User Account?:** A section with a "Create a New User" link.
- Don't Have a Portal User Account? (continued):** A section with links for "Use our Same-Day Services", "Make a Payment (same day withdrawal)", and "File a Form (alone or with payment)".
- Frequently Asked Questions:** A list of links including "Guest Bill Payments (Video)", "Guest Filing (Video)", "Portal Registration (Video)", and "Portal User Guide".

A large image of the Rhode Island State Capitol building is visible in the background of the lower right section of the page.

How do I file/pay?

The Division of Taxation Taxpayer Portal


Step 4: Link User ID to Taxation using PIN.

The screenshot shows the user interface of the Rhode Island Division of Taxation Taxpayer Portal. At the top left is the state logo and text: "STATE OF RHODE ISLAND", "Division of Taxation", and "Department of Revenue". At the top right is a "Log Out" link. Below this is a navigation bar with "Home", "Edit Personal Info", and "Message Center" (with a dropdown arrow). The main content area is divided into two sections. The left section is a welcome message: "Welcome, [blacked out name]", "You last logged in on", and "Friday, 08/26/2022 09:13 AM". The right section is titled "Complete Your Registration" and contains two paragraphs: "Administrator Users - To complete your initial registration, at least one portal user must be assigned this role before any additional Users can be registered. This individual will have the widest range of portal permissions. This individual may also authorize other individuals to access taxpayer account information. Register as an Administrator User [here](#)" and "Authorized Users - If you will perform tax functions on behalf of a taxpayer, provide your User ID to the taxpayer's administrator to be granted access to a taxpayer's online account." At the bottom of the page, there is a footer with "Rhode Island Division of Taxation. All rights reserved." on the left and a "Contact Us" link on the right.

How do I file/pay?

The Division of Taxation Taxpayer Portal

Step 4: Link User ID to Taxation using PIN. (continued)




STATE OF RHODE ISLAND
Division of Taxation
Department of Revenue

[Log Out](#)

[Home](#) [Profile Information](#) [Account Inquiry](#) [Online Transactions](#) [Message Center](#) [Service Requests](#)

[Profile Information](#) / [Authorized Businesses](#)

Select one of the options below 

Progress

Please review the options below and select the one that best fits your registration scenario. Businesses will need their FEIN. Sole Proprietors will need their Social Security Number (SSN). You should have received a letter from the Division of Taxation with a Personal Identification Number (PIN). You will need this number to complete your registration. If you have not received a PIN or don't remember it, please [Contact Us](#).

I am adding administrator authorization and have an FEIN and my required PIN.

I am adding administrator authorization and have an SSN and my required PIN.

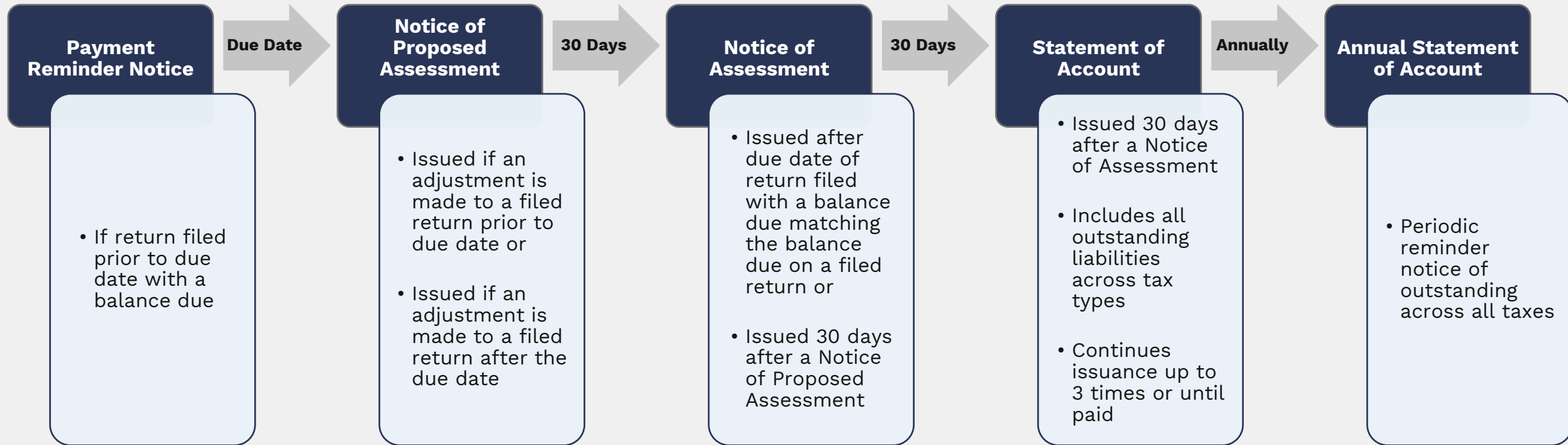
[← BACK](#) [CANCEL](#) [NEXT](#)

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Industry Library Initiative

- Beginning with Restaurant and Hospitality Industry
- Developing a comprehensive guide
 - Segmented brochures
- Goal: to help businesses achieve and maintain voluntary compliance
- [The Restaurant Industry & Rhode Island Tax Guide for Businesses](#)

State Tax Notices Timeline

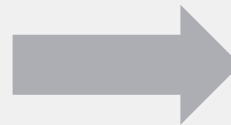


Collections and Compliance

Installment Agreements: What You Need to Know

Requirements:

- Complete Installment Agreement Request: [Form RI-9465](#)
- Full compliance with all filing requirements



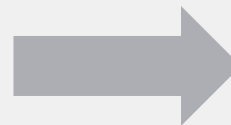
High likelihood for approval:

- You have a total balance greater than \$1,000
- Remit 50% Down
- Remaining balance must be paid in 12 installments or less



You may still be approved if you complete these steps:

- Complete Income/Expense Statement section of form RI-9465, Installment Agreement Request for review
- Provide any backup documentation requested



Moving forward:

- Must continue to stay in compliance with filings and payments
- Interest and penalties continue to accrue until tax portion of liability is paid in full (if applicable)

Collections and Compliance

Offers in Compromise: What You Need to Know

Qualifications:

- If debt is excessive, illegal, or uncollectible [Regulation 280-RICR-20-00-6](#)

Requirements:

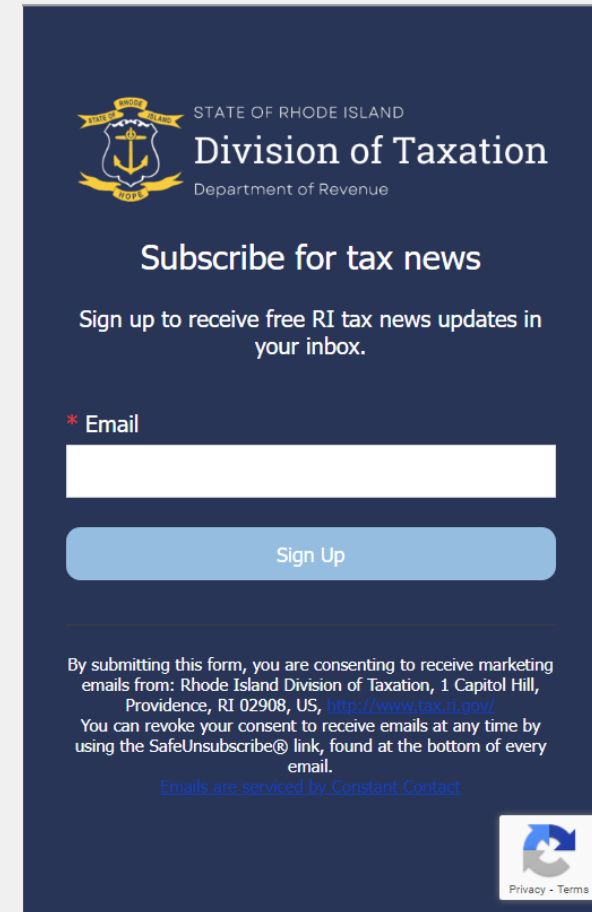
- Complete [Form RI-656](#)
- Complete [Form 433A](#) or [Form 433B](#)
- Full compliance with all filing requirements

Documentation Needed:

- Financial Statements and verification of reason request may be required

More Tax Resources

- Sign up for our emails
 - Tax news delivered to your inbox
 - Quarterly newsletters
 - Important updates



The screenshot shows a dark blue sign-up form for the Rhode Island Division of Taxation. At the top left is the state seal, followed by the text "STATE OF RHODE ISLAND" and "Division of Taxation" in a large font, with "Department of Revenue" in a smaller font below it. The main heading is "Subscribe for tax news". Below this is the text "Sign up to receive free RI tax news updates in your inbox." There is a white input field for an email address, preceded by an asterisk and the word "Email". Below the input field is a blue "Sign Up" button. At the bottom, there is a paragraph of text: "By submitting this form, you are consenting to receive marketing emails from: Rhode Island Division of Taxation, 1 Capitol Hill, Providence, RI 02908, US, <http://www.tax.ri.gov/>. You can revoke your consent to receive emails at any time by using the SafeUnsubscribe@ link, found at the bottom of every email." Below this text is a link: "[Emails are serviced by Constant Contact](#)". In the bottom right corner, there is a small icon of a recycling symbol and the text "Privacy - Terms".

Thank you



STATE OF RHODE ISLAND

Division of Taxation

Department of Revenue

Contact Us

401-574-8922

Tax.Outreach@tax.ri.gov

One Capitol Hill

Providence, RI 02908

