



Division of Taxation

Department of Revenue

Rhode Island Tax News

First Quarter, 2023

[Visit Our Website](#)



Filing Season is here

As previously announced, the Rhode Island Division of Taxation is following the IRS 2023 tax filing start date of January 23 and due date of April 18 for the filing of Rhode Island Personal Income Tax returns for the 2022 tax year.

The Division reminds taxpayers and tax professionals that the preferred method of filing and paying Rhode Island personal income taxes is through electronic means. Filing electronically has many benefits for taxpayers. It speeds up processing time for both state and federal returns, allows taxpayers to use direct deposit, and enables payments to be made electronically, as well.



Details can be found in [ADV 2023-03](#).

ADV 2023-03

Updates

Form RI-STR

Rhode Island has a new Sales and Use Tax form.

Starting with the return for the period ending January 2023, which was to be filed in February 2023, sales and use tax filers have begun using the Form RI-STR.

Forms STM and STQ are to be used only for periods ending on or before December 31, 2022, including amended returns.

Below please see step-by-step instructions for filing the RI-STR on the [Rhode Island](#)

[Taxpayer Portal](#), and a checklist for what you will need.

**RHODE ISLAND
SALES TAX
RETURN**

HOW TO:

STEP 1
Log on to the
Taxpayer Portal:
taxportal.ri.gov.

STEP 2
Choose: "Transactions" → "File a Form"
STM for periods through Dec 2022 &
STR for periods starting Jan 2023




STEP 3
Complete the return.
Remember to enter
your NAICS code &
Account ID#.

Tips:

- Know your Account ID#
- Know your NAICS code
- Enter your Gross Sales Amount

STEP 4
Enter Sales and
Deductions

STEP 5
Certify, sign, and
submit your return &
submit payment.



**SALES TAX
FILING AND
PAYMENT**

CHECKLIST:

☐ Know your Account ID #

☐ Know your NAICS code

☐ Have your Gross Sales Amount

☐ Know your sales tax collected amount




☐ Identify each distinct deduction amount

☐ Log on to the Taxpayer Portal

☐ Choose:
"Online Transactions" → "File a Form"

☐ Enter Sales and Deductions

☐ Click Calculate and Submit



2023 RI Tax Changes

A new year often brings with it tax changes. Many of Rhode Island's 2023 changes apply for tax years beginning on or after January 1, 2023. These changes generally do not affect the tax returns that businesses and individuals are currently filing, and will continue to file, over the next few months related to the 2022 tax year. The changes can be used for tax planning purposes throughout the 2023 calendar year.

Change	Takes Effect	Details	More Information
Adult Use Cannabis	Effective December 1, 2022	Subject to RI Sales and Use Tax, 10% State Cannabis Excise Tax, and 3% Local Cannabis Excise Tax.	Division's Website
Corporate Tax Voucher phase-out	Starting January 1, 2023	Starting with tax year 2022, extensions and vouchers must be filed on the Rhode Island BUS-EXT and BUS-V forms.	ADV 2022-38
Electronic Filing Mandate	For periods beginning on January 1, 2023	Larger business registrant taxpayers are required to use	Electronic Filing Mandate webpage

		electronic means to file returns and remit taxes to RI.	
Estate Tax Credit & Threshold	For decedents dying on or after January 1, 2023	<ul style="list-style-type: none"> • Credit: \$80,395 • Threshold: \$1,733,264 	ADV 2023-01
Certain Individual Mandate deadlines extended	Announced October 19, 2022	<ul style="list-style-type: none"> • Distribution deadline: March 2 • Filing Deadline: March 31 	ADV 2022-29
Interest Rates	January 1, 2023	<ul style="list-style-type: none"> • Overpayments: 6.25% • Underpayments, Trust Fund: 18% • Underpayments, Non-Trust Fund: 12% 	FAQs
Pass-through forms change RI-1096PT series discontinued	Beginning on January 1, 2023	Forms discontinued: <ul style="list-style-type: none"> • RI-1096PT • RI-1096PT-ES • RI-2210PT • RI-1096V • RI-4868PT • RI-1099PT Use instead: <ul style="list-style-type: none"> • BUS-EST • RI-1041ES 	ADV 2022-27
Personal Income Tax	Tax Year 2023	Inflation-adjusted amounts calculated	ADV 2022-40
Tax Credits	Calendar Year 2023	Sunset dates extended	ADV 2022-31

More details available in ADV 2023-02



Child Tax Rebates

On Friday February 10, 2023, the Internal Revenue Service (IRS) released a statement clarifying the federal treatment of special tax payments made by 21 states, including Rhode Island.



Free File

Many Rhode Islanders qualify for the Free File program. The program allows filers to use name-brand tax preparation software to prepare and file their state and federal income taxes at no cost.

The federal and Rhode Island tax-filing seasons are currently open. Many Rhode Islanders making less

The IRS determined that it will not be challenging the taxability of payments related to general welfare and disaster relief and the Child Tax Rebate payments issued by Rhode Island do not need to be reported on the federal 2022 Personal Income Tax return.

ADV 2023-05

IRS News Release

than \$73,000 a year are eligible for Free File. To check your eligibility status, and participate in Free File, visit the Division's dedicated [Free File webpage](#).

Eligible filers can prepare and electronically file their federal and Rhode Island personal income tax returns at no charge through the Free File links on the Division's Free File page.

ADV 2023-06

Free File Webpage

Advisories

The Rhode Island Division of Taxation periodically issues Advisories to provide information regarding a variety of topics relevant to Rhode Island state taxes and the Division, including filing deadlines, changes in the law, payment methods, and general operational information.

For an archive of the Division's Advisories, visit: <https://tax.ri.gov/guidance/advisories>.

View the Archive

Congratulations

Crystal L. Cote

Tax Section Chief

Compliance & Collections, Registration & Taxpayer Experience

The Rhode Island Division of Taxation is committed to the personal and professional growth of all employees. Crystal Cote is one of the Division of Taxation's top managers who has dedicated her entire career to the Rhode Island Division of Taxation and exemplifies the passion and commitment to public service. In this article, we recognize the exemplary service of Crystal Cote.

While attending college in 2004, Crystal started an internship in the Excise Tax Section of the Division of Taxation. When seasonal hiring began in February 2005, she came on more officially as a seasonal Taxpayer Service Specialist in the Taxpayer Assistance Section. Crystal's exemplary service to the Division, and to the taxpayers of Rhode Island ensured that offering her a full-time position as a Senior Word Processing Typist in the Taxpayer Assistance Section was an easy decision when her time as a seasonal employee came to an end.

Crystal continued to provide exceptional service to taxpayers and from 2006 to 2014, she achieved a number of promotions including Taxpayer Service Specialist in the Income Tax Section, Revenue Agent, Revenue Agent II, through Senior Revenue Agent in the Field Audit Section.

In 2017, she moved to the Compliance, Collections and Registration Department as Chief Business Management Officer. Crystal has excelled in Compliance, Collections, and Registration. She has also been an integral figure in the success of the Division's Taxpayer Portal implementation, providing virtual and in-person training sessions and presentations on the topic, as well as training an exceptional team to assist taxpayers with the same dedication and skill that she demonstrates every day.

Crystal was promoted into the Chief Revenue Agent role in 2019, and in late 2021 rose to the position of Assistant Tax Section Chief in the Compliance, Collections and Registration Unit. Most recently, in January 2023, Crystal became the Tax Section Chief in the Compliance, Collections, Registration Department, and Taxpayer Experience Unit. During her career with the Division of Taxation, and especially in her current role, Crystal has also mentored and trained many entry level tax professionals who have been promoted within the Division of Taxation.

Congratulations, Crystal, the Division is lucky to have you, as are the taxpayers of Rhode Island.

[Join our team!](#)



[Savings Calculator](#)

Inflation Reduction Act

The [Inflation Reduction Act of 2022 \(IRA\)](#), passed federally, has wide-ranging impacts on multiple sectors.

To see how much you might save from the IRA, you can use this handy [savings calculator](#) provided by Rewiring America at rewiringamerica.org.

The Division is not affiliated with Rewiring America; if you have questions about the calculator or need assistance, please contact [Rewiring America](#).

Help us grow

Do you share the Division's emails and newsletters with colleagues?

Yes

No



Newsletter Archive

For your convenience, newsletters, including this one, are available in our online Newsletter Archive.

[Newsletter Archive](#)

Tax Talk

Taxpayer Experience Office Webpage Launches

In 2022, the Division of Taxation established its Taxpayer Experience Office with a dedicated taxpayer experience team, and Leo Lebeuf as the Taxpayer Experience Liaison.

This month, the Division officially launched the [Taxpayer Experience Office webpage](#).

The page contains information on upcoming events that the Office has planned, an organizational chart, and information about the initiative.

Calendar Events/Upcoming Events

[+ This Month's Calendar Events](#)

[+ Upcoming Calendar Events](#)

[+ Past Calendar Events - 2023](#)

[+ Past Calendar Events - 2022](#)

Contact Us

Taxpayer Experience Office
Email: Taxpayer.Experience@tax.ri.gov
Phone: [401.574.8983](tel:401.574.8983)

Tax Talk

Q&A: LOGS

Q: What does "LOGS" mean?

A: A Letter of Good Standing (LOGS) 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.

Q: What is the typical time to receive a letter of good standing from the Division of Taxation?

A: Letters of Good Standing are typically issued within 3-5 days to compliant taxpayers.

Q: I requested a Letter of Good Standing more than 5 days ago and have not received it. Why not?

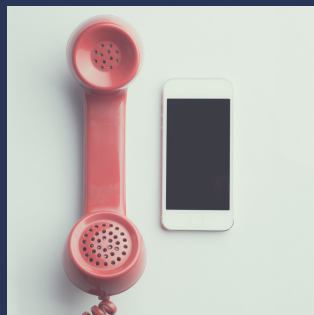
A: A LOGS can only be issued if the entity is in full compliance. If the entity requesting the LOGS has not fulfilled all obligations to become compliant, the Division will request the additional information needed for issuance. Once the additional information is received, the LOGS is typically issued within 3-5 days of the taxpayer becoming compliant.

Depending on the reason for the LOGS request, there may be specific documents needed. Please be sure to verify that you are including all documents for the request that are listed under each section of the LOGS application.

[Learn more about LOGS](#)

[Request a LOGS through the Portal](#)

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

[401-574-TIPS \(8477\)](tel:401-574-TIPS)

[Report Online](#)

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 2022 Q4's Administrative Decisions, the issues addressed were:

[Administrative Decision 2022-16:](#)

It was determined that Taxpayers request for refunds for 2013, 2014, and 2015 were properly denied for being out of time.

[Administrative Decision 2022-17:](#)

The Taxpayer was determined to owe tax and penalties on other tobacco products for which no tax was paid.

[Administrative Decision 2022-18:](#)

It was determined that the Taxpayer's claimed refund for 2017 was properly denied for being out of time.

[Administrative Decision 2022-19:](#)

The Taxpayer was determined to owe additional tax, interest, and a penalty for the tax year 2016 for failing to report additional income.

[Administrative Decision 2022-20:](#)

It was determined that the Taxpayer owes sales and use tax assessed in the May 22, 2020 Notice of Assessment, due to lack of providing a resale certificate timely.

[View Administrative Decisions Archive](#)



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

— Oliver Wendell Holmes Jr.

Contact



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