



Temporary Relief from the Gross Earnings Tax on Electricity and Gas Frequently Asked Questions

Q1: Who qualifies for the temporary relief from the gross earnings tax on electricity and gas?

A: A utility company subject to the public service corporation tax due pursuant to R.I. Gen. Laws § 44-13-4 that would be charged to its electric and/or gas utility customers for the months of December 2023 through March 2024 may receive a rebate of the tax paid by the company.

This provides relief from payment of the tax by the company's customers on their individual bills.

Q2: Are there specific requirements to ensure that a utility company qualifies for the temporary relief rebate?

A: Yes. The specific requirements are as follows:

- A utility company must pay the public service corporation tax pursuant to, and in accordance with, R.I. Gen. Laws § 44-13-4 for customer usage in the months of December 2023 through March 2024.
 - The utility company cannot charge any electric utility or gas utility customer the tax due or paid pursuant to R.I. Gen. Laws § 44-13-4, but must reflect the amount of the tax due, along with an offsetting credit, on each bill for each electric utility or gas utility customer.
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Q3: How will the Division determine the rebate due to the utility company?

A: The rebate will be determined based upon the applicable tax paid by a utility company for electricity and/or gas consumption by its electric and/or gas utility customers between the months of December 2023 through March 2024.

Q4: How will utility companies apply for the temporary relief rebate?

A: Utility companies will need to file an application for the temporary relief rebate for the months of December 2023 through March 2024.

Q5: When are rebate applications due?

A: All rebate applications, both original and amended are due on or before May 31, 2024. No applications will be available, or allowed to be filed, after May 31, 2024.

To receive a rebate, an eligible taxpayer may file an application on or before the following dates:

- Period of December 2023 – due February 15, 2024
- Period of January 2024 – due March 15, 2024
- Period of February 2024 – due April 15, 2024
- Period of March 2024 – due May 15, 2024

Amended applications for any month are due no later than May 31, 2024. The above due dates allow for earlier submissions of the rebate applications in advance of the May 31, 2024 statutory deadline for all filings, but taxpayers may file each application by the May 31, 2024 deadline.

Q6: Why are applications allowed to be filed within 45 days of the end of each month of relief?

A: To expedite the processing of applications and refunds throughout the relief period as opposed to waiting until the conclusion.

While the applications are not required to be filed prior to May 31, 2024, this is being allowed as an option during the relief period.

Q7: How must rebate applications be submitted to the Division?

A: Rebate applications may be filed through a link on a dedicated webpage for the temporary relief from the gross earning tax on electricity and gas. The webpage will be located in the Special Programs page under the Guidance tab.

Q8: Can a taxpayer submit one application for the entire length of the temporary relief period of December 2023 through March 2024?

A: An application should be submitted for each month of the relief period to allow for proper accounting of the tax due that would have been charged to electric and/or gas utility customers.

Q9: Is supporting documentation required to be submitted along with the rebate application?

A: Yes. Applicants must provide an attachment to be submitted at the time of filing each rebate application.

Q10: What supporting documentation should be submitted?

A: The following supporting documentation must be provided per each utility customer:

- Customer account number,
 - Customer type (business or individual), and
 - Amount of credit issued to each customer.
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Q11: How long will it take for a rebate check to be issued by the Division once a rebate application is submitted.

A: Rebate applications will be reviewed monthly following the due date. The Division will issue a rebate check approximately 2-3 weeks after a completed rebate application has been submitted.

Q12: Can the Division extend the May 31, 2024 deadline for the rebate applications?

A: No. R.I. Gen. Laws § 44-13-37 requires all applications to be submitted on or before May 31, 2024.

Q13: Can the Division administer the temporary relief based upon monthly invoice dates instead of administering the relief based upon the calendar month begin to end date?

A: The statute requires relief be afforded for each calendar month based on customer usage. To foster consistency amongst all utility companies seeking a rebate and to comply with R.I. Gen. Laws § 44-13-37, rebates must be provided for usage per calendar month for December 2023 through March 2024.

Q14: Can the temporary relief rebate be offset and applied to another tax or other state liability?

A: No. The rebates cannot be offset as the nature of the rebate is intended to offset the gross earnings tax that would have been paid by the utility company's electric and/or gas customers.

Q15: If a utility company receives payment in error from an electric and/or gas utility customer, what must the utility company do?

A: The utility company must make best efforts to issue a refund to the customer within thirty (30) days of receipt of the payment as set forth in R.I. Gen. Laws § 44-13-37.

Q16: Is there any penalty associated with the temporary relief rebate?

A: Yes. If it is determined that a fraudulent application has been submitted by a utility company, then the company will be subject to a ten dollar (\$10.00) penalty per registered active account.

The utility company will also be required to pay the rebate amount fraudulently received back to the Division and the tax administrator.

Q17: Will the rebate payments impact the due dates of the utility company's 2024 estimated payments?

A: No. The rebate is intended for relief of the gross earnings tax that would have been charged to customers of the electric and/or gas utility company. It is not intended to offset any estimated payments or to extend the due date of any estimated payments for tax year 2024.

Q18: Will the rebate impact the due date of the utility company's 2023 RI T-72 Public Service Corporation Gross Earnings tax return?

A: No. The return is still due April 15th except for filers with a fiscal year end of June 30th. For those filers the due date is September 15th.

Q19: Will the Division provide further guidance during the temporary relief period?

A: Yes. As needed, the Division will continue to update both the Temporary Relief from Gross Earnings Tax on Electricity and Gas webpage and FAQs.
