

RI -1065 – Test 1

Scenario: TMZ, LLC at 2001 Party Street, Pawtucket RI 02860 is a single member LLC (SMLLC). Taxpayer's total tax and withholding due is \$2,181.00 plus interest (\$44.00) and penalties (\$218.00) for a total due of \$2,443.00.

Additional information:

FEIN 11-0008871

Entity type: SMLLC

Federal Taxable Income: \$900,000.00 from Federal schedule C

Estimates: \$30,000.00

Extension: \$400.00

Apportionment ratios: 0.600000

Final Determination on **Schedule F**: No

This test will use the following sections, schedules(s) and form(s).

RI-1065

Schedule A

Schedule B

Schedule C

Schedule E

Schedule F

Schedule I

Schedule PTW

Schedule A

Line 1: Federal taxable income	\$ 900,000.00
Line 5: Rhode Island Apportionment Ratio	0.600000
Line 6: Apportioned Rhode Island taxable income	\$ 537,240.00
Line 7a: Rhode Island Annual Fee	\$ 400.00
Line 7b: Jobs Growth Tax	\$ 0.00
Line 7c: Pass-through withholding from PTW	\$ 32,181.00
Line 7d: Pass-through from Schedule PTE	\$
Line 8a: Total tax and withholding	\$ 32,581.00

Schedule B

Line 1a: Exempt Interest	\$ 2,000.00
Line 1b: Bonus Depreciation and Section 179 expense adjustment	\$ 6,000.00
Line 1c: Modification for Tax Incentives for Employers	\$ 4,600.00
Line 1d: Cash Basis Only – Deductions for Pass-Through Entity	\$ 0.00
Line 1e: Total Deductions	\$ 12,600.00

RI -1065 – Test 1 (continued)

Schedule C

Line 1a: Interest	\$ 3,200.00
Line 1b: Bonus Depreciation adjustment	\$ 1,000.00
Line 1c: Intangible addback	\$ 3,800.00
Line 1d: Pass-Through Entity Tax Elected to be paid	\$ 0.00
Line 1e: Taxable Portion of PPP Loan	\$ 0.00
Line 1d: Total Additions	\$ 8,000.00

Schedule E

Line 1: Elective Deduction for New Research and Development Facilities	\$ 5,000.00
Line 2: Qualifying Investment in a Certified Venture Capital Partnership	\$ 1,000.00

Schedule I

AVERAGE NET BOOK VALUE	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 1a: Inventory	\$3,750.00	\$6,250.00
Line 1b: Depreciable assets	\$3,120.00	\$5,200.00
Line 1c: Land	\$ 0.00	\$ 0.00
Line 1d Rent	\$ 0.00	\$ 0.00
Line 1e Total	\$6,870.00	\$11,450.00
Line 1f: Ratio in Rhode Island	0.600000	
RECEIPTS	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 2a: Rhode Island Sales	\$ 60,000.00	\$ 100,000.00
Line 2a: Sales Under 44-11-14(a)(2)(i)(B)	\$ 0.00	
Line 2b: Dividends	\$ 60.00	\$ 100.00
Line 2c: Interest	\$ 120.00	\$ 200.00
Line 2d: Rents	\$ 180.00	\$ 300.00
Line 2e: Royalties	\$ 180.00	\$ 300.00
Line 2f: Capital gains	\$ 60.00	\$ 100.00
Line 2g: Ordinary income	\$ 60.00	\$ 100.00
Line 2h Other income	\$ 300.00	\$ 500.00
Line 2i: Income exempt from taxation	\$ 60.00	\$ 100.00
Line 2j: Total	\$ 61,020.00	\$ 101,700.00
Line 2k: Ratio in Rhode Island	0.600000	
Salaries	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 3a: Salaries and wages	\$300,000.00	\$500,000.00
Line 3b: Ratio in Rhode Island	0.600000	
Ratios		
Line 4: Total of Rhode Island ratios	1.800000	
Line 5: Apportionment Ratio	0.600000	

RI -1065 – Test 1 (continued)

Schedule PTW

Part A

Line 1: \$ 537,240.00
Line 2: 1.000000

Part B

Line 4b: \$ 537,240.00
Line 10b: \$ 537,240.00

Schedule K-1

SH	Shareholder Name	SSN	Address	Ownership %
1	Ophelia Philippe	300-00-7000	68 Spring St, Ann Arbor, MI 48109	100%

Complete Entity Information and Taxpayer Information using information provided Sections I, II and III – Complete based on ownership

In addition to other relevant sections of the K-1, Section IV should include the following:

Line 1: \$537,240
Line 2: \$32,181

Note to vendors:

For this test you must describe in detail the steps required of a user of your software product in order for the user to prepare and file Form RI-1065 for a SMLLC.

The detail must include whether or not the user is required to file a Federal return, is the user required to create an additional member of the entity, what schedule(s) is the user required to complete, and what error checking the user is presented with prior to filing.

RI -1065 – Test 2

Scenario: Taxpayer named Great Idea, LLC, at 45 Royal Road, Providence, RI 02908. This is the taxpayer’s first filing, so it is to be marked “Initial Return”. There is a balance due of \$1,046.00.

Additional information:

FEIN 11-0009805

Initial Return = Yes

Entity type: Limited Liability Company – “LLC”

Federal Taxable Income: \$ 800,000.00

Extension Payment: \$ 400.00

Apportionment ratios: 0.021725

Final Determination on **Schedule F**: No

This test will use the following sections, schedules(s) and form(s).

RI-1065

Schedule A

Schedule B

Schedule C

Schedule E

Schedule F

Schedule I

Schedule K-1

Schedule PTE

Schedule PTW

Schedule A

Line 1: Federal taxable income	\$ 800,000.00
Line 5: Rhode Island Apportionment Ratio	0.021725
Line 6: Apportioned Rhode Island taxable income	\$ 17,477.00
Line 7a: Rhode Island Annual Fee	\$ 400.00
Line 7b: Jobs Growth Tax	\$ 0.00
Line 7c: Pass-through withholding from PTW	\$ 0.00
Line 7d: Pass-through from PTE	\$ 1,046.00
Line 8a: Total tax and withholding	\$ 1,446.00

Schedule B

Line 1a: Exempt Interest	\$ 1,111.00
Line 1b: Bonus Depreciation and Section 179 expense adjustment	\$ 0.00
Line 1c: Modification for Tax Incentives for Employers	\$ 2,222.00
Line 1d: Cash Basis Only – Deductions for Pass-Through Entity	\$ 0.00
Line 1e: Total Deductions	\$ 3,333.00

RI -1065 – Test 2 (continued)

Schedule C

Line 1a: Interest	\$ 3,333.00
Line 1b: Bonus Depreciation adjustment	\$ 0.00
Line 1c: Intangible addback	\$ 2,444.00
Line 1d: Pass-Through Entity Tax Elected to be paid	\$ 0.00
Line 1e: Taxable Portion of PPP Loan	\$ 2,000.00
Line 1f: Total Additions	\$ 7,777.00

Schedule E

Line 1: Elective Deduction for New Research and Development Facilities	\$ 219.00
Line 2: Qualifying Investment in a Certified Venture Capital Partnership	\$ 611.00

Schedule I

AVERAGE NET BOOK VALUE	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 1a: Inventory	\$ 360.00	\$7,453.00
Line 1b: Depreciable assets	\$ 250.00	\$5,176.00
Line 1c: Land	\$ 150.00	3,106.00
Line 1d Rent	\$ 120.00	2,484.00
Line 1e Total	\$ 880.00	\$18,219.00
Line 1f: Ratio in Rhode Island	0.048301	
RECEIPTS	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 2a: Rhode Island Sales	\$ 480.00	\$ 99,379.00
Line 2a: Sales Under 44-11-14(a)(2)(i)(B)	\$ 0.00	
Line 2b: Dividends	\$ 450.00	\$ 93,168.00
Line 2c: Interest	\$ 600.00	\$ 124,224.00
Line 2d: Rents	\$ 0.00	\$ 0.00
Line 2e: Royalties	\$ 0.00	\$ 0.00
Line 2f: Capital gains	\$ 125.00	\$ 25,880.00
Line 2g: Ordinary income	\$ 960.00	\$ 198,758.00
Line 2h Other income	\$ 300.00	\$ 62,112.00
Line 2i: Income exempt from taxation	\$ 0.00	\$ 0.00
Line 2j: Total	\$ 2,915.00	\$ 603,521.00
Line 2k: Ratio in Rhode Island	0.004830	
Salaries	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 3a: Salaries and wages	\$ 6,000.00	\$ 498,137.00
Line 3b: Ratio in Rhode Island	0.012045	
Ratios		
Line 4: Total of Rhode Island ratios	0.065176	
Line 5: Apportionment Ratio	0.021725	

RI -1065 – Test 2 (continued)

Schedule PTE

Both shareholders are making the pass-through entity election.

Part A

Line 1: \$ 17,477.00

Line 2: 1.000000

Schedule PTW

Part A

Line 1: \$ 17,477.00

Line 2: 0.5000000

Part B

Line 4b: \$ 8,739.00

Line 9b: \$ 8,739.00

Schedule K-1

SH	Shareholder Name	SSN	Address	Ownership
1	Tom Jefferson	100-00-9000	52 Cranberry Lane, South Dennis, MA 02660	50%
2	Ann Washington	500-00-3000	1 Country Road, Johnston RI 02917	50%

Complete Entity Information and Taxpayer Information using information provided.
Sections I, II and III – Complete based on ownership

In addition to other relevant sections of the K-1, Section VI should include the following for each shareholder:

Line 1: \$8,739

Line 2: \$523

RI -1065 – Test 3

Scenario: Taxpayer named Gratis Partnership at 1575 Silver Way, Cranston, RI 02920. Taxpayer is a General Partnership. You must use the “Partnership” check box for General Partnerships, otherwise a fee will be assessed. TP has an overpayment is \$1,250.00. \$750 is requested as a refund and the rest is to be applied to the next year’s estimate.

Additional information:

FEIN 11-0009876

Entity type: Partnership -Note TP is not subject to RI Annual Fee on Schedule A, Line 7a.

Federal Taxable Income: \$ 1,310,290.00

Nonresident Real Estate Withholding: \$1,250.00

Apportionment ratios: 1.000000

Final Determination in **Schedule F**: No

This test will use the following sections, schedules(s) and form(s).

RI-1065
Schedule A
Schedule B
Schedule C
Schedule E
Schedule F
Schedule I
Schedule K-1
Schedule PTW

Schedule A

Line 1: Federal taxable income	\$ 1,310,290.00
Line 5: Rhode Island Apportionment Ratio	1.000000
Line 6: Apportioned Rhode Island taxable income	\$ 1,219,190.00
Line 7a: Rhode Island Annual Fee	\$ 0.00
Line 7b: Jobs Growth Tax	\$ 0.00
Line 7c: Pass-through withholding from PTW	\$ 0.00
Line 7d: Pass-through from Schedule PTE	\$ 0.00
Line 8a: Total tax	\$ 0.00

Schedule B

Line 1a: Exempt Interest	\$ 0.00
Line 1b: Bonus Depreciation and Section 179 expense adjustment	\$ 121,200.00
Line 1c: Modification for Tax Incentives for Employers	\$ 0.00
Line 1d: Cash Basis Only – Deductions for Pass-Through Entity	\$ 0.00
Line 1e: Total Deductions	\$ 121,200.00

RI -1065 – Test 3 (continued)

Schedule C

Line 1a: Interest	\$ 0.00
Line 1b: Bonus Depreciation adjustment	\$ 30,100.00
Line 1c: Intangible addback	\$ 0.00
Line 1d: Pass-Through Entity Tax Elected to be paid	\$ 0.00
Line 1e: Taxable Portion of PPP Loan	\$ 0.00
Line 1f: Total Additions	\$ 30,100.00

Schedule E

Line 1: Elective Deduction for New Research and Development Facilities	\$ 911.00
Line 2: Qualifying Investment in a Certified Venture Capital Partnership	\$ 725.00

Schedule I

AVERAGE NET BOOK VALUE	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 1a: Inventory	\$ 7,500.00	\$ 7,500.00
Line 1b: Depreciable assets	\$ 5,200.00	\$ 5,200.00
Line 1c: Land	\$ 1,200.00	\$ 1,200.00
Line 1d Rent	\$ 1,800.00	\$ 1,800.00
Line 1e Total	\$ 15,700.00	\$ 15,700.00
Line 1f: Ratio in Rhode Island	1.000000	
RECEIPTS	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 2a: Rhode Island Sales	80,000.00	\$ 100,000.00
Line 2a: Sales Under 44-11-14(a)(2)(i)(B)	\$ 20,000.00	
Line 2b: Dividends	\$ 1,000.00	\$ 1,000.00
Line 2c: Interest	\$ 2,000.00	\$ 2,000.00
Line 2d: Rents	\$ 3,000.00	\$ 3,000.00
Line 2e: Royalties	\$ 4,000.00	\$ 4,000.00
Line 2f: Capital gains	\$ 5,000.00	\$ 5,000.00
Line 2g: Ordinary income	\$ 1,500.00	\$ 1,500.00
Line 2h Other income	\$ 2,500.00	\$ 2,500.00
Line 2i: Income exempt from taxation	\$ 3,500.00	\$ 3,500.00
Line 2j: Total	\$ 122,500.00	\$ 122,500.00
Line 2k: Ratio in Rhode Island	1.000000	
Salaries	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 3a: Salaries and wages	\$ 500,000.00	\$ 500,000.00
Line 3b: Ratio in Rhode Island	1.000000	
Ratios		
Line 4: Total of Rhode Island ratios	3.000000	
Line 5: Apportionment Ratio	1.000000	

RI -1065 – Test 3 (continued)

Schedule PTW

Gratis Partnership is filing a RI-1040C on behalf of SHs #1 and #2.

Part A

Line 1: \$ 1,219,190.00

Line 2: 0.6000000

Part B

Line 4b: \$ 731,514.00

Line 8b: \$ 731,514.00

Line 10b: \$ 0.00

Schedule K-1

SH	Shareholder Name	SSN	Address	Ownership %
1	John Jones	100-00-4532	44 Dryden Rd, Baskett, KY 42402	30
2	James Smyth	300-00-0408	1800 Municipal Dr, Patriot, IN 47038	30
3	Kayla Jones	200-00-0715	25 Ocean St, Pawtucket RI 02860	40

Complete Entity Information and Taxpayer Information using information provided.
Sections I, II, III and V – Complete based on ownership

RI -1065 – Test 4

Scenario: Taxpayer named All by Myself at 1 Solo Way, Hope, RI 02831. Taxpayer is a Sole Proprietor. You must use the “Sole Proprietor” check box, otherwise a fee will be assessed. TP is requesting a refund of the overpayment.

Note: The new Sole Proprietor check box is to be used solely for an individual who is a Sole Proprietor and has made a pass-through entity election. Previously, the Sole Proprietor would have filed Form RI-PTE, but because that form has been discontinued effective with tax year 2024 this is the mechanism to allow the Sole Proprietor to make the pass-through entity election. The Sole Proprietor is not subject to the \$400 annual fee.

In addition to completing Schedule PTE and Schedule K-1, the filing for a Sole Proprietor only requires lines 7d through lines 16 of the RI-1065 be completed.

Additional information:

FEIN 11-0000001 [the Sole Proprietor will use a FEIN not an SSN]

Entity type: Sole Proprietor - Note TP is not subject to RI Annual Fee on Schedule A, Line 7a.

Estimated payments: \$ 30,000.00

This test will use the following sections, schedules(s) and form(s).

RI-1065

Schedule A

Schedule K-1

Schedule PTE

Schedule A

Line 7d: Pass-through from Schedule PTE	\$	29,950.00
Line 8a: Total tax	\$	29,950.00

Schedule PTE

Part A

Line 1:	\$	500,000.00
Line 2:		1.000000

Schedule K-1

Shareholder Name	SSN	Address
Adam Frost	100-00-9000	1 Solo Way, Hope, RI 02831

Complete Entity Information and Taxpayer Information using information provided.
Sections I, II and III – Complete based on ownership

In addition to other relevant sections of the K-1, Section VI should include the following for the Sole Proprietor:

Line 1:	\$500,000.00
Line 2:	\$29,950.00

MeF Notes

Where to find the MeF registration form and schema information

<https://tax.ri.gov/resources/software-developers>

Rhode Island requires testing and registration every year.

Manifest Information:

- Here is the list of items we expect in the `StateSubmissionType` element in the manifest.
 - "RI1120C"
 - "RI1120S"
 - "RI1065"

Business Rules:

- Must be an original filing we do not allow duplicates.
- The other is the software ID must be approved.

Rule Number Rule Text

X0000-002	Incorrect Transmission data.
X0000-003	SubmissionId in the submission file mismatches SubmissionId in the manifest file.
X0000-004	No submission file found in state submission directory.
X0000-005	The XML data has failed schema validation.
X0000-006	MeF Gateway experiences system error.
X0000-007	Other State Submission
X0000-008	The namespace declarations in the root element of the return ('Return' element) is incorrect.
1040-060	Software Developer ID must be approved for Individual Efile.
1040-062	Transmission cannot be a duplicate of a previously accepted transmission.
1120-060	Software Developer ID must be approved for Individual Efile.
1120-062	Transmission cannot be a duplicate of a previously accepted transmission.