

**RI -1120S – Test 1**

**Scenario:** Taxpayer named Great Atomic Pyrotechnics & Designs, Inc. at 36 Anytown Street, Providence, RI 02908 consists of seven (7) members as listed below. Return has an overpayment of \$1,298.00 which is to be refunded.

	Shareholder Name	FEIN/SSN	Address	SH %
1	Mark Smith	100-00-6000	100 Short Street, Chicopee, MA 01020	12.50 %
2	Ann Big	500-00-1000	41 Tree Drive, Johnston, RI 02919	10.00 %
3	Billie Stevens	031-79-1111	100 Short Street, Chicopee, MA 01020	25.00%
4	Real Estate Trust	88-5678901	100 Short Street, Chicopee, MA 01020	25.00 %
5	Stefon Maye	011-99-9999	1 Patriot Place, Foxborough, MA 02035	10.00 %
6	Dela Cruz	100-44-2002	100 Joe Nuxhall Way, Cincinnati, OH 45202	15.00 %
7	Big Grantor Trust	500-00-1000	41 Tree Drive, Johnston, RI 02919	2.50 %

**Additional information:**

FEIN 11-0007501

Federal Taxable Income: \$56,825.00

Estimates: \$ 5,000.00

Extension payments: \$ 400.00

Apportionment ratios: 1.000000

Final Determination on **Schedule F**: No

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

- RI-1120S
- Schedule A
- Schedule B
- Schedule C
- Schedule E
- Schedule F
- Schedule I
- Schedule HR1 – Entity
- Schedule 174A
- Schedule K-1
- Schedule PTE
- Schedule PTW

**Schedule A**

Line 1: Federal taxable income	\$	56,825.00
Line 5: Rhode Island Apportionment Ratio		1.000000
Line 6: Apportioned Rhode Island taxable income	\$	72,700.00
Line 7a: Rhode Island Minimum Tax	\$	400.00
Line 7b: Jobs Growth Tax	\$	0.00
Line 7c: Pass-through withholding from Sch. PTW	\$	2,613.00
Line 7d: Pass-through from Schedule PTE	\$	1,089.00
Line 8a: Total tax	\$	4,102.00

**RI -1120S – Test 1 (continued)**

**Schedule B**

Line 1a: Exempt Interest	\$11,000.00
Line 1b: Bonus Depreciation and Section 179 expense adjustment	\$ 3,500.00
Line 1c: Modification for Tax Incentives for Employers	\$ 300.00
Line 1d: Cash Basis Only – Deductions for Pass-Through Entity	\$ 1,500.00
Line 1e: Modification for taxpayers under RIGL 21-28.6	\$75,000.00
Line 1f: Section 174A Amortization Adjustment	\$ 5,000.00
Line 1g: Total Deductions	\$96,300.00

**Schedule C**

Line 1a: Interest	\$ 1,200.00
Line 1b: Bonus Depreciation adjustment	\$ 500.00
Line 1c: Intangible addback	\$ 1,000.00
Line 1d: Pass-Through Entity Tax Elected to be paid	\$18,175.00
Line 1e: Taxable Portion of PPP Loan	\$ 1,300.00
Line 1f: Addback of Federal P.L. 119-21, H.R.1 Provisions	\$90,000.00
Line 1g: Reserved for future use	\$ 0.00
Line 1h: Total Additions	\$112,175.00

**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 H.R.1 - Entity**

Line 1a: Business interest expense	\$ 0.00
Line 1b: Section 174A Amortization Adjustment	\$ 80,000.00
Line 1c: Depreciation of business assets	\$ 5,000.00
Line 1d: Qualified sound recording production	\$ 5,000.00
Line 1e: Reserved for future use	\$ 0.00
Line 1f: Total amount	\$ 90,000.00

**Schedule 174A**

Line 1: Amount of 174A claimed on Federal return	\$100,000.00
--	--------------

Line 2:

Equipment	01/2025	\$100,000	174A	5 yrs/20%	\$20,000
-----------	---------	-----------	------	-----------	----------

Line 4: Amount to be added back	\$80,000.00
---------------------------------	-------------

**RI -1120S – Test 1 (continued)**

**Schedule I**

<b>AVERAGE NET BOOK VALUE</b>	<b>COLUMN A RHODE ISLAND</b>	<b>COLUMN B EVERYWHERE</b>
Line 1a: Inventory	\$7,500.00	\$7,500.00
Line 1b: Depreciable assets	\$5,200.00	\$5,200.00
Line 1c: Land	\$ 0.00	\$ 0.00
Line 1d Rent	\$ 0.00	\$ 0.00
Line 1e Total	\$12,700.00	\$12,700.00
Line 1f: Ratio in Rhode Island	1.000000	
<b>RECEIPTS</b>	<b>COLUMN A RHODE ISLAND</b>	<b>COLUMN B EVERYWHERE</b>
Line 2a: Rhode Island Sales	\$100,000.00	\$100,000.00
Line 2a: Sales Under 44-11-14(a)(2)(i)(B)	\$ 0.00	
Line 2b: Dividends	\$ 100.00	\$ 100.00
Line 2c: Interest	\$ 200.00	\$ 200.00
Line 2d: Rents	\$ 300.00	\$ 300.00
Line 2e: Royalties	\$ 300.00	\$ 300.00
Line 2f: Capital gains	\$ 100.00	\$ 100.00
Line 2g: Ordinary income	\$ 100.00	\$ 100.00
Line 2h Other income	\$ 500.00	\$ 500.00
Line 2i: Income exempt from taxation	\$ 100.00	\$ 100.00
Line 2j: Total	\$101,700.00	\$101,700.00
Line 2k: Ratio in Rhode Island	1.000000	
<b>Salaries</b>	<b>COLUMN A RHODE ISLAND</b>	<b>COLUMN B EVERYWHERE</b>
Line 3a: Inventory	\$500,000.00	\$500,000.00
Line 3b: Ratio in Rhode Island	1.000000	
<b>Ratios</b>		
Line 4: Total of Rhode Island ratios	3.000000	
Line 5: Apportionment Ratio	1.000000	

**Schedule PTE**

SHs #1, 2 and 7 are making the pass-through entity election.

Cash Basis

Line 1: Total PTE apportioned to RI	\$	72,700.00
Line 2: Percentage of economic benefit		0.250000
Line 3: PTE Income generated	\$	18,175.00
Line 4: Tax Rate		5.99%
Line 5: PTE Election Tax	\$	1,089.00

Part B, line 1: \$1,089

Part C, line 2: \$ 980

**RI -1120S – Test 1 (continued)**

**Schedule PTW**

Great Atomic will be filing a RI-1040C on behalf of SH #6.

Line 1: Total RITI apportioned to RI	\$	72,700.00
Line 2: Percentage of NR members		0.875000
Line 3: RI source income of NR members	\$	63,613.00

Nonresident breakdown:

C Corporation member: 0%

Other members: 100%

Line 12a: C Corporation PTW due	\$	0.00
Line 12b: All others PTW due	\$	2,613.00

**Schedule K-1**

Complete Entity Information and Taxpayer Information using information provided.

Sections I, II, III should be completed for all shareholders

Sections IV, V and VI as applicable (see below).

- Section IV for SHs #3, #4 and #5
- Section V for SH #6
- Section VI for SHs #1, #2 and #7

## RI -1120S – Test 2

**Scenario:** Taxpayer named WorkAllDay, Inc. at 99 Anytown Street, Cranston, RI 02908. The return shows a tax due of \$1,200.00 plus pass-through withholding from Schedule PTW. The total balance due is \$2,118.00. Annualization checkbox on Form RI-2220 is checked. Taxpayer includes Q-Sub companies. The amount due is being paid with the return filing.

### Additional information:

FEIN 11-0007505

Q-Sub included: Yes

Number of Q-Sub companies: 2

Federal Taxable Income: \$1,500,000.00

Estimates: \$ 15,000.00

Extension payments: \$ 1,200.00

Pass-through withholding paid on Entity's behalf: \$ 5,000.00

Apportionment ratios: 0.500000

Final Determination on **Schedule F**: No

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

- RI-1120S
- Schedule A
- Schedule B
- Schedule C
- Schedule E
- Schedule F
- Schedule I
- Schedule HR1 - Entity
- Q-Sub Schedule (mandatory)
- Schedule K-1
- Schedule PTW

### Schedule A

Line 1: Federal taxable income	\$	1,500,000.00
Line 5: Rhode Island Apportionment Ratio		0.500000
Line 6: Apportioned Rhode Island taxable income	\$	738,500.00
Line 7a: Rhode Island Minimum Tax	\$	1,200.00
Line 7b: Jobs Growth Tax	\$	0.00
Line 7c: Pass-through withholding from Sch. PTW	\$	22,118.00
Line 7d: Pass-through from Schedule PTE	\$	0.00
Line 8a: Total tax	\$	23,318.00

**RI -1120S – Test 2 (continued)**

**Schedule B**

Line 1a: Exempt Interest	\$ 7,000.00
Line 1b: Bonus Depreciation and Section 179 expense adjustment	\$ 20,000.00
Line 1c: Modification for Tax Incentives for Employers	\$ 0.00
Line 1d: Cash Basis Only – Deductions for Pass-Through Entity	\$ 30,000.00
Line 1e: Modification for taxpayers under RIGL 21-28.6	\$ 6,000.00
Line 1f: Section 174A Amortization Adjustment	\$ 0.00
Line 1g: Total Deductions	\$ 63,000.00

**Schedule C**

Line 1a: Interest	\$ 10,250.00
Line 1b: Bonus Depreciation adjustment	\$ 3,250.00
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	\$ 8,750.00
Line 1f: Addback of Federal P.L. 119-21, H.R.1 Provisions	\$ 17,750.00
Line 1g: Reserved for future use	\$ 0.00
Line 1h: Total Additions	\$ 40,000.00

**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 H.R.1 - Entity**

Line 1a: Business interest expense	\$ 17,750.00
Line 1b: Section 174A Amortization Adjustment	\$ 0.00
Line 1c: Depreciation of business assets	\$ 0.00
Line 1d: Qualified sound recording production	\$ 0.00
Line 1e: Reserved for future use	\$ 0.00
Line 1f: Total amount	\$ 17,750.00

**Schedule I**

AVERAGE NET BOOK VALUE	COLUMN A RHODE ISLAND	COLUMN B EVERYWHERE
Line 1a: Inventory	\$2,000.00	\$4,000.00
Line 1b: Depreciable assets	\$1,750.00	\$3,500.00
Line 1c: Land	\$1,600.00	\$3,200.00
Line 1d Rent	\$1,000.00	\$2,000.00
Line 1e Total	\$6,350.00	\$12,700.00
Line 1f: Ratio in Rhode Island	0.500000	

**RI -1120S – Test 2 (continued)**

<b>RECEIPTS</b>	<b>COLUMN A RHODE ISLAND</b>	<b>COLUMN B EVERYWHERE</b>
Line 2a: Rhode Island Sales	\$ 500,000.00	\$1,000,000.00
Line 2a: Sales Under 44-11-14(a)(2)(i)(B)	\$ 0.00	
Line 2b: Dividends	\$ 50.00	\$ 100.00
Line 2c: Interest	\$ 100.00	\$ 200.00
Line 2d: Rents	\$ 150,000.00	\$ 300,000.00
Line 2e: Royalties	\$ 150.00	\$ 300.00
Line 2f: Capital gains	\$ 50.00	\$ 100.00
Line 2g: Ordinary income	\$ 50.00	\$ 100.00
Line 2h Other income	\$ 250.00	\$ 500.00
Line 2i: Income exempt from taxation	\$ 50.00	\$ 100.00
Line 2j: Total	\$ 650,700.00	\$1,301,400.00
Line 2k: Ratio in Rhode Island	0.500000	
<b>Salaries</b>	<b>COLUMN A RHODE ISLAND</b>	<b>COLUMN B EVERYWHERE</b>
Line 3a: Inventory	\$250,000.00	\$500,000.00
Line 3b: Ratio in Rhode Island	0.500000	
<b>Ratios</b>		
Line 4: Total of Rhode Island ratios	1.500000	
Line 5: Apportionment Ratio	0.500000	

**Q-Sub Schedule**

Q-Sub Name	FEIN	Address
PartDayWork, Inc	11-1551212	150 Riverside Dr, East Providence RI 02915
FullTimePay, Inc	22-2552525	100 Newport Ave, East Providence RI 02914

**Schedule PTW**

Part A

Line 1: RI-1120S, line 6 \$ 738,500.00  
 Line 2: Nonresident profit percentage 0.500000

Part B

Line 4b: Nonresident income by entity type \$ 369,250.00  
 Line 10:NR income subject to pass-through withholding \$ 369,250.00

Part C

Line 1a: ABC LLC – 87-1239123 - \$5,000.00

**RI -1120S – Test 2 (continued)**

**Schedule K-1**

SH	Shareholder Name	SSN	Address	Ownership %
1	Derek James	200-00-9000	68 Spring St, Providence, RI 02908	50%
2	Madeline Nice	700-00-3000	13 Silent Rd, Edgartown, MA 02539	50%

Complete Entity Information and Taxpayer Information using information provided.  
Sections I, II and III – Complete based on 50/50 ownership

Section IV:

Line 1: \$369,250

Line 2: \$22,118

## 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"