



# Rhode Island Department of Revenue **Division of Taxation**

Taxation Annual Seminar

December 10, 2025

**Neena Savage**  
**Tax Administrator**  
**Rhode Island Division of Taxation**

# Agenda

- About Us: Division of Taxation
- Personal Income Tax Updates
- Excise and Estate Tax Updates
- Collections and Compliance Updates
- Tax Portal Updates
- Audit and Investigation Updates
- Closing Remarks

# About Us

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

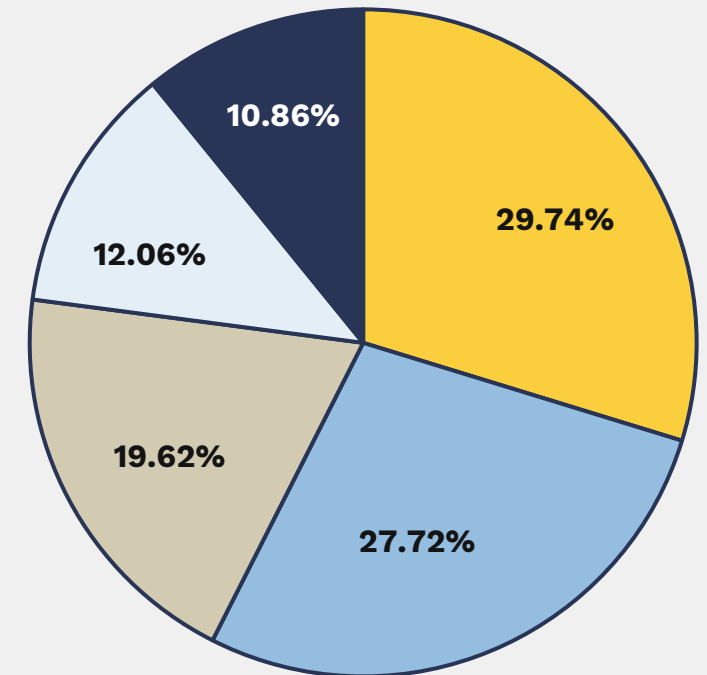
- The Rhode Island Division of Taxation employs **228 tax professionals**, administering more than **62 different taxes and fees**.
- Taxes represent **the most significant source of General Fund revenue** for Rhode Island – funds used to help pay for vital services including public safety, education, transportation, and recreation for all Rhode Islanders.
- Each year, the Division **collects and distributes more than \$5.45 billion** in funds to the State, municipalities, and other agencies (as of FY 25).

## 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.

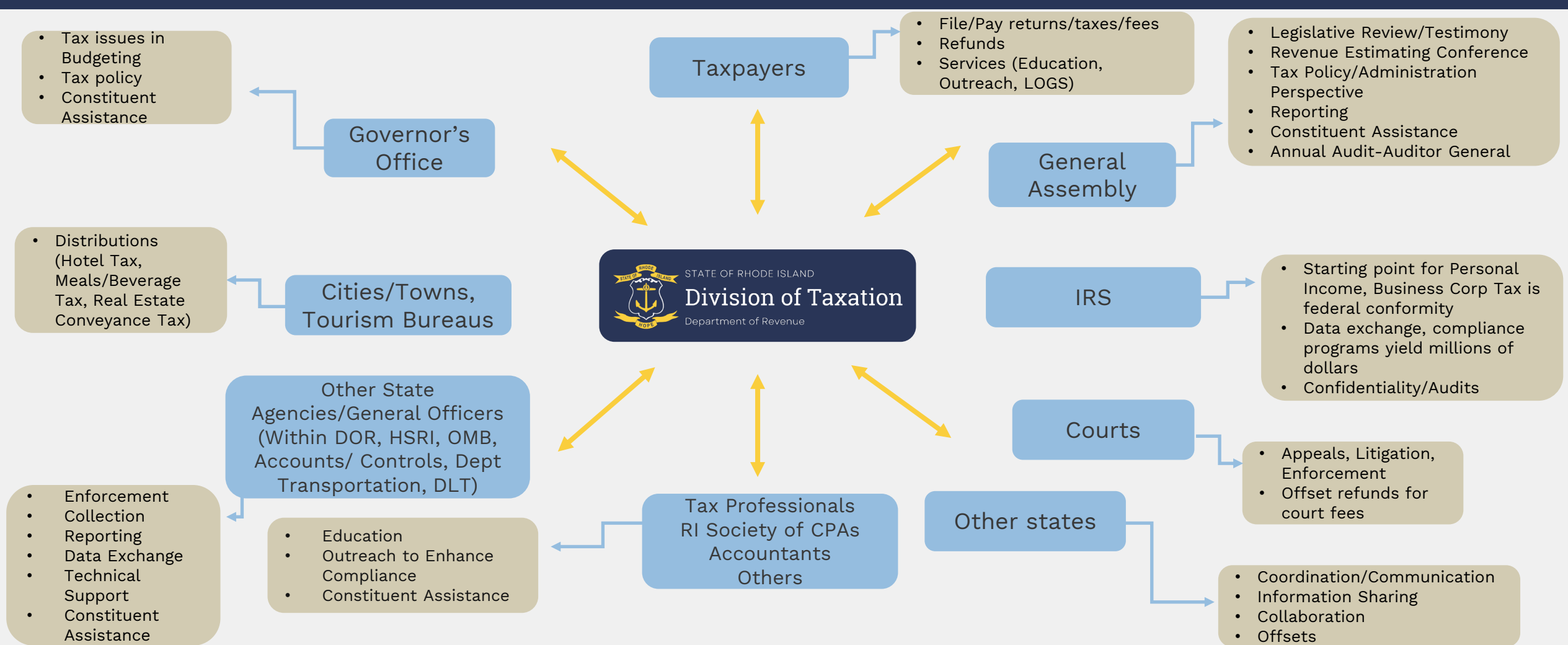
## Total State Tax Revenue Collected by the Division of Taxation for Fiscal Year 2025 (\$, In Millions)

FY25 Receipts: \$5.45B

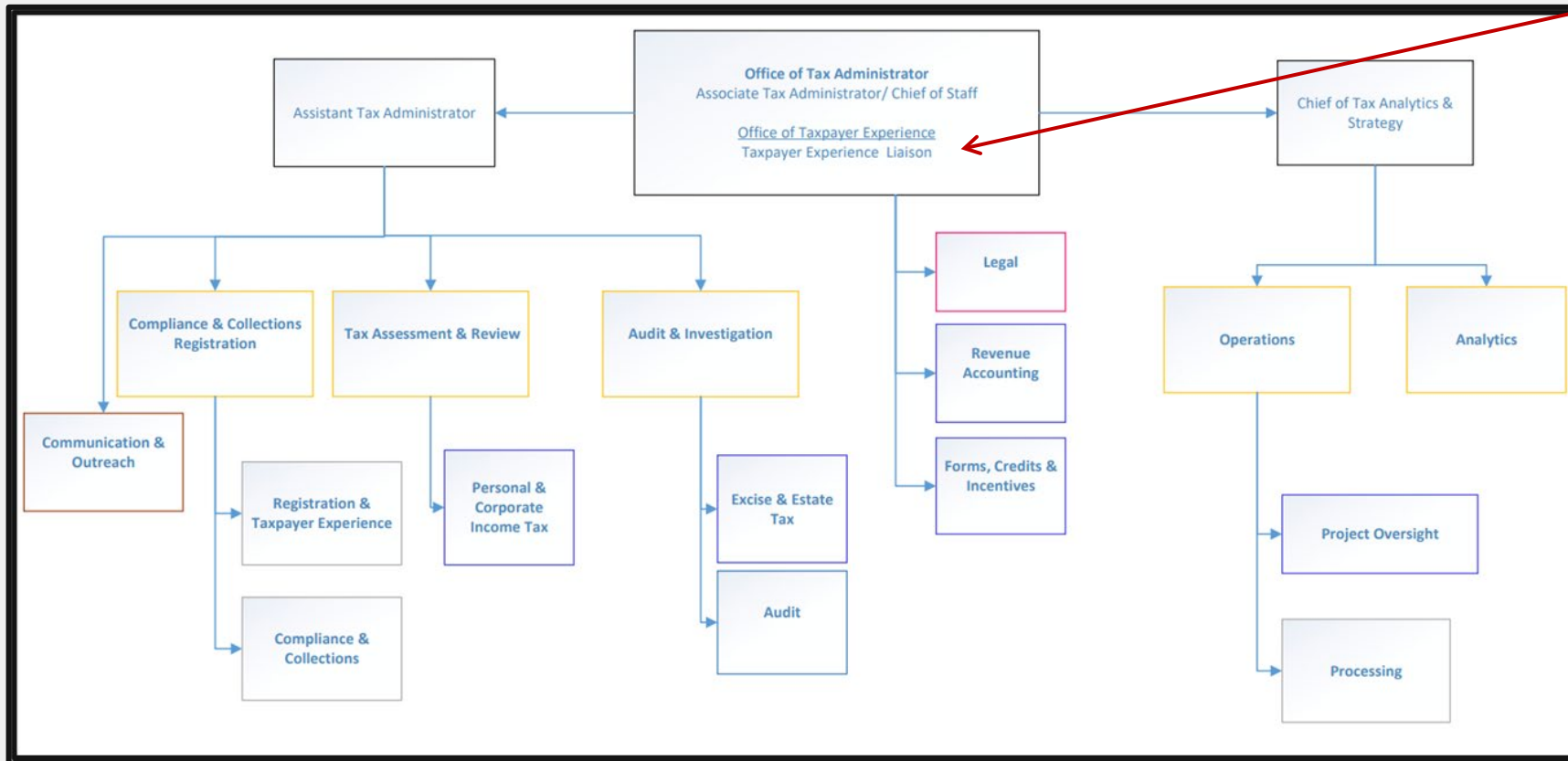


■ Withholding ■ Sales ■ Corp ■ PIT ■ Estate, M&B, Hotel & Other

# 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

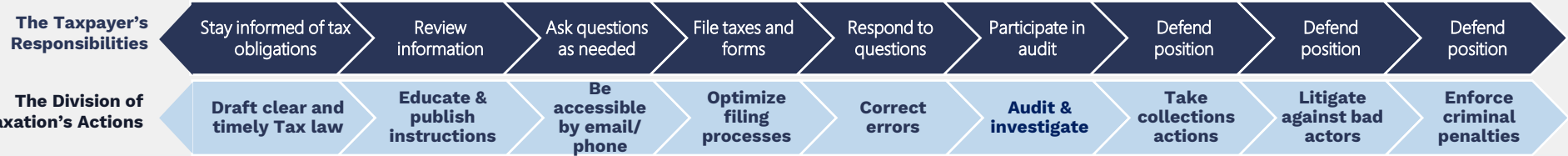
## The Tax Administration Efficiency Continuum

**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

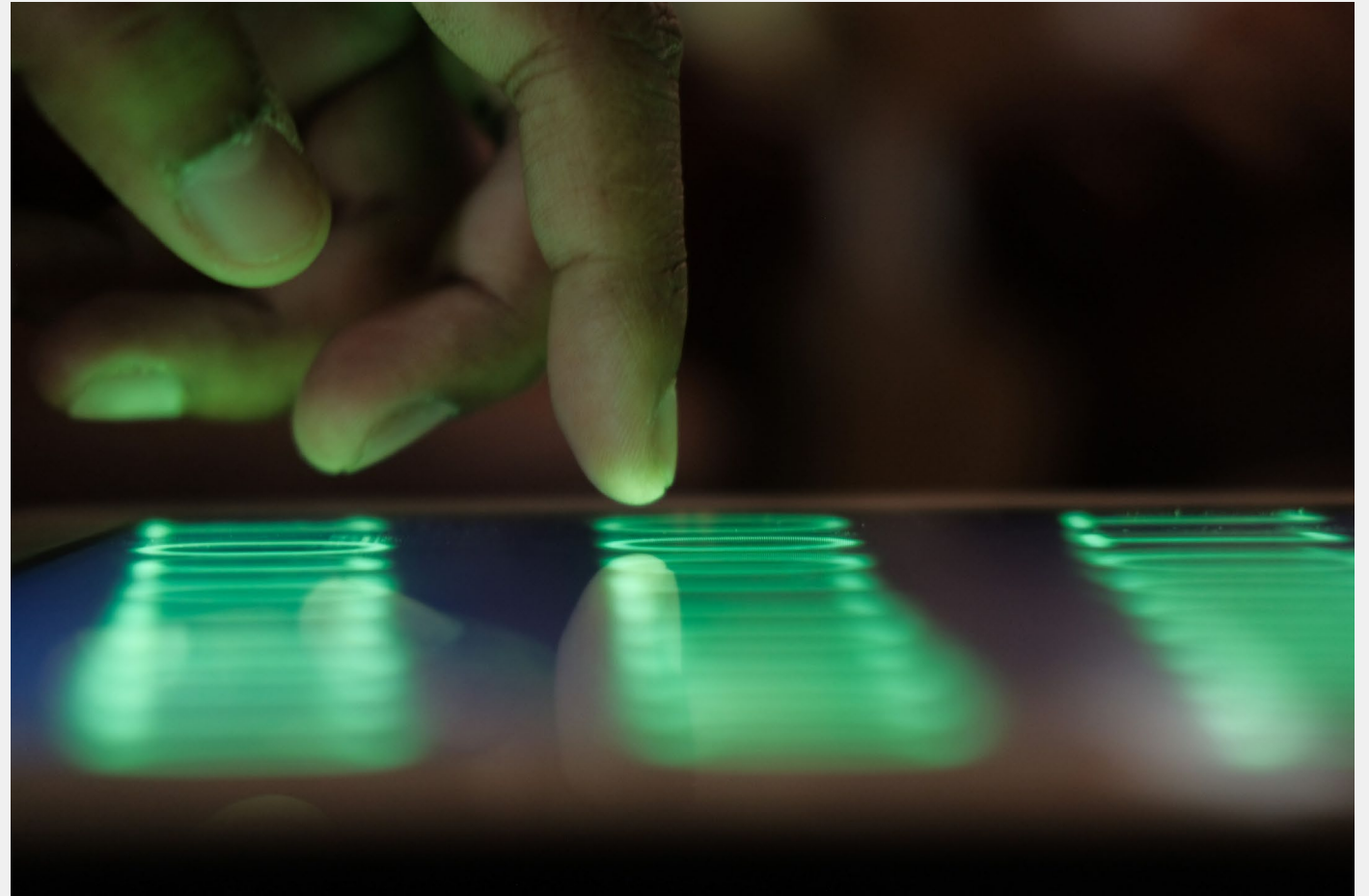
**Taxpayer Experience Office/Team**

# Preventing Fraud

## Tips and Best Practices

### 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.



# Preventing Fraud

**Fraud Guidance webpage: <https://tax.ri.gov/guidance/fraud-guidance>**



STATE OF RHODE ISLAND

Division of Taxation

Department of Revenue

## Fraud Protection

HOW-TO



### Monitor your accounts

Monitor your financial statements, online accounts, and government correspondence for signs of fraud or identity theft.



### Get an IP PIN

Get an identity protection PIN - learn how at <https://www.irs.gov/identity-theft-fraud-scams/get-an-identity-protection-pin>.



### Strengthen your passwords

Use strong, unique, passwords for all online accounts. Do not reuse passwords.



### Freeze your credit

Freeze your credit with all three bureaus; learn how at <https://www.usa.gov/credit-freeze>.



### Use MFA verification

Enable multi-factor authentication on all of your online accounts.



### Remain vigilant

Keep up these good habits. The danger of fraud does not lessen over time.

# Preventing 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.
- ☑ Use multifactor authentication and 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](#).
- ☑ Visit [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](#).

# **Carlita Annicelli**

## **Chief of Personal and Corporate Income Tax Section**

# Personal and Corporate Income Tax

- Personal Exemptions \$5,100
- Standard Deduction
  - Single \$10,900
  - Joint/Qualifying Widow(er) \$21,800
  - HOH \$10,900
  - Married filing Separately \$16,350

- Exemption and Deduction Phaseout Amounts
  - \$254,250 – \$283,250

**2025 Tax Year**  
Inflationary changes

- Social Security Amounts
  - Single \$107,000
  - Joint \$133,500
- Pension and Annuity
  - Single \$107,000
  - Joint \$133,500

- Property Tax Relief Credit \$700
  - Income Limitation \$40,730

# Personal and Corporate Income Tax

## TY 2025 Updated Filing Options

### MeF

- RI-1040
- RI-1120C, RI-1120S, RI-1065 (with PTE & PTW Schedules)
- RI-1041 (with PTE & PTW Schedules)
  - (PTE for corp. only)
  - May issue a K1 to its beneficiaries, but it cannot receive a K1 that notes PTE credit.
- Return Payments
- Extensions

### Portal

- Extensions
- Estimates

### Estimates Available on Paper\*

- RI-1040ES
- BUS-EST
- RI-1041ES

\*Please note, if the taxpayer is an entity subject to RI's Electronic Filing Mandate, filing on paper may subject the taxpayer to penalties.

# Personal and Corporate Income Tax

## Legislative Changes – Tax Credits and Sunsets

Credit	Change	Affects
<b>Jobs Growth Act Tax Credit</b>	Eliminates any tax credits for tax years beginning on or after 1/1/2026.	<a href="#">42-64.11-7</a>
<b>Tax Increment Financing</b>	The Rhode Island Commerce Corporation shall enter into no tax increment financing agreement after 12/31/2026.	<a href="#">42-64.21</a>
<b>Specialized Investment Tax Credit</b>	Eliminates any tax credits for tax years beginning on or after 1/1/2026.	<a href="#">44-31-2</a>
<b>Elective Deduction for Research and Development Facilities</b>	Eliminates any deductions for tax years beginning on or after 1/1/2026 with carry forward for deductions allowed for tax years ending on or before 12/31/2025.	<a href="#">44-32-1</a>
<b>Research and Development Property Tax Credit</b>	Eliminates any tax credits for tax years beginning on or after 1/1/2026 with carry forward for credits allowed for tax years ending on or before 12/31/2025.	<a href="#">44-32-2</a>
<b>Employment Tax Credit</b>	Eliminates any tax credits for tax years beginning on or after 1/1/2026.	<a href="#">44-39.1-5</a>
<b>Tax Incentives for Capital Investment in Small Businesses</b>	Eliminates any tax credits, deductions, or modifications for tax years beginning on or after 1/1/2026.	<a href="#">44-43-2</a> <a href="#">44-43-3</a>

# Personal and Corporate Income Tax

## Pension and Annuity Modification

- Modification cap TY 25 = \$50,000
- Inflation increase to current AGI limit
  - TY 25:
    - Single: \$107,000
    - Joint: \$133,500
- Modification is based on full retirement age of 66 years and 10 months
  - Born on or before March 1, 1959
- Does not include IRAs

## Social Security Income Modification

- Tax Year 2025 = No modification cap
- AGI and income limits are the same as RI Pension and Annuity Modification

Retirement  
Income  
Modifications  
– Tax Year  
2025

## Military Pension Modification

- Tax Year 2025 = No modification cap

For more information regarding retirement income see the annual [Rhode Island Retirement Income Tax Guide](#)

# Personal and Corporate Income Tax

## Earned Income Tax Credit Reminders

- The Rhode Island EITC is in addition to the Federal EITC.
  - Rhode Island EITC rate is a percentage of the Federal EITC amount: **2024-2025=16.0%**.
- RI EITC is a refundable credit, which means the credit will be refunded to the taxpayer to the extent it exceeds the taxpayer's tax liability.
- RI tax preparer's regulation includes guidance on due diligence requirements and records retention for EITC and RI-1040H Property Tax Credit. [Tax Preparer's Regulation 280-RICR-20-55-4.](#)

# Personal and Corporate Income Tax

## Earned Income Tax Credit Reminders

- RI conforms to federal eligibility and income thresholds.
  - We do also review and approve or deny, if denial is warranted.
  - If credit ineligibility is suspected, we may need to take extra steps to validate the EITC claim.
- Other points to consider:
  - Returns without expenses.
  - Documentation for income reporting (e.g. requests for licenses, records, statements, etc.).

# Personal and Corporate Income Tax

## Earned Income Tax Credit Reminders

- NAICS Codes:
  - Schedule C must be submitted with a valid NAICS code
  - NAICS code should be 6 digits & match closely to a valid business activity code (per IRS)
  - Check that invalid NAICS codes are not carried over from prior years

Visit [census.gov](https://www.census.gov) for more information on NAICS Codes.

SCHEDULE C (Form 1040)		Profit or Loss From Business (Sole Proprietorship)		OMB No. 1545-0074	
Department of the Treasury Internal Revenue Service		Attach to Form 1040, 1040-SR, 1040-SS, 1040-NR, or 1041; partnerships must generally file Form 1065. Go to <a href="https://www.irs.gov/ScheduleC">www.irs.gov/ScheduleC</a> for instructions and the latest information.		2024 Attachment Sequence No. 09	
Name of proprietor			Social security number (SSN)		
A	Principal business or profession, including product or service (see instructions)		B Enter code from instructions 		
C	Business name. If no separate business name, leave blank.		D Employer ID number (EIN) (see instr.) 		
E	Business address (including suite or room no.)				

# Personal and Corporate Income Tax

## Non-resident Real Estate Withholding

- Referred to as “71.3 Withholding”
- R.I. Gen Laws § 44-30-71.3 requires withholding on the sale of real estate by non-residents
- [Non-resident Real Estate Withholding Instructions](#)
- Two methods
  - Net Proceeds Method
  - Gain Method
- Net Proceeds
  - Funds are withheld at the closing based on the net proceeds to the seller

# Personal and Corporate Income Tax

## Non-resident Real Estate Withholding

- Gain Method
  - [Regulation 280-RICR-20-10-1](#) requires the Election and Certificate Combination form be submitted 20 or more days before the date of the closing.
  - Please remember - most mail is received 3 to 5 days after it is mailed.
    - Avoid mail delays by using our email process:
      1. Email: [Tax.NonRes713@tax.ri.gov](mailto:Tax.NonRes713@tax.ri.gov).
      2. Always include the name of the seller and the property address in the email subject line.
      3. Remittances that require payment cannot be emailed.
      4. Complete forms entirely.



# Personal and Corporate Income Tax

## Non-resident Real Estate Withholding

- 71.3 withholding payment lines
  - RI-1040NR, Line 17c
  - RI-1041, Line 15c
  - RI-1065, Line 9c
  - RI-1120C, line 17a
  - RI-1040C, Line 14

# Personal and Corporate Income Tax

## Non-resident Real Estate Withholding

- Helpful Links

- Latest Advisory regarding electronic signature submission:  
[https://tax.ri.gov/sites/g/files/xkgbur541/files/2022-11/ADV\\_2022\\_32\\_electronic\\_signature.pdf](https://tax.ri.gov/sites/g/files/xkgbur541/files/2022-11/ADV_2022_32_electronic_signature.pdf)
- Non-resident Real Estate Withholding forms:  
<http://www.tax.ri.gov/taxforms/nrrewh.php>

# Personal and Corporate Income Tax

## Income Requests

### Penalty Waivers

- Requests should be in writing and all balances should be paid in full less the penalty.
- Allow at least 30 days to process.
- Notification will be sent to the taxpayer once processed.

### Requests for Information

- Responses should be **received within 20 days** of request.
- Documentation can be mailed, emailed, faxed, or submitted through drop box.
- **Email** or **fax** encouraged, as it allows for proof of receipt.
- Once response is submitted, please allow **5 business days** before checking the status.
- **Only send copies**, we are not responsible for originals sent via mail.

# Personal and Corporate Income Tax

## Income Tax Forms Best Practices

### Common Errors/Best Practices:

- Incorrect Federal identification numbers - ID numbers are used to verify withholding amounts and should be completed correctly.
- Use the correct code for the document on Sch W (“P” or “G”).
- Late employer filings could delay withholding verification.
- “Other payments” on RI-1040, line 14f and RI-1040NR, line 17e, generally will be used for extension payments only - do not include RI-TDI.

# Personal and Corporate Income Tax

## Income Tax Forms Best Practices

### Common Errors/Best Practices:

- Do NOT include Non-resident Real Estate Withholding on Schedule W (should be included on RI-1040NR, Line 17c).
- Make sure the taxpayer's name is consistent year to year.
- Accurately complete non-resident allocation indicators and schedules.
- Include all schedules with Amended RI-1040, even if nothing has changed.

# Personal and Corporate Income Tax

## H.R. 1 (Public Laws No.: 119-21) Rhode Island Response

### Tax Base Retention:

- Creates advisory working group to study impact.
- Maintains tax base as is until next legislative session and allows for emergency regulations.
- Report with policy options and estimated fiscal impacts submitted on 10/30/25.
- [H.R. 1 \(Public Laws No.: 119-21\) | RI Division of Taxation](#)

# Personal and Corporate Income Tax

## H.R. 1 (Public Laws No.: 119-21) Rhode Island Response

State of Rhode Island Division of Taxation  
**2025 RI Schedule HR1 Individual**  
 Addback of Federal P. L. 119-21, H.R.1 Provisions

Name \_\_\_\_\_ Social security number \_\_\_\_\_

The following P. L. 119-21, H.R.1, 119th Cong. (2025) items taken as deductions on your Federal return are to be added back in order to determine your Rhode Island Modified Federal AGI.

1a Business interest expense deduction included on Federal Form 1040, Schedule C, line 16; or RI Schedule K-1, Section II, line 5 [I.R.S. Code 163(j)] (See instructions).....	1a		
b Section 174A Amortization Adjustment for research and development expensing from RI Schedule K-1, Section II, line 6 [I.R.S. Code 174A].....	1b		
c Depreciation of business assets [I.R.S. Code 179(b)].....	1c		
d Qualified sound recording production deduction from RI Schedule K-1, Section II, line 7 [I.R.S. Code 181].....	1d		
e Reserved for future use.....	1e		
f Total amount of P. L. 119-21, H.R.1 deductions. Add lines 1a - 1e. Enter here and on RI Sch. M, line 2k.....	1f		

State of Rhode Island Division of Taxation  
**2025 RI Schedule HR1 Individual**  
 Addback of Federal P. L. 119-21, H.R.1 Provisions

Name \_\_\_\_\_ Social security number \_\_\_\_\_

The following P. L. 119-21, H.R.1, 119th Cong. (2025) items taken as deductions on your Federal return are to be added back in order to determine your Rhode Island Modified Federal AGI.

1a Business interest expense deduction included on Federal Form 1040, Schedule C, line 16; or RI Schedule K-1, Section II, line 5 [I.R.S. Code 163(j)] (See instructions).....	1a		
b Section 174A Amortization Adjustment for research and development expensing from RI Schedule K-1, Section II, line 6 [I.R.S. Code 174A].....	1b		
c Depreciation of business assets [I.R.S. Code 179(b)].....	1c		
d Qualified sound recording production deduction from RI Schedule K-1, Section II, line 7 [I.R.S. Code 181].....	1d		
e Reserved for future use.....	1e		
f Total amount of P. L. 119-21, H.R.1 deductions. Add lines 1a - 1e. Enter here and on RI Sch. M, line 2k.....	1f		

State of Rhode Island Division of Taxation  
**2025 RI Schedule HR1 Entity**  
 Addback of Federal P. L. 119-21, H.R.1 Provisions

Name \_\_\_\_\_ Federal employer identification number \_\_\_\_\_

The following P. L. 119-21, H.R.1, 119th Cong. (2025) items taken as deductions on your Federal return are to be added back in order to determine your Rhode Island taxable income.

1a Business interest expense deduction included on Federal Form 1065, line 15; Federal Form 1120, line 15; or Federal Form 1120-S, line 13 [I.R.S. Code 163(j)].....	1a		
b Section 174A Amortization Adjustment for research and development expensing [I.R.S. Code 174A].....	1b		
c Depreciation of business assets [I.R.S. Code 179(b)].....	1c		
d Qualified sound recording production deduction [I.R.S. Code 181].....	1d		
e Reserved for future use.....	1e		
f Total amount of P. L. 119-21, H.R.1 deductions. Add lines 1a - 1e. Enter here and on Form RI-5041, Sch. M, line 2k; Form RI-1065, Sch. C, line 1f; Form RI 1120C, Sch. C, line 1c; or Form RI-1120S, Sch. C, line 1f.....	1f		

# Personal and Corporate Income Tax

## **H.R. 1 (Public Laws No.: 119-21) Rhode Island Response**

### Tip and Overtime Income Exemptions

- Below the line deductions on federal return
- No RI impact (since below the line deduction)

### Research and Experimental Expenses (Section 174A)

- [ADV 2025-18](#)
- Decoupling from accelerated expensing
- Max 20% per year

### Filing guidance for individuals and entities

- [ADV 2025-20](#)

### Dedicated webpage

- <https://tax.ri.gov/guidance/hr-1-public-laws-no-119-21>

# Personal and Corporate Income Tax

## H.R. 1 (Public Laws No.: 119-21) Rhode Island Response

State of Rhode Island Division of Taxation  
**RI Schedule 174A**  
 Section 174A Amortization Worksheet

Name	Tax Year	Federal employer identification number
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Did you make an election to amortize Section 174A research and experimental expenditures for this tax year? Yes  No   
 If "YES", do not complete this schedule.  
 If "NO", complete this schedule and attach to your tax return.

Amortization Schedule

(a) Description of Costs	(b) Date Amortization Begins	(c) Amortizable Amount	(d) Code Section	(e) Period / %	(f) Amortization for the Year
1 Amortization of costs that begins during tax year _____					
2 Total amount of amortization. Add the amounts from line 1, column f .....					

Recalculation of Research and Experimental Expenditures (Section 174A) Amortization

Instructions:  
 Enter the amount of "research and experimental expenditures" Amortization claimed on Federal Form 4562, Part VI, line 42 and identified in column d as Section 174 on returns filed prior to July 4, 2025; and Section 174A for returns filed after July 4, 2025.

	Amortization # of years / %	Amortizable Amount	Tax Year 2022	Tax Year 2023	Tax Year 2024
TY22 - Original					
TY22 - Amended					
TY23 - Original					
TY23 - Amended					
TY24 - Original					
TY24 - Amended					
Adjustment					

Now  
08/2025

State of Rhode Island Division of Taxation  
**RI Schedule 174A**  
 Section 174A Amortization Worksheet

Name	Tax Year	Federal employer identification number
------	----------	--

Did you make an election to amortize Section 174A research and experimental expenditures for this tax year? Yes  No   
 If "YES", do not complete this schedule.  
 If "NO", complete this schedule and attach to your tax return.

**Part 1: Amortization Schedule**

1 Amount of Section 174A research and experimental expenditures claimed on this tax year's Federal return .....	1	
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(a) Description of Costs	(b) Date Amortization Begins	(c) Amortizable Amount	(d) Code Section	(e) Period / %	(f) Amortization for the Year
2 Amortization of costs that begins during tax year 2025					
3 Total amount of amortization. Add the amounts from line 2, column f .....					3

4 Amount to be added back on this year's Rhode Island return. Subtract line 3 from line 1. Enter here and on line 1b of 2025 RI Schedule HR1 - Entity .....	4	
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**Part 2 - Rhode Island Amortization Deduction Amount**

For each year in which you began amortizing Section 174A research and experimental expenditures, enter the amount of Section 174A research and experimental expenditures to be deducted for Rhode Island purposes.

Amortization Begin Year	Amortization %	Amortizable Amount	Annual Rhode Island Amount
2022 *			
2023 *			
2024 *			
2025			

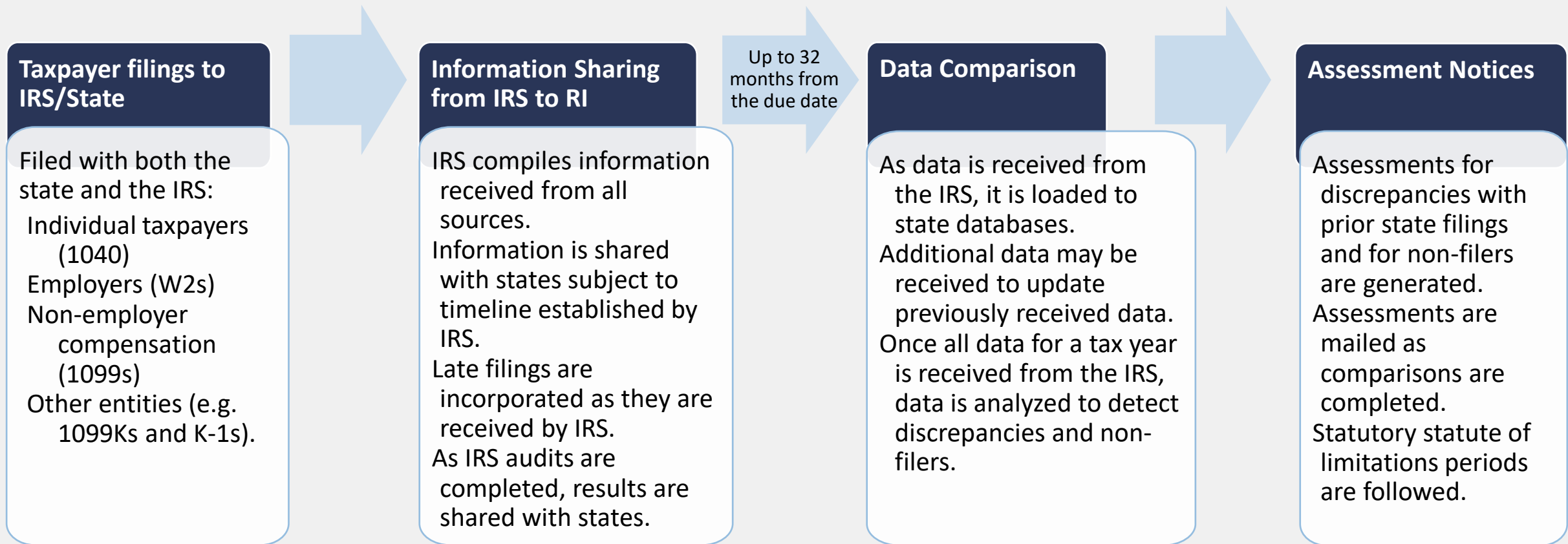
5 Rhode Island Amortization Deduction Amount. Add the Annual Rhode Island Amounts for all years. Enter here and on RI-1065, Sch. B, line 1e; RI-1120C, Sch. B, line 1g; RI-1120S, Sch. B, line 1e or T-74, Sch. B, line 5....

\* These tax years only apply to those entities who are eligible small business taxpayers with annual gross revenues of \$31 million or less. [H.R. 1 P.L. 119-21 § 70302(f)]

Now  
08/2025

# Personal and Corporate Income Tax

**For IRS compliance audits, the Division receives and reviews information as available from the IRS as follows:**



# Personal and Corporate Income Tax

## Single Member LLC vs Sole Proprietor

### Single Member LLC

- Entity separate from its owner
- Registered as an entity with RI Department of State
- Has liability protection—limited to investment
- Registration date—dissolution date
- Subject to annual charge (currently \$400) on separate tax form for state purposes

### Similarities

- Files Form 1040 reporting on Schedule C, E or F to pay federal income taxes
- Files RI-1040/RI-1040NR to pay state income tax on Federal AGI including Schedule C income

### Sole Proprietor

- Owner is the entity
- Can register a trade name with local municipality
- Personal liability
- No dissolution to close business
- No separate filing requirement or annual charge

# Personal and Corporate Income Tax

## Withholding

How do I file 1099s?

- If you are an individual submitting 1099s for your business:
  - You can upload your 1099 file in your Withholding account in the Taxpayer Portal.
- If you are an accounting firm submitting 1099s for your client(s):
  - You can upload your 1099 file in the Taxpayer Portal.
- If you are a payroll company or third-party vendor registered as a bulk filer:
  - You can upload bulk files containing your clients 1099 information via the Taxpayer Portal.
  - *To register as a bulk filer, complete and submit the Payroll Letter of Intent found on the [Software Developers page](#).*
- NOTES:
  - Regardless of the filer type, the 1099 file must be in the proper [FIRE format](#). See the [Withholding Filing Requirements Guide](#) for information.
  - 1099s should be filed with the Division of Taxation if there is **Rhode Island income** listed on the 1099.

# Personal and Corporate Income Tax

## Section Contact Information

### Personal Income Tax

- Phone: 401-574-8829 Option #3
- Email: [Tax.Assist@tax.ri.gov](mailto:Tax.Assist@tax.ri.gov)

### Non-resident Real Estate Withholding

- Phone: 401-574-8829 Option#4
- Email: [Tax.NonRes713@tax.ri.gov](mailto:Tax.NonRes713@tax.ri.gov)

### Corporate Income Tax

- Phone: 401-574-8829 Option #6
- Email: [Tax.Corporate@tax.ri.gov](mailto:Tax.Corporate@tax.ri.gov)

# **Theriza Iafrate**

## **Chief of Excise and Estate Tax Section**

# Excise and Estate Tax

## Legislative Changes - Summary



Motor Fuel Tax Increase

Effective 07/01/25



Real Estate Conveyance Tax Increase

Effective 10/01/25



Parking Services Now Subject to Sales Tax

Effective 10/01/25



Expansion of the Definition of Other Tobacco Products (OTP) to Include Nicotine Products

Effective 10/01/25



Increase of Local Rate for Hotel Tax

Effective 01/01/26



Whole Home Short-term Rental Tax

Effective 01/01/26



Tax on Kratom

Effective 04/01/26



Tax on Non-Owner Occupied Properties >\$1M

Effective 07/01/26

# Excise and Estate Tax

## Legislative Changes

### Motor Fuel

- Motor Fuel Tax increase to \$.40 per gallon
  - Effective 07/01/25
  - Subject to inflation adjustments every 2 years starting on July 1, 2027
- [Advisory 2025-11](#)



# Excise and Estate Tax

## Legislative Changes

### Real Estate Conveyance Tax Increase

On and After October 1, 2025:

- Tier 1 rate increase from \$2.30 to \$3.75 per \$500.
  - Tier 1 applies to the entire consideration paid.
- Tier 2 rate increase from \$2.30 to \$3.75 per \$500.
  - Tier 2 applies only to the consideration paid for Residential Real Property in excess of \$800,000.
- The Tier 1 and Tier 2 amounts are added together to determine the total conveyance tax due.
- The Tier 2 consideration threshold will be indexed for inflation.
- [ADV 2025-13](#)

# Excise and Estate Tax

## Legislative Changes

### Real Estate Conveyance Tax Increase

#### Rhode Island real estate conveyance tax: on and after October 1, 2025

Tax rate:	Applies to:
\$3.75 for each \$500.00 of the consideration paid	The entire consideration paid
\$3.75 for each \$500.00 of the consideration paid	The consideration paid for <u>Residential Real Property</u> <b>in excess of</b> \$800,000.00
If the consideration exceeds \$100.00, tax applies to the entire amount.	

# Excise and Estate Tax

## Legislative Changes

### Real Estate Conveyance Tax Increase

#### **Calculation of Tax Through 9/30/2025**

- The tax rate is \$2.30 per \$500.00 (or fractional part) of consideration paid
  - Formula:  $(\text{Total consideration paid} \div \$500) \times \$2.30 = \text{Tax Due}$
- An additional tax of \$2.30 per \$500 on sale of **Residential Real Property** for consideration paid over \$800,000 is due.
  - Residential property formula:  $(\text{Total consideration paid} \div \$500) \times \$2.30$  plus  $(\text{Consideration paid } \$800\text{K} \div \$500) \times \$2.30 = \text{Tax Due}$

#### **Calculation of Tax as of 10/1/2025**

- The tax rate is \$3.75 per \$500.00 (or fractional part) of consideration paid
  - Formula:  $(\text{Total consideration paid} \div \$500) \times \$3.75 = \text{Tax Due}$
- An additional tax of \$3.75 per \$500 on sale of **Residential Real Property** for consideration paid over \$800,000 is due.
  - Residential property formula:  $(\text{Total consideration paid} \div \$500) \times \$3.75$  plus  $(\text{Consideration paid over } \$800\text{K} \div \$500) \times \$3.75 = \text{Tax Due}$

# Excise and Estate Tax

## Legislative Changes

### Real Estate Conveyance Tax Increase

On and after October 1, 2025, if the consideration paid for a property is \$800,500, the tax would be calculated as follows:

Tier 1 rate of \$3.75 per \$500 on the entire \$800,500 = \$6,003.75.

Tier 2 rate of \$3.75 per \$500 applies only to the \$500 over \$800,000 = \$3.75.

Tier 1 and Tier 2 are added together to determine the total conveyance tax due = \$6,007.50.

### Examples - Rhode Island real estate conveyance tax: On and after October 1, 2025

Total Consideration Paid	Tax rate Tier 1 \$3.75/\$500 for entire consideration paid	Consideration paid over \$800,000	Tax rate Tier 2 Additional \$3.75/\$500 for consideration paid over	Total Tax Due
\$ 1,000,000.00	\$ 7,500.00	\$ 200,000.00	\$ 1,500.00	\$ 9,000.00
\$ 800,000.00	\$ 6,000.00	\$ -	\$ -	\$ 6,000.00
\$ 5,000,000.00	\$ 37,500.00	\$ 4,200,000.00	\$ 31,500.00	\$ 69,000.00
\$ 195,000.00	\$ 1,462.50	\$ -	\$ -	\$ 1,462.50
\$ 300,000.00	\$ 2,250.00	\$ -	\$ -	\$ 2,250.00
\$ 105,240,000.00	\$ 789,300.00	\$ 104,440,000.00	\$ 783,300.00	\$ 1,572,600.00

# Excise and Estate Tax

## Legislative Changes

### Sales Tax on Short-term Parking Services

- Starting October 1, 2025, short-term paid parking services are subject to the 7% Rhode Island sales tax.
  - Added to the definition of services which are taxable.
  - For purposes of occupancy by a patron in exchange for a parking fee.
- In this instance, short-term parking is defined as any parking services where the duration of use by the vehicle is less than a month.
- Any parking services with a duration of a month or longer are not subject to sales tax.
- Examples include beach parking lots, event parking, and store parking garages.
  - Applies to parking services provided by businesses as well as state and local governments.
- [ADV 2025-14](#)

# Excise and Estate Tax

## Legislative Changes

### Definition of OTP Expanded

- Effective October 1, 2025.
- The definition of other tobacco products (OTP) expanded to include all products that contain nicotine, whether natural or artificial.
- Starting October 1, OTP tax imposed on nicotine products, including those which were not previously taxed as OTP.
- Tax rate = 80% of the wholesale cost for OTP, with certain exceptions.

# Excise and Estate Tax

## Legislative Changes

### OTP Floor Tax

Nicotine Products which now meet the definition of OTP

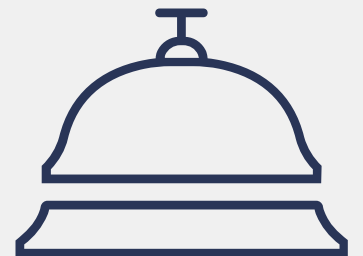
- As of 12:01 am on October 1, 2025
  - 80% of the wholesale cost
- “Floor tax” on existing inventory
  - Return is due 10/16/2025
- Floor tax returns and payments must be filed/paid only on the RI Taxpayer Portal
  - Must be filed by all CTE Dealers and CTE Distributors
- Any non-filers will receive estimated assessments
- Notice to CTE Dealers and Distributors: [Notice 2025-07](#) and [Notice 2025-08](#)

# Excise and Estate Tax

## Legislative Changes

### Hotel Tax Increase

- Rhode Island's local hotel tax rate will increase from 1% to 2%
- This tax applies to:
  - Hotels & short-term lodging rentals
    - Offered for rent for periods of 30 consecutive days or fewer
- Effective January 1, 2026



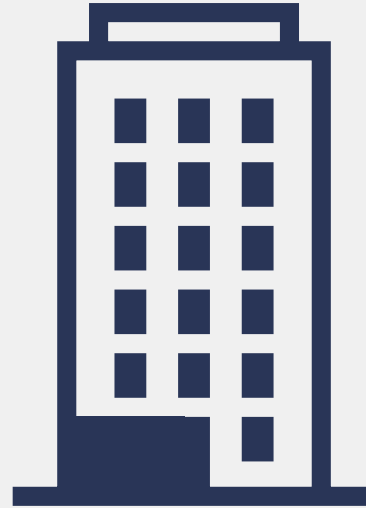
# Excise and Estate Tax

## Legislative Changes

### Whole Home Short-term Rental Tax

- The whole home short-term rental tax will be **5%**
- Rentals subject to the tax are rentals of entire residential dwellings such as:
  - Houses
  - Condos
  - Mobile homes
  - Other residential dwellings
  - Includes vacation rentals and/or rentals offered through online hosting platforms
- This tax applies to:
  - Short-term rental of a residential dwelling in its entirety
    - Offered for rent for periods of 30 consecutive days or fewer
- In addition to the 2% local hotel tax and the 7% sales tax
- Effective January 1, 2026
- [ADV 2025-16](#)

# Comparison



## Entire Residential Dwelling

Type of tax	Tax rate before 1/1/26	Tax rate on & after 1/1/26
State sales tax:	7%	7%
State hotel tax:	-	-
Local hotel tax:	1%	2%
Whole Home Short-term Rental Tax	-	5%
<b>Total:</b>	<b>8%</b>	<b>14%</b>

## Traditional Hotel Room

Type of tax	Tax rate before 1/1/26	Tax rate on & after 1/1/26
State sales tax:	7%	7%
State hotel tax:	5%	5%
Local hotel tax:	1%	2%
Whole Home Short-term Rental Tax	-	-
<b>Total:</b>	<b>13%</b>	<b>14%</b>

## Room Rental

Type of tax	Tax rate before 1/1/26	Tax rate on & after 1/1/26
State sales tax:	7%	7%
State hotel tax:	5%	5%
Local hotel tax:	1%	2%
Whole Home Short-term Rental Tax	-	-
<b>Total:</b>	<b>13%</b>	<b>14%</b>

# Excise and Estate Tax

## Legislative Changes

### Whole Home Short-term Rental Tax FAQs

Q: What taxes apply to short-term rentals prior to January 1, 2026, and how will these change?

A: Prior to January 1, 2026, short-term rentals of **residential dwellings rented in their entirety** are subject to Rhode Island's local hotel tax of 1% and Rhode Island's 7% sales tax.

On and after January 1, 2026, the 1% local hotel tax will increase to 2%, and a 5% whole home short-term rental tax will go into effect for these properties along with the 7% sales tax.

# Excise and Estate Tax

## Legislative Changes

### Whole Home Short-term Rental Tax FAQs

- Q. Regarding sales, hotel tax, and the “whole home” tax on residential dwellings rented in their entirety, what charges are the taxes applied to? Are they applied to services like cleaning? Should I apply them to the security deposit? Anything else?
- A. These taxes on short-term rentals apply to the gross receipts of the transaction. This includes any commissions or fees, such as cleaning fees and booking fees. However, if a damage deposit is required, separately stated, and refundable, the taxes do not apply to the refunded portion of the damage deposit. The portion of the damage deposit that is not refunded is taxable.

# Excise and Estate Tax

## Legislative Changes

### Whole Home Short-term Rental Tax FAQs

- Q. Will hotels and other short-term room rentals now be subject to an additional 5% tax?
- A. There has been no change to the 5% state hotel tax that short-term room rentals are subject to. The new statute subjects whole home rentals to the same rates (although different taxes) as hotels.

**No short-term rental would be subject to both** the 5% state hotel tax and 5% tax on the short-term rental of entire residential dwellings for the same booking.

# Excise and Estate Tax

## Legislative Changes

### Whole Home Short-term Rental Tax FAQs

- Q. If a rental is booked for the summer of 2026, but the customer booked it in 2025, is it subject the new tax rates for 2026?
- A. Yes. All stays in 2026 are subject to the 2026 rates. Any tax on the stay, including the difference of the 2026 tax rates from the 2025 rates, should be collected from the customer upon checkout and remitted as you would for any other stay during that time period.

# Excise and Estate Tax

## Legislative Changes

### Sale of Kratom Legalized in Rhode Island

- The ability to sell Kratom and the tax imposed on all Kratom and Kratom products sold, or held for sale, in the state will go into effect on April 1, 2026.
- All Kratom and Kratom products sold at wholesale in Rhode Island must be sold by a licensed distributor and products sold at retail must be sold by a licensed retailer.
- The licenses for Kratom sales and distribution will be issued through the Rhode Island Department of Health (DOH).
- The tax rate will be 15% of the wholesale cost. This tax will be paid by the licensed distributors to the Division of Taxation.

# Excise and Estate Tax

## Legislative Changes

### Non-Owner Occupied Property Tax

- Effective July 1, 2026.
- A new tax on real property with an assessed value over one million dollars (\$1M) if the property is not owner-occupied, as defined by law.
  - “Non-owner occupied” means that the residential property does not serve as the owner’s primary residence and is not occupied by the owner of the property for a majority of days during a given taxable year.
- Properties or buildings are exempted from the tax if they are rented for more than 183 days each year and:
  - Are subject to the Residential Landlord Tenant Act; or
  - Are subject to sales tax and/or hotel taxes.
- Assessed value is as of 12/31 of the prior year as assessed by the town.

# Excise and Estate Tax

## Legislative Changes

### Non-Owner Occupied Property Tax

- Tax will be \$2.50 per \$500 (or fractional part of \$500) of the assessed value over \$1,000,000. Tax will be paid in 4 equal installments paid throughout the tax year.
- **Calculation of Tax:**
  - The tax rate is \$2.50 per \$500 (or fractional part) of assessed value over \$1,000,000
  - Formula:  $([\text{City/Town Assessed Value} - \$1,000,000] \div \$500) \times \$2.50 = \text{Annual Tax Due}$
  - For Quarterly Tax Due:  $\text{Annual Tax Due} \div 4 = \text{Quarterly Tax Due}$ 
    - Installment due dates are 09/15, 12/15, 03/15, and 06/15

# Excise and Estate Tax

## Excise General News and Notes

- RI-STR Best Practices
  - Gross Receipts means Gross Receipts
  - Deductions should be completed correctly
    - Third-party delivery sales should be listed as sales for resale
    - Sales to exempt organizations should be included on the proper line
      - Reminder: all exemption certificates must be renewed every 4 years, if qualified
    - Inclusion of NAICS code
- Meals and Beverage Filings
  - City/Town Allocation Required
- Also Note:
  - Elimination of T-204A and T-204W requirement beginning with Tax Year 2024

# Excise and Estate Tax

## Estate Tax Closing Letters Updated

**DOR** Rhode Island Department of Revenue  
Division of Taxation

[REDACTED]

[REDACTED]

[REDACTED]

**NOTICE OF NO TAX**      ACCOUNT ID NO: [REDACTED]


ESTATE OF: [REDACTED]

LATE OF: [REDACTED] DATE OF DEATH: [REDACTED]

Based on the Estate Tax return filed, at this time it appears there is no Estate Tax due to the State of Rhode Island.

The Division of Taxation may examine the return filed in the future to determine estate tax liability of the decedent if there is: (i) evidence of fraud, malfeasance, collusion, concealment, or misrepresentation of material fact; (ii) a clearly defined substantial error; (iii) a serious administrative error; or (iv) IRS notification of audit, re-examination, or redetermination of estate tax liability.

THIS LETTER SHOULD BE KEPT AS A PERMANENT RECORD

  
Neena S. Savage  
Tax Administrator

Issued: [REDACTED]

One Capitol Hill, 1st Floor, Providence, RI 02908 | Tel: (401) 574-8900 Fax: (401) 574-8956 TTY Relay via 711

State of Rhode Island  
DIVISION OF TAXATION  
One Capitol Hill  
Providence, RI 02908-3800

Phone: (401) 574-8955  
TTY Via 711  
Fax: (401) 574-8914  
Email: Tax.Estate@tax.ri.gov

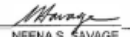
**ESTATE CLOSING LETTER**

Notice ID: [REDACTED]  
Account ID: [REDACTED]

RE: Estate of [REDACTED], Date of Death: [REDACTED], Late Of: [REDACTED]

The Division of Taxation may examine this return in the future to determine estate tax liability of the decedent if there is: (i) evidence of fraud, malfeasance, collusion, concealment, or misrepresentation of material fact; (ii) a clearly defined substantial error; (iii) a serious administrative error; or (iv) IRS notification of audit, re-examination, or redetermination of estate tax liability.

THIS LETTER SHOULD BE KEPT AS A PERMANENT RECORD.

  
NEENA S. SAVAGE  
TAX ADMINISTRATOR

ISSUED: [REDACTED]

CC: [REDACTED]

**Reminder: No deed should be updated without a T-77 release**

# Excise and Estate Tax

## Electronic Filing & Payment Mandate

Electronic filing and payment mandate for larger business registrant taxpayers effective 01/01/2023.

- Larger 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.
- Individuals and trusts filing personal or fiduciary income tax returns are not larger business registrants for the purposes of R.I. Gen Laws § 44-1-31.2.

# Excise and Estate Tax

## Section Contact Information

### Estate Tax

- Phone: 401-574-8829 Option #8
- Email: [Tax.Estate@tax.ri.gov](mailto:Tax.Estate@tax.ri.gov)

### Sales & Excise Tax

- Phone: 401-574-8955
- Email: [Tax.Excise@tax.ri.gov](mailto:Tax.Excise@tax.ri.gov)

**Neil Caouette**  
**Assistant Chief Revenue Agent**  
**Compliance and Collections,**  
**Registration, and Taxpayer Experience**  
**Section**

# Compliance and Collections

## Legislative Changes

### Letters of Good Standing for Major Sale/Transfer Timeline Clarification

A Letter of Good Standing (LOGS) is required prior to a sale or transfer of a major asset, or the business as a whole; without a LOGS, such sale/transfer is fraudulent and void as to the state.

Verifies that an entity is in good standing with the Division:

- The entity is up-to-date with all filings and payments required for state tax compliance.
- Taxpayer is compliant with other related requirements for operating the business.

Effective July 1, 2025:

- A request for a LOGS must be **received** by the Division of Taxation at least 5 business days before the sale or transfer of asset.

# Compliance and Collections

## Letters of Good Standing (LOGS)

- Entity must be compliant for all required tax returns, payments, and fees for all requests for Letters of Good Standing.
- Major Sale LOGS Requirements:
  - LOGS request must be **received** by the Division 5 days prior to the sale.
  - File request for LOGS with payment at least two weeks before the date of sale. You will need:
    - An application for LOGS (§ 44-11-29).
    - Proforma RI Tax Return with payment through date of sale. Must reflect the sale.
    - Copy of Proforma Federal tax return (Form 4797/Sch. D).
    - Schedule PTW or PTE needed if there is a gain with non-resident members.
    - Purchase and Sales Agreement.
    - All other taxes must be filed and all balances paid.

# Compliance and Collections

## Letters of Good Standing (LOGS)

- Calendar Year 2025 Benchmarks:
  - Assigned to a Revenue Officer for review within 24 hours of receipt.
  - If Taxpayer is compliant, Letter of Good Standing issued within 3 business days.
  - If Taxpayer is non-compliant, Letter of Good Standing will be issued once the taxpayer provides all necessary returns, payments, and/or documentation to become compliant.
- Calendar Year 2025 Year to Date Stats:
  - Received 4,143 applications for the Calendar Year 2025\*
  - 24.16% able to be issued without additional information
  - Mailed approximately 3,142 Additional Information letters to contacts
  - 39.7% did not respond to these Additional Information letters

\*As of 08/28/25

# Compliance and Collections

## Letters of Good Standing (LOGS)

	2020	2021	2022	2023	2024	2025*
<b>Letters of Good Standing Requests Received</b>	5428	6659	7796	7848	6,998	4,143
<b>Additional Information Letters Sent</b>	4146	5192	6019	5872	5,115	3,142
<b>Letters of Good Standing Issued</b>	4029	4188	4678	4803	4,318	2,635
<b>LOGS Closed w/ No Response From Taxpayer</b>	1924	1793	2580	2453	2025	1,652
<b>Average # of Calendar Days to Issuance-Non-Compliant</b>	36	34	37	35	31	29
<b>Average # of Calendar Days to Issuance-Compliant</b>	3	3.93	3.64	3.44	3.34	3.39
<b>Growth in LOGS Applications Received</b>	-22%	23%	17%	1%	-11.4	-
<b>Percentage of Cases Closed With No Response</b>	35%	27%	33%	31%	34%	40%

\*As of 08/28/25

# Compliance and Collections

## Letters of Good Standing (LOGS) Best Practices

Requests can be made via drop box, mail, or Portal



# Compliance and Collections

## Letters of Good Standing (LOGS) Best Practices

### Complete Compliance Check through Portal

- Will show missing filings/payments
- Include any delinquent filings and payments with LOGS application



# Compliance and Collections

## Letters of Good Standing (LOGS) Best Practices

Verify the document requirements from the LOGS application



# Compliance and Collections

## Letters of Good Standing (LOGS) Best Practices

Be sure to include the \$50 fee



Please NO cash in the drop box. Cash payments can be made at the cashier's window in our office. You can pay securely online via bank account or credit card (credit card payments are subject to payment processing fees). You can also pay by check.

# Compliance and Collections

## Installment Agreements: What You Need to Know

### Requirements:

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

Option 1

### 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

Result

Option 2

### 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

Result

### 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)

# Compliance and Collections

## 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](#); and
- Complete [Form 433A](#) or [Form 433B](#); and
- Full compliance with all filing requirements.

### Documentation Needed:

- Financial Statements and verification of reason request may be required.

# Compliance and Collections

## Levy Program

- Liability must be in Collections
- Notifications
  - Numerous bills have already been sent to the taxpayer
  - Taxpayer is mailed a 10 Day Demand for Taxes Due
  - If there is no resolution, the taxpayer is mailed a Notice of Intention To Levy (30-day reply)
- Resolutions
  - Taxpayer must be in compliance with all filings
  - Prior to a levy, the taxpayer may satisfy their debt, enter into an installment agreement or voluntary wage garnishment
  - If a levy has already occurred, Taxation may consider a levy reduction based on various circumstances

# Compliance and Collections

## Financial Institutions Data Match System

- R.I. Gen Laws § 44-53-18 authorizes the creation of a system to match taxpayer debts to financial institutions.
- Authorizes the use of a third-party to develop this system.
- This would be an additional resource available to the levy program.
- Taxpayer will still receive required Intent to Levy notices.

# Compliance and Collections

## Billing and Collection Timelines

Notice of Deficiency or Notice of Proposed Assessment: 30 Days to Cure

### Initial Assessment

Notice of Deficiency:  
Results from changes to  
line items on tax returns,  
resulting in tax owed.

The taxpayer is notified in  
writing of change and has  
30 days to respond.

Failure to respond or cure  
the liability results in a  
final assessment.

# Compliance and Collections

## Billing and Collection Timelines

Notice of Assessment (Final Assessment): 30 Days to Cure, Right to Hearing

### **Formal (Final) Assessment**

Sent when there is an underpayment of a tax for a period. This notice may be sent in addition to the Notice of Deficiency.

The taxpayer is notified in writing and has a right to a hearing (informal, then formal Administrative Hearing).

Failure to respond results in taxpayer foregoing right to a hearing and proceeds to Collections Section within the Division of Taxation.

# Compliance and Collections

## Billing and Collection Timelines

Statement of Account: Minimum of Once a per Year, for All Accounts/Periods, but a Minimum of 3 Times if Change to any Account: In Collection Status

### Collections

Sent when there is an assessment in the taxpayer's period, but 30-day protest period has expired.

This notice classifies the assessment as a "Collections" matter and is subject to offset from a refund.

This notice is sent 3 times at an interval of 30 days, then at least annually thereafter.

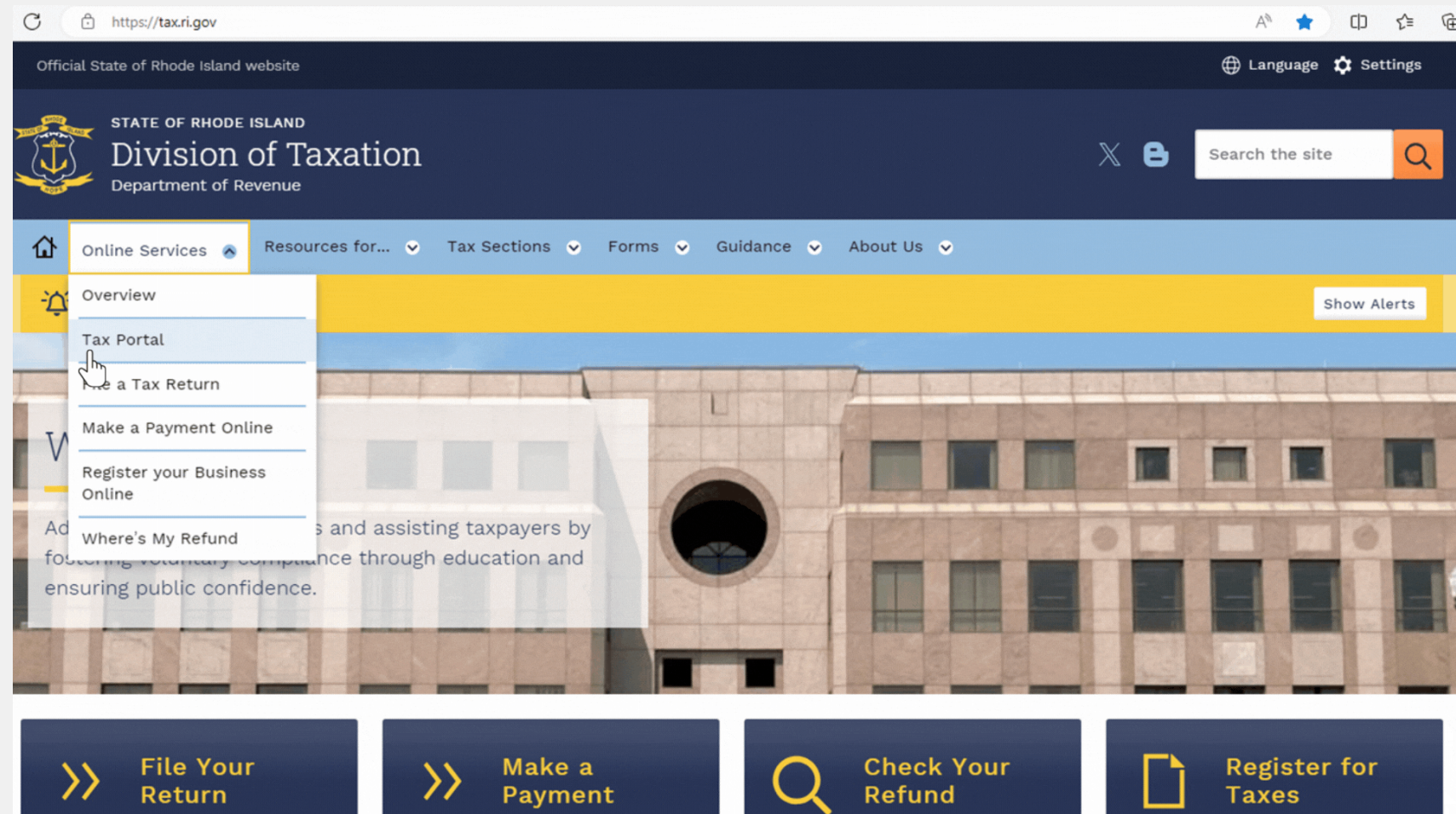
Every taxpayer is sent at least 4 notices if a liability is in collections status and is notified at least once per year thereafter of all tax liabilities.

**Cheri O'Connor**  
**Assistant Chief Revenue Agent**  
**Compliance and Collections,**  
**Registration, and Taxpayer Experience**  
**Section**

# Taxpayer Portal

Visit our website:  
<https://tax.ri.gov/>.

The Taxpayer Portal information page can be accessed from the “Online Services” menu.



# Taxpayer Portal

## Using the Taxpayer Portal

- Benefits of Portal
  - Satisfies new Electronic Filing and Payment Mandate requirements
  - Can file and pay all taxes from same site without a fee
  - Can schedule payment for future withdrawal
    - Can schedule payments up to 364 days in advance on the Portal
  - 24-hour access
  - Interactive to help ensure accurate filings with all required fields completed
  - Ability to see all previous filing and payments for all tax types
  - Securely store banking information for future use
- Stats – over 83,900 registered users have submitted nearly 1.6M payments for over \$8.4B through September of 2025

# Taxpayer Portal

## Same Day Services

- When should I get a Portal account?
  - Subject to electronic filing and payment mandate
  - Want access to see account activity
  - Making multiple payments over a period of time
- When should I use Same-Day Services\* (AKA guest payments)?
  - One-time payment
  - Have not received PIN notice, filing due date

\*Requires authentication (not truly anonymous payment)

# Taxpayer Portal

Accessed directly from <https://taxportal.ri.gov>.

Use of Same-Day Services fulfills the Electronic Mandate requirements for return filing and payments for certain tax types.

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

- Member Sign In:** A section with a warning message: "Maximum of 3 sign-in Attempts are allowed. After 3 failed sign-in attempts, the account will be locked. Please use the Forgot UserID and/or Forgot Password links or wait 15 minutes to retry." Below this are input fields for "User ID" (with a placeholder "Please Enter User ID") and "Password", and a "SIGN IN" button. There are also links for "Forgot User ID?" and "Forgot password?".
- Customer Support:** A section 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." It includes a link for "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." and a note that the "File a Form" link is on the bottom left.
- Popular Services:** A list of links including "Tax Forms", "Administrative Decisions", "Advisories", "Business Registration", "Reports", "Regulations", "Newsletters", "Contact Us", "Liquor License Renewals - Certificates of Good Standing", "Where's My Refund - NEW", and "Individual Mandate Reporting - NEW".
- New User?:** A section with a "Create a New User" link.
- Don't Have a Portal User Account?:** A section with links for "Use our Same-Day Services", "Make a Payment (same day withdrawal)", and "File a Form (alone or with payment)".
- News and Announcements:** A section with a "NEW" heading and text about the "Where's My Refund" feature update and "Meals and Beverage Tax" information. It also mentions "Scheduled maintenance will be done Friday, August 8th from 9:00pm to Sunday, August 10th at 8:00am. During this time the system will be unavailable. Please plan accordingly."
- Frequently Asked Questions:** A section with links for "Guest Bill Payments (Video)", "Guest Filing (Video)", "Portal Registration (Video)", "Portal User Guide", and two questions: "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?". A "More >" link is at the bottom.

At the bottom of the page, there is a large image of the Rhode Island State Capitol building.

# Taxpayer Portal

## Same-Day Services

Services available without a Portal account:

- Estimated Payments
  - Business and personal
- Extension Filing **and** Payments
  - Business and personal
- Bill Payments
  - Any assessment notice
- File a Form
  - Available for certain tax types

**Member Sign In**

Maximum of 3 sign-in Attempts are allowed. After 3 failed sign-in attempts, the account will be locked. Please use the Forgot UserID and/or Forgot Password links or wait 15 minutes to retry.

User ID

Password

**SIGN IN**

[Forgot User ID?](#) [Forgot password?](#)

**New User?**  
[Create a New User](#)

**Don't Have a Portal User Account?**  
Use our Same-Day Services  
[Make a Payment \(same day withdrawal\)](#)  
[File a Form \(alone or with payment\)](#)

# Taxpayer Portal

## Same-Day Services

### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

## Estimated Payments - Business

### ESTIMATED PAYMENT

#### Authentication

\* ID Type

\* ID

Enter ID

\* Notice ID

Enter Notice ID

# Taxpayer Portal

## Same-Day Services


### Don't Have a Portal User Account?


Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

## Estimated Payments - Business

 **State of Rhode Island**  
**DIVISION OF TAXATION**  
One Capitol Hill  
Providence, RI 02908-5800



Phone: (401) 574-8941  
TTY Via 711  
Fax: (401) 574-8915  
Email: [Tax.Collections@tax.ri.gov](mailto:Tax.Collections@tax.ri.gov)

**NOTICE OF ASSESSMENT**

Account ID: [REDACTED]  
Tax Type: SALES-FILING  
Notice ID: [REDACTED]  
Bill Due Date: [REDACTED]

# Taxpayer Portal

## Same-Day Services

### Estimated Payments - Personal

#### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

#### ESTIMATED PAYMENT

\* indicates required field

Please authenticate your identity by providing the Federal Adjusted Gross Income (AGI) reported on your 2023 Rhode Island Individual Income Tax Return. If you have not filed for 2023 or otherwise are unable to authenticate, please contact the Division at 401-574-8484 between 8:30 am and 3:30 pm Monday through Friday for assistance.

#### Authentication

\* Primary SSN

Spouse SSN

JOINT FILERS ONLY

\* AGI reported for Tax Year noted above

\$

Adjusted Gross Income

# Taxpayer Portal

## Same-Day Services

### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

## Estimated Payments - Personal

State of Rhode Island Division of Taxation  
**2024 Form RI-1040**  
Resident Individual Income Tax Return

24100199990101

Your social security number		Spouse's social security number	
Your first name	MI	Last name	Suffix
Spouse's name	MI	Last name	Suffix
Address			
City, town or post office		State	ZIP code
City or town of legal residence	Check each box that applies. Otherwise, leave blank.	Primary deceased? <input type="checkbox"/>	Spouse deceased? <input type="checkbox"/>
		New address? <input type="checkbox"/>	Amended Return? * <input type="checkbox"/>
<b>ELECTORAL CONTRIBUTION</b>	If you want \$5.00 (\$10.00 if a joint return) to go to this fund, check here. (See instructions. This will not increase your tax or reduce your refund.) <input type="checkbox"/> Yes	If you wish the 1st \$2.00 (\$4.00 if a joint return) be paid to a specific party, check the box and fill in the name of the political party. Otherwise, it will be paid to a nonpartisan general account. <input type="checkbox"/>	
<b>FILING STATUS</b> Check one	Single <input type="checkbox"/>	Married filing jointly <input type="checkbox"/>	Married filing separately <input type="checkbox"/>
	Head of household <input type="checkbox"/>	Qualifying widow(er) <input type="checkbox"/>	
<b>INCOME, TAX AND CREDITS</b>	1 Federal AGI from Federal Form 1040 or 1040-SR, line 11		1

# Taxpayer Portal

## Same-Day Services

### Extension Filing **and** Payments

- Business
  - Authentication requires Notice ID
- Personal
  - Authentication requires AGI for previous full tax year (i.e. 2023)

#### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

# Taxpayer Portal

## Same-Day Services

### Bill Payments

#### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

#### BILL PAYMENT

##### Authentication

\* ID Type

\* ID

Enter ID

\* Invoice Number

Enter your invoice number

# Taxpayer Portal

## Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)


[File a Form \(alone or with payment\)](#)

## Same-Day Services

### Bill Payments

-----Detach-----

**State of Rhode Island**  
**DIVISION OF TAXATION**  
**NOA Bill Voucher**

  
[REDACTED]

---

Return this voucher with your payment

Make check(s) payable to: **Rhode Island Division of Taxation**

Include Account ID [REDACTED] on the check Date: [REDACTED]

Rhode Island Division of Taxation  
One Capitol Hill  
Providence, RI 02908-5800

Tax Type: SALES-FILING

[REDACTED]

**Invoice Number:** [REDACTED]  
**Due Date:** [REDACTED]  
**Balance Due:** [REDACTED]

Amount Enclosed: \$ \_\_\_\_\_

# Taxpayer Portal

## Same-Day Services

### File a Form

#### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

[Home](#) / [Guest Returns](#)

#### Guest Returns

If you are a registered Rhode Island Division of Taxation's Portal user, please log in to your account to file your return.

If you are not a registered Rhode Island Division of Taxation's Portal user, you can file and pay the following Business taxes online using ACH Debit.

[File and pay a Sales Tax Return \(Monthly or Quarterly Filers\)](#)

[File and pay a Meals and Beverage Tax Return \(Monthly or Quarterly Filers\)](#)

[File and pay a Hotel Tax Return](#)

[File and pay a Prepaid Wireless Telecommunications Tax Return \(Monthly or Quarterly Filers\)](#)

[File and pay a Hard-to-Dispose Tax Return](#)

[File and pay a Sales and Use Tax Reconciliation](#)

# Taxpayer Portal

## Same-Day Services

### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

## File a Form

### File a Tax Return

#### Authentication

\* ID Type

\* ID

Enter ID

\* Hotel Filing Payment within the last year

\$

Enter a payment amount

# Taxpayer Portal

## Same-Day Services

- Business Estimated Payment
  - Notice ID#
- Personal Estimated Payment
  - Prior Federal AGI
- Business Extension Filing **and** Payments
  - Notice ID#
- Personal Extension Filing **and** Payments
  - Prior Federal AGI
- Bill Payments
  - Invoice Number
- File a Form
  - Prior payment amount for the tax type

In Summary –  
Authentication  
Requirements

### Member Sign In

Maximum of 3 sign-in Attempts are allowed. After 3 failed sign-in attempts, the account will be locked. Please use the Forgot UserID and/or Forgot Password links or wait 15 minutes to retry.

User ID

Password

**SIGN IN**

[Forgot User ID?](#) [Forgot password?](#)

### New User?

[Create a New User](#)

### Don't Have a Portal User Account?

Use our Same-Day Services

[Make a Payment \(same day withdrawal\)](#)

[File a Form \(alone or with payment\)](#)

# Compliance and Collections

## Section Contact Information

### Compliance and Collections Section

- Phone: 401-574-8941
- Email: [Tax.Collections@tax.ri.gov](mailto:Tax.Collections@tax.ri.gov)

### Taxpayer Portal Section

- Phone: 401-574-8484
- Email: [Tax.Portal@tax.ri.gov](mailto:Tax.Portal@tax.ri.gov)

# Leo Lebeuf

## Taxpayer Experience Liaison

# Audit & Investigation Unit

## Legislative Changes

### Updates for Artists

- Artist Exemptions now must be renewed every 4 years, if qualified
  - Effective 07/01/25
  - Any current exemption will expire 06/30/29
  - Any exemption issued on or after 07/01/25 must be renewed 4 years from date of issuance
- Artist Regulations Updated
  - Effective date of 07/30/25
  - Two Regulations
    - [280-RICR-20-70-11 Exemption of Sales by Writers, Composers and Artists](#)
    - [280-RICR-20-55-13 Modification of Certain Income of Writers, Composers and Artists](#)

# Audit & Investigation Unit

## Artist Regulation Updates

- Similar clarifying language was added to both regulations.
- Goal was to clarify what qualified as an artistic work and limited edition under the statute.
- Highlights:
  - Limited edition is 300 or fewer copies, signed, and numbered.
  - Defines “traditional and fine crafts.”
  - Artistic works do not include items intended to be used or sold as consumable, as defined.
  - Artistic work includes fiction and non-fiction pieces.
  - Clarifies use of on-line marketplaces and third-party vendors are considered commercial production.

# Audit & Investigation Unit

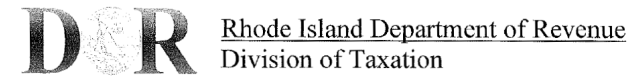
## Nonresident Contractors

- R.I. General Law 44-1-6
  - Any person doing business with a nonresident contractor is required to withhold payment equal to three percent (3%) of the total contract price.
- R.I. Regulation 280-RICR-20-70-54
  - A nonresident contractor means, “one who does not maintain a regular place of business in this state.” A regular place of business shall be deemed to mean and include any bona fide office (other than a statutory office), factory, warehouse or other space in this state at which the taxpayer is doing business in its own name in a regular and systematic manner, and which is continuously maintained, occupied and used by the taxpayer in carrying on its business through its regular employees regularly in attendance. A temporary office at the site of construction shall not constitute a regular place of business.”

# Audit & Investigation Unit

## Nonresident Contractors

- What should the person doing business with the nonresident contractor do?
- What is a Certificate of No Tax Due?
- How does a nonresident contractor request a Certificate of No Tax Due?



April 11, 2024

### CERTIFICATE OF NO TAX DUE

[REDACTED]  
[REDACTED]

**NONRESIDENT CONTRACTOR:** [REDACTED]  
[REDACTED]  
[REDACTED]  
**PROJECT:** [REDACTED]  
[REDACTED]  
Project No. [REDACTED]  
Case Number: [REDACTED]

Attention: [REDACTED]

Pursuant to Section 44-1-6 of the General Laws of Rhode Island, the above-named nonresident contractor has fulfilled his tax obligations to the State of Rhode Island in regards to the above named project.

Monies withheld under the provisions of this statute may be paid to such named contractor.

This certificate is a valid notification for no taxes due under Section 44-1-6 only as to Sales and Use Taxes and Withholding Taxes relating to this project. It has no effect on the nonresident contractor's possible obligation for filing any other returns (such as Rhode Island Business Corporation Tax or Personal Income Tax as apart from the Withholding), Nonresident Contractor Deposit Assessment or payment of other taxes due the State.


*Susanna Coburn*  
Susanna Coburn  
Chief  
Audit & Investigation

Cc: [REDACTED]

One Capitol Hill, Providence, RI 02908 | Tel. (401) 574-8962 Fax (401) 574-8916 TTY Relay via 711

# Audit & Investigation Unit

- What if a Certificate of No Tax Due is NOT provided by the Non-Resident contractor?
  - Link to form [Audit Forms | RI Division of Taxation](#)

 **Rhode Island Department of Revenue**  
Division of Taxation

**Non-Resident Contractor Deposit**

Date:

Attn:  
G/C  
Street  
City, State Zip

To: State of Rhode Island  
Department of Revenue - Division of Taxation  
One Capitol Hill, Providence, R.I. 02908-5800

DESCRIPTION	AMOUNT
3% DEPOSIT REQUIREMENT	\$

Project: Name

Location: Street  
City State Zip

Non-resident contractor: Name  
Street  
City State Zip

Contract amount on non-resident sub-contractor: \$

In accordance with section 44-1-6 of the general laws of R.I., this assessment is being presented to you.


Request for hearing on this determination, stating reasons therefore, in writing, must be made to the tax administrator within thirty days from date of this notice.

**CREDIT RECEIVABLE**

Case No:

FEIN: 00-0000000

(Check No. 0000, Amount \$0.00, Date Received 00/00/2021)

 **Rhode Island Department of Revenue**  
Division of Taxation

**Non-Resident Contractor Deposit**

Date:

Attn:  
NRC  
Street  
City, State Zip

To: State of Rhode Island,  
Department of Revenue - Division of Taxation  
One Capitol Hill, Providence, R.I. 02908-5800

DESCRIPTION	AMOUNT
3% DEPOSIT REQUIREMENT	\$

Project:

Location: Street  
City State Zip

Contract amount of non-resident contractor: \$

General Contractor: Name  
Street  
City State Zip

This assessment is being presented to " Name of General Contractor " as you failed to be in compliance with Section 44-1-6 of the general laws of the State of Rhode Island.

Request for hearing on this determination, stating reasons therefore, in writing, must be made to the tax administrator within thirty days from the date of this notice.

**"MEMO Billing"**

# Audit & Investigation Unit

## Routine Audits

### Contacting the Taxpayer

- Contact Letter is mailed to the taxpayer.
- Included return contact page should be completed and returned by the taxpayer.

### If taxpayer does not respond

- If no reply to initial contact is received by the Division, the assigned auditor will make additional attempts to contact the taxpayer by mail and/or phone.

### Preliminary Meeting

- A preliminary meeting is held to discuss the following:
  - The entity's business activities.
  - Determination of the audit period, location, date, and time to begin field review.
  - Arranging a plant tour (if applicable).
  - Determination of records to be reviewed.
  - Any taxpayer questions.

### Audit Review

- The assigned auditor reviews all taxes applicable to the entity as records become available.
- Audit review period is determined based on findings:
  - 3-year audit period is standard
  - 6-year audit period if trust fund taxes are misappropriated.
- Audit work papers are compiled by the auditor and are given to the taxpayer for review.

### Post Audit Meeting

- After a reasonable amount of time to review the preliminary workpapers, a closing conference is held to review and finalize the audit. Topics discussed may include:
  - Additional support to adjust audit findings as provided by the taxpayer
  - Applicable Rhode Island General Laws and Regulations
  - Any questions or concerns
  - Any corrective actions that should be taken by the taxpayer
- Final workpapers will be sent to the taxpayer for review.

### Billing of Assessment

- After the close of the examination, a Notice of Assessment is generated and mailed to the taxpayer. As with all Notices of Assessment, the taxpayer retains the right to protest the assessment within 30 days.

# Audit & Investigation Unit

## Section Contact Information

Audit &  
Investigation Unit

- Phone: 401-574-8962
- Email: [Tax.Audit@tax.ri.gov](mailto:Tax.Audit@tax.ri.gov)

# More Tax Resources

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



STATE OF RHODE ISLAND  
**Division of Taxation**  
Department of Revenue

**Subscribe for tax news**

Sign up to receive free RI tax news updates in your inbox.

# Questions



# Thank you



STATE OF RHODE ISLAND

## Division of Taxation

Department of Revenue

### Contact Us

401-574-8983

[Taxpayer.Experience@tax.ri.gov](mailto:Taxpayer.Experience@tax.ri.gov)

One Capitol Hill

Providence, RI 02908



# Even More Tax Resources

- Advisories
  - [www.tax.ri.gov](http://www.tax.ri.gov) > “Guidance” > “Advisories” > select the appropriate year  
<https://tax.ri.gov/guidance/advisories>
- Tax Compliance Days
  - [www.tax.ri.gov](http://www.tax.ri.gov) > “About Us” > “Tax Compliance Day”
  - <https://tax.ri.gov/about-us/tax-compliance-day>
- Compliant Taxpayer Profiles
  - [www.tax.ri.gov](http://www.tax.ri.gov) > “About Us” > “Taxpayer Experience Office” > scroll to “Outreach and Useful Materials”
  - <https://tax.ri.gov/sites/g/files/xkgbur541/files/2024-01/2024%20Taxpayer%20Profiles%20132024.pdf>
- Upcoming Events
  - [www.tax.ri.gov](http://www.tax.ri.gov) > “About Us” > “Taxpayer Experience Office” scroll to “Calendar Events/Upcoming Events” > “This Month’s Calendar” Events or “Upcoming Calendar Events”
  - [Taxpayer Experience Office | RI Division of Taxation](#)
- Past presentations
  - [www.tax.ri.gov](http://www.tax.ri.gov) > “About Us” > “Taxpayer Experience Office” scroll to “Calendar Events/Upcoming Events” > select the appropriate year
  - [Taxpayer Experience Office | RI Division of Taxation](#)
  - [Whole Home Short-term Rental Tax presentation](#)