

STATE OF RHODE ISLAND

DIVISION OF TAXATION

ADMINISTRATIVE HEARING

FINAL DECISION AND ORDER

#2026-09

**STATE OF RHODE ISLAND  
DEPARTMENT OF REVENUE  
DIVISION OF TAXATION  
ONE CAPITOL HILL  
PROVIDENCE, RHODE ISLAND 02908**

---

<b>IN THE MATTER OF:</b>	:	
	:	
	:	<b>Personal Income Tax</b>
	:	<b>Case No.: 25-T-054</b>
	:	
<b>Taxpayer.</b>	:	
	:	

---

**DECISION**

**I. INTRODUCTION**

The above-entitled matter came before the undersigned as the result of a Notice of Hearing and Appointment of Hearing Officer (“Notice”) dated December 18, 2025 and issued to the above-captioned taxpayers (“Taxpayers”) by the Division of Taxation (“Division”) in response to a request for hearing filed with the Division. A hearing was held on April 28, 2026 with the parties resting on the record. The Division was represented by counsel, and the Taxpayers were represented by a certified public accountant.

**II. JURISDICTION**

The Division has jurisdiction over this matter pursuant to R.I. Gen. Laws § 44-30-1 *et seq.*, R.I. Gen. Laws § 44-1-1 *et seq.*, *Division of Taxation Administrative Hearing Procedures Regulation AHP 97-0*, and the *Division of Legal Services Regulation 1 Rules of Procedure for Administrative Hearings*.

**III. ISSUE**

Whether the Taxpayers’ claimed refund for the calendar year 2020 should have been denied by the Division.

#### IV. MATERIAL FACTS AND TESTIMONY

(“Auditor”), Principal Tax Auditor, testified on behalf of the Division. He testified the Taxpayers’ refund claim for their 2020 income tax was statutorily out of time. He testified that 2020 personal income taxes were due on May 17, 2021 rather than the usual April 15<sup>th</sup> date due to the Covid19 pandemic. He testified the Taxpayers requested an extension for 2020 and submitted a check for \_\_\_\_\_ toward the 2020 taxes. He testified that all extensions were due by October 15, 2021. He testified that since the Taxpayers did not file their 2020 return by October 15, 2021, a letter was forwarded to the Taxpayers dated January 7, 2022 reminding them that the Division received a payment for 2020 from them but a 2020 return had yet to be filed. He testified the Taxpayers filed their 2020 married joint resident return on October 27, 2023. He testified the 2020 return listed the various tax payments by the Taxpayers on line 14 which were withholding of \_\_\_\_\_, estimated payment of \_\_\_\_\_, and other payment of \_\_\_\_\_ (extension). He testified the Taxpayers’ payments agreed with the Division’s records. He also testified that there was also a carryover from the 2019 return of \_\_\_\_\_ dated July 15, 2020. He testified the withholding payment of \_\_\_\_\_ had an effective date of May 17, 2021. He testified the effective date of the extension payment of \_\_\_\_\_ was May 13, 2021. He testified that the estimated payment of \_\_\_\_\_<sup>1</sup> was made October 15, 2021.

The Auditor testified the Taxpayers’ 2020 overpayment was not refunded because the request was out time pursuant to R.I. Gen. Laws § 44-30-87. He testified that using the statutory three (3) year period from the date the return was filed on October 27, 2023, the Division looked forward for three (3) years to October 27, 2026 to see if any payments had been made within that period. He testified that since no payments were made during that period, the refund request was

---

<sup>1</sup> This is what was listed as \_\_\_\_\_ on the return which would have included the \_\_\_\_\_ carryover from 2019. Division’s Exhibit Six (6) (Division records).

out of time for the three (3) year period. He testified the Division also applied the two (2) year look back provision. He testified from the date the return was filed on October 27, 2023, the Division looked back two (2) years to October 27, 2021 to see if any payments were received in that period. He testified that since none of the payments were received in the look back of two (2) years, the refund was out of time. He testified that based on dates of the payments the two (2) year period ran from May 17, 2021 to May 17, 2023 except for the payment made on October 15, 2021. He testified that for the , the two (2) year period was from October 15, 2021 to October 15, 2023 but the return was not filed in that two (2) year period.

Division's Exhibits One (1) (Division announcement that following IRS extension to May 17, 2021 for the filing of 2020 personal income tax returns); Two (2) (Taxpayers' application for extension of time for 2020 return with payment); Three (3) (Division reminder that the due date for 2020 extension of time filings was October 15, 2021); Four (4) (Division reminder letter to Taxpayers dated January 7, 2022 that Division received payments for 2020 taxes but no return filed); Five (5) (2020 return filed on October 27, 2023); Six (6) (Division records for Taxpayers' 2020 personal income); Seven (7) (refund denial letter dated December 6, 2023); and Eight (8) (Taxpayers' request for hearing). There was no cross examination, and the Taxpayers did not appear on their behalf

## V. DISCUSSION

### A. **Legislative Intent**

The Rhode Island Supreme Court has consistently held that it effectuates legislative intent by examining a statute in its entirety and giving words their plain and ordinary meaning. *In re Falstaff Brewing Corp.*, 637 A.2d 1047 (R.I. 1994). If a statute is clear and unambiguous, "the Court must interpret the statute literally and must give the words of the statute their plain and

ordinary meanings.” *Oliveira v. Lombardi*, 794 A.2d 453 (R.I. 2002) (citation omitted). The Supreme Court has also established that it will not interpret legislative enactments in a manner that renders them nugatory or that would produce an unreasonable result. See *Defenders of Animals v. Dept. of Environmental Management*, 553 A.2d 541 (R.I. 1989) (citation omitted). In cases where a statute may contain ambiguous language, the Rhode Island Supreme Court has consistently held that the legislative intent must be considered. *Providence Journal Co. v. Rodgers*, 711 A.2d 1131 (R.I. 1998). The statutory provisions must be examined in their entirety and the meaning most consistent with the policies and purposes of the legislature must be effectuated. *Id.*

## **B. Relevant Statute**

R.I. Gen. Laws § 44-30-87(a) states as follows:

Limitations on credit or refund. – (a) *General*. Claim for credit or refund of an overpayment of tax shall be filed by the taxpayer within three (3) years from the time the return was filed or two (2) years from the time the tax was paid, whichever of these periods expires the later, or if no return was filed by the taxpayer, within two (2) years from the time the tax was paid. If the claim is filed within the three (3) year period, the amount of the credit or refund shall not exceed the portion of the tax paid within the three (3) year period. If the claim is not filed within the three (3) year period, but is filed within the two (2) year period, the amount of the credit or refund shall not exceed the portion of the tax paid during the two (2) years immediately preceding the filing of the claim. Except as otherwise provided in this section, if no claim is filed, the amount of a credit or refund shall not exceed the amount which would be allowable if a claim has been filed on the date the credit or refund is allowed.

## **C. When Refunds are Allowed**

### **i. The Time Periods to Request a Refund**

R.I. Gen. Laws § 44-30-87 provides different time periods within which a refund is allowed. A refund may be claimed within three (3) years of filing a return. If a claim is made within the three (3) year period, the amount of credit cannot exceed the amount of tax paid within that three (3) year period. A claim may be filed within two (2) years from the time the tax was

paid. If a claim is made within the two (2) year period, the amount of refund may not exceed the portion of tax paid during the two (2) years preceding the filing of the claim.

Pursuant to R.I. Gen. Laws § 44-30-87(i),<sup>2</sup> the Taxpayers' tax for 2020 was deemed paid on the date it was due: May 17, 2021. R.I. Gen. Laws § 44-30-51<sup>3</sup> states Rhode Island personal income tax returns are to be filed by April 15 after the close of the taxable year but the date for 2020 was moved to May 17, 2021 due to Covid19. R.I. Gen. Laws § 44-30-52<sup>4</sup> states tax shall be paid on or before the date fixed for filing without regard to an extension. R.I. Gen. Laws § 44-30-87(e)<sup>5</sup> specifically precludes any other period of limitations specified in any other laws from being applied to recovery of personal income tax refunds.

## ii. Applying Rhode Island Law to the Taxpayers' Refund Claim

Thus, applying the State statute results in the following timeline:

---

<sup>2</sup> R.I. Gen. Laws § 44-30-87(i) states as follows:

(i) *Prepaid income tax.* For purposes of this section, any income tax withheld from the taxpayer during any calendar year and any amount paid as estimated income tax for a taxable year is deemed to have been paid by the taxpayer on the fifteenth day of the fourth month following the close of his or her taxable year with respect to which the amount constitutes credit or payment.

<sup>3</sup> R.I. Gen. Laws § 44-30-51 states in parts as follows:

Returns and liabilities. – (a) *General.* On or before the fifteenth day of the fourth month following the close of a taxable year, a Rhode Island personal income tax return shall be made and filed by or for:

(1) Every resident individual required to file a federal income tax return for the taxable year, or having Rhode Island income for the taxable year, determined under § 44-30-12, in excess of the sum of his federal personal exemptions.

<sup>4</sup> R.I. Gen. Laws § 44-30-52 states in part as follows:

Time and place for filing returns and paying tax. – A person required to make and file a Rhode Island personal income tax return shall, without assessment, notice, or demand, pay any tax due thereon to the tax administrator on or before the date fixed for filing the return, determined without regard to any extension of time for filing the return. The tax administrator shall prescribe the place for filing any return, declaration, statement, or other document and for payment of the tax.

<sup>5</sup> R.I. Gen. Laws § 44-30-87(e), states as follows:

(e) *Failure to file claim within prescribed period.* No credit or refund shall be allowed or made, except as provided in subsection (f) of this section, after the expiration of the applicable period of limitation unless a claim for credit or refund is filed by the taxpayer within that period or unless the tax administrator determines under subsection (f) of this section that the taxpayer has made an overpayment. Any later credit shall be void and any later refund erroneous. No period of limitations specified in any other law shall apply to the recovery by a taxpayer of moneys paid in respect of Rhode Island personal income tax.

1. The Taxpayers' 2020 tax was deemed paid on May 17, 2021. The Taxpayers were able to request a refund two (2) years from that date. Any claim for a refund filed in the two (2) year period would be limited to amounts paid in the preceding two (2) years.

2. The Taxpayers filed their 2020 Rhode Island return on October 27, 2023.

3. October 27, 2023 is past the two (2) year period from the date the taxes were deemed paid that is allowed for requesting a refund.

4. The Taxpayers also made a payment on October 15, 2021 after the date tax was deemed paid. Thus, tax was also paid on October 15, 2021. The claim for refund was made on October 27, 2023 which is past the two (2) year period to look back at payments made.

5. The statute also allows a claim for a refund to be filed within three (3) years from the date of the return being filed.

6. Thus, the Taxpayers may file a request for a refund within three (3) years of filing of the return.

7. The Taxpayers are within the three (3) year period to claim a refund.

8. The statute specifically limits the amount of a refund for those filed in the three (3) year period to the portion of tax paid "within the three (3) year period" as opposed to those requests filed within the two (2) year period which are limited to tax paid "during the two (2) years immediately preceding the filing of the claim."

9. The Taxpayers have not paid any tax from October 27, 2023 to the present.

Pursuant to the tenets of statutory construction, a statute must be examined in its entirety and words be given their plain and ordinary meaning. *Infra*. The State statute states that the beginning of the three (3) year period is when the return was filed and that the time period is *within* three (3) years from when the return was filed. This unambiguous prospective application is

further clarified by the fact that the statute clearly delineates that the two (2) year claim period refers to the period immediately preceding the filing date. Indeed, when reviewing the statute in its entirety and applying the plain meaning of the language, it is clear that the legislature intended to strictly limit the time to claim a refund and amounts of refunds. The legislature could have chosen to make the three (3) year period like the two (2) year period but chose not to. Indeed, it chose instead to strictly limit the time allowed and the amount of refunds claimed.

The Rhode Island Supreme Court recently found that R.I. Gen. Laws § 44-30-87 is unambiguous and limits refunds to the two (2) year and three (3) year period as described above. *Schmidt v. Division of Taxation*, --- A.3d ---- 2026 WL 771847 (March 19, 2026). The Taxpayers did not file their tax return requesting a refund in that statutory time period.

Based on the foregoing, the Taxpayers did not qualify for their claimed refund pursuant to R.I. Gen. Laws § 44-30-87. *Schmidt*.

## **VI. FINDINGS OF FACT**

1. On or about December 18, 2025, the Division issued a Notice of Hearing and an Appointment of Hearing Officer to the Taxpayers.
2. A hearing was held on April 28, 2026 with the parties resting on the record.
3. The Taxpayers' 2020 tax payments were statutorily deemed paid on May 17, 2021 as the date was extended due Covid19.
4. The Taxpayers also made an estimated payment of on October 15, 2021.
5. The Taxpayers filed their 2020 return on October 27, 2023 and claimed a refund.
6. The Taxpayer's 2020 return was filed more than two (2) years from May 17, 2021 and more than two (2) years from October 15, 2021.

7. Pursuant to R.I. Gen. Laws § 44-30-87(a), the Taxpayers are not entitled to their claimed refund.

**VII. CONCLUSIONS OF LAW**

Based on the testimony and facts presented:

1. The Division has jurisdiction over this matter pursuant to R.I. Gen. Laws § 44-30-1 *et seq.* and R.I. Gen. Laws § 44-1-1 *et seq.*

2. Pursuant to R.I. Gen. Laws § 44-30-87(a), the Taxpayers are not entitled to the refund claimed.

**VIII. RECOMMENDATION**

Based on the above analysis, the Hearing Officer recommends as follows: Pursuant to R.I. Gen. Laws § 44-30-87(a), the Taxpayers are not entitled to the refund claimed for 2020, and the Division properly denied the Taxpayers' claim for the refund.

Date: MAY 18, 2026

  
Catherine R. Warren  
Hearing Officer

**ORDER**

I have read the Hearing Officer's Decision and Recommendation in this matter, and I hereby take the following action with regard to the Decision and Recommendation:

ADOPT  
 REJECT  
 MODIFY

Dated: May 20, 2026

  
Neena S. Savage  
Tax Administrator

**NOTICE OF APPELLATE RIGHTS**

**THIS DECISION CONSTITUTES A FINAL ORDER OF THE DIVISION. THIS ORDER MAY BE APPEALED TO THE SIXTH DIVISION DISTRICT COURT PURSUANT TO R.I. Gen. Laws § 44-30-90 WHICH STATES AS FOLLOWS:**

**Review of tax administrator's decision.**

*(a) General.* Any taxpayer aggrieved by the decision of the tax administrator or his or her designated hearing officer as to his or her Rhode Island personal income tax may within thirty (30) days after notice of the decision is sent to the taxpayer by certified or registered mail, directed to his or her last known address, petition the sixth division of the district court pursuant to chapter 8 of title 8 setting forth the reasons why the decision is alleged to be erroneous and praying relief therefrom. Upon the filing of any complaint, the clerk of the court shall issue a citation, substantially in the form provided in § 44-5-26 to summon the tax administrator to answer the complaint, and the court shall proceed to hear the complaint and to determine the correct amount of the liability as in any other action for money, but the burden of proof shall be as specified in § 8-8-28.

*(b) Judicial review sole remedy of taxpayer.* The review of a decision of the tax administrator provided by this section shall be the exclusive remedy available to any taxpayer for the judicial determination of the liability of the taxpayer for Rhode Island personal income tax.

*(c) Date of finality of tax administrator's decision.* A decision of the tax administrator shall become final upon the expiration of the time allowed for petitioning the district court if no timely petition is filed, or upon the final expiration of the time for further judicial review of the case.

**CERTIFICATION**

I hereby certify that on the 20<sup>th</sup> day of May, 2026, a copy of the above Decision and Notice of Appellate Rights were sent by first class mail, postage prepaid and certified mail, return receipt requested and by electronic delivery to the Taxpayers' representative's address on file with the Division and by electronic delivery to Matthew Williamson, Esquire, Division of Taxation, One Capitol Hill, Providence, Rhode Island, 02908.

Leil Belasco