



Rhode Island Department of Revenue

Division of Taxation

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TAX ADMINISTRATION

ADVISORY FOR TAX PROFESSIONALS
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Taxpayers and businesses warned about scam in Rhode Island

Caller claims to be from Rhode Island Division of Taxation, seeks to access taxpayer's home

PROVIDENCE, R.I. –The Rhode Island Tax Administrator today urged taxpayers, businesses, and tax professionals to be on guard against a scam from someone claiming to be from the Rhode Island Division of Taxation.

In the scam, which the Division learned of late last week, the caller left a voicemail message for a taxpayer. In that message, the caller asserted that the Rhode Island Division of Taxation had received several complaints that the taxpayer was operating a small business out of his home. As a result, the caller claimed, the Division would be sending an agent to the taxpayer's home to conduct an audit and full investigation.

"We do not conduct audits or investigations in this manner," said Rhode Island Tax Administrator Neena S. Savage. "Taxpayers – including individuals and businesses – need to be aware that this sort of phone call is a scam. The caller, under false pretenses, probably wants to gain access to your home or your office to obtain personal information, money, or both," Savage said.

Similar scams have been reported this summer by the Internal Revenue Service, as well as by the state tax agencies in Alabama, Michigan, and Washington.

"If you receive this sort of call, don't provide any personal information. Write down the caller's name and contact information. Then hang up and contact law enforcement as well as the appropriate tax agency to let them know what happened," Savage said. "If you receive this sort of call through a recorded message – either the call itself is a pre-recorded message, or a message is left on your voicemail – do not respond to it," she said.

Scam Alert

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-- Tax Administrator Neena S. Savage

POINTS TO CONSIDER

The Tax Administrator asks individuals and businesses to keep the following points in mind:

- The Rhode Island Division of Taxation makes its first contact with a taxpayer by mail – not by phone, email, or social media. "When we first get in touch with a taxpayer, whether the taxpayer is an individual or a business, we send a written letter stating the auditor's name and contact information, the type of tax (such as sales tax, use tax, corporate income tax, or individual income tax), the period involved (typically one or more specific years), and a list of records that the taxpayer will have to assemble," Savage said.
- The Rhode Island Division of Taxation does not conduct audits or examinations at your personal residence (unless it's registered with the Division as a *bona fide* business address). Also, all Rhode Island Division of Taxation employees have picture IDs.

- No Rhode Island Division of Taxation employee collects money from taxpayers on-site at their homes or at their businesses. “Division of Taxation employees who visit businesses in the ordinary course of their duties will never ask for payments to satisfy outstanding tax bills. Instead, the employee will go back to the office, issue a bill, and mail it to the taxpayer,” Savage said. The taxpayer will then typically have a period of time to challenge the bill, and will be advised of his or her rights, she said.

“Remember: The Rhode Island Division of Taxation will never demand immediate payment, will never threaten you, and will always make first contact with a taxpayer by U.S. mail, never by phone, email or social media. And if a person comes to your place of business or your home claiming to be from the Division of Taxation and demanding an immediate payment, do not pay them,” she said. “That person is an imposter.” You can report them to one of the numbers below.

- The Rhode Island Division of Taxation at (401) 574-8829 between 8:30 a.m. and 4:00 p.m. business days.
- The Rhode Island Attorney General’s Office at (401) 274-4400.
- The Rhode Island State Police at (401) 444-1000.
- Your local police department.

For more information

The Rhode Island Division of Taxation office is located at One Capitol Hill in Providence, R.I., diagonally across from the Smith Street entrance to the State House, and is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829.