



Rhode Island Department of Revenue

Division of Taxation

ADV 2017-10
TAX ADMINISTRATION

ADVISORY FOR TAX PROFESSIONALS
MARCH 15, 2017

Avoid use of staples when filing paper returns

Staples slow processing of paper returns, especially during filing season

PROVIDENCE, R.I. – The Rhode Island Division of Taxation advises against the use of staples when preparing paper returns for mailing because staples delay processing.

“Our staff works hard every day to process Rhode Island personal income tax returns as quickly and efficiently as possible. But when returns or attachments are stapled, our mailroom staff must stop to remove the staples so that the documents will be ready for scanning into our high-speed scanners,” said Tax Administrator Neena S. Savage. That slows down processing time, she said.

Furthermore, if a stapled document is missed during preparation for the high-speed scanners, it can clog up a scanner, further delaying processing of returns and of any associated refunds. Instead of using staples or sticky tape to bind tax return documents together prior to mailing, taxpayers should use binder clips, paper clips, or rubber bands – all of which can be quickly removed by Division staff during the processing of the return.

Each year, the Division of Taxation processes more than 645,000 Rhode Island resident and nonresident personal income tax returns. For every staple encountered, members of the Division’s mailroom operations staff must stop what they are doing to remove the staple and recondition the affected documents before the documents can be scanned. That, in turn, slows down individual income tax refunds and other services.

Staples should only be applied where tax form instructions advise to use them. All tax forms typically come with return instructions. By paying close attention to the instructions and appropriately preparing tax documents, taxpayers can expect faster service, Savage said.

OTHER FILING TIPS

Although most tax returns are electronically filed, some taxpayers still mail in paper returns. The Division of Taxation makes the following recommendations for paper filers:

- Sign your return. (Returns without a signature will be sent back to the taxpayer.)
- Include with your return any Form W-2 wage statements.
- If you had any Rhode Island income tax withheld last year (from a job, a pension, or other source of income), don’t forget to accurately complete your return’s Schedule W and include it in your mailing.
- Include your Social Security number (or ITIN). If you’re married, include the Social Security number (or ITIN) of your spouse, too.
- Include all pages of the return.

- Use a standard-size envelope.
- Keep folding of the return to a minimum, to ease in processing.
- Include with the return only the required documents as shown in the instructions. (For example, do not include birth certificates.)

Another point to remember: So far this season, some paper filers have included their Form W-2 wage statements but not Schedule W. In other instances, some paper filers have included their Schedule W but not their Form W-2 wage statements. All of the documents should be included.

E-FILING RECOMMENDED

The Rhode Island Division of Taxation continues to strongly recommend that tax preparers and taxpayers file Rhode Island returns electronically. E-filing is faster, more efficient, results in fewer errors, and generates refunds more quickly. Furthermore, e-filing is the only way you can have your refund deposited directly into your bank or credit union account. (Direct deposit is not available for paper filing.) In addition, preparers are subject to an e-filing mandate under Rhode Island General Laws § 44-1-31.1 and Division of Taxation Regulation ELF 09-01.

“So far this season, we’re seeing an increase in e-filed returns and a decrease in paper returns,” Savage said. “For the comparatively small number of taxpayers who do file on paper, we request that they not use staples and instead use binder clips, paper clips, or rubber bands to fasten tax documents together prior to mailing,” she said.

TAX FORMS, INSTRUCTIONS

A number of tax forms, instructions, and related schedules and other materials are available online at the Division of Taxation website: <http://www.tax.ri.gov/taxforms/>. To order forms, call (401) 574-8970. When calling, please leave a clear, detailed, message with your name, address, and the name and number of the forms that you are requesting. To order by email, use the following address: tax.forms@tax.ri.gov.

Tax preparers and taxpayers can pick up forms and instructions, or make payments or ask questions, at the Division of Taxation office at One Capitol Hill, Providence, R.I. The office is typically open to the public from 8:30 a.m. to 3:30 p.m. business days. Keep in mind that call volume and visitor volume is highest during filing season.

FILING DEADLINE TONIGHT FOR SOME BUSINESS ENTITIES

The Division of Taxation reminds tax professionals and taxpayers that tonight is the filing deadline for calendar-year partnerships and certain other entities.

For example, as a result of changes in federal and Rhode Island law, calendar-year partnerships, which formerly filed in April, now must file in March.

The entities with a filing deadline of tonight, March 15, 2017, also may obtain a six-month extension, allowing for an extended due date of September 15, 2017.

The following table shows the March filing deadline and the September extended due date for a number of business entities and tax types.

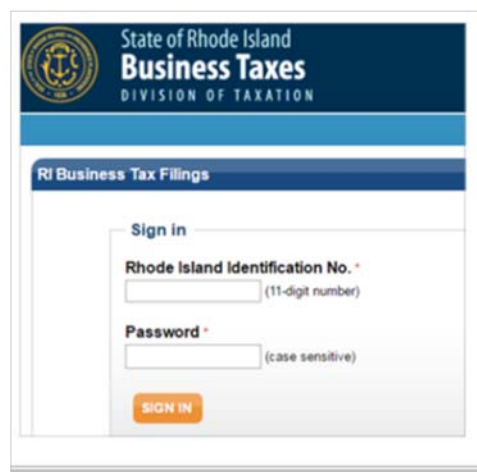
Due date of March 15, 2017, for calendar-year filers			
<i>Entity/tax type</i>	<i>Form</i>	<i>Due date</i>	<i>Extended due date</i>
General partnerships	RI-1065	March 15, 2017	September 15, 2017
Limited partnerships	RI-1065	March 15, 2017	September 15, 2017
Limited liability companies	RI-1065	March 15, 2017	September 15, 2017
Single-member LLC*	RI-1065	March 15, 2017	September 15, 2017
Subchapter S corporations	RI-1120S	March 15, 2017	September 15, 2017
Withholding of pass-through entity	RI-1096PT	March 15, 2017	September 15, 2017
Composite income tax return**	RI-1040C	March 15, 2017	September 15, 2017
Political organization tax	RI-1120POL	March 15, 2017	September 15, 2017

Formulas and deadlines for estimated taxes have not changed.
 Deadlines apply to those treated as pass-through entities for federal tax purposes.
 * Single-member limited liability company (SMLLC) uses same due date and extended due date as its owner. Table assumes owner is calendar-year S corporation.
 ** Dates also apply to filers of Form RI-1040C-NE.

FILING ON EXTENSION

Entities seeking an automatic six-month extension should use Form RI-7004 or Form BUS-EXT (depending on the entity). Keep in mind that it is an extension of the time to file, not of the time to pay; payments are still due on the original due date (even if the return is filed later).

The Division of Taxation does not accept e-filed extensions; they must be filed on paper. But there is a key exception: If you make an extension payment online, you don't need to send in an extension form. (See screenshot at right.) Use the following link: <https://www.ri.gov/taxation/business/index.php>.



Because extension requests must be made on paper, Rhode Island's corporate e-file mandate does not apply to extension requests. (Although the Division of Taxation does not accept e-filed extensions, the Division does accept – and does encourage – e-filed returns, including e-filed returns that are made on extension.)

ESTIMATED TAX PAYMENTS

Keep in mind that C corporations subject to the corporate income tax (also known as the business corporation tax) must pay tax during 2017 to cover their 2017 tax liability.

The amounts and due dates of the installments are as follows:

- 40 percent by March 15 for calendar-year filers.
- 60 percent by June 15 for calendar-year filers.

March 15 is also the deadline for the first estimated payment of the year for calendar-year filers of the following:

- bank deposits tax.
- bank excise tax.
- insurance gross premium tax.
- public service corporation gross earnings tax.
- Rhode Island political organization taxes.

Additional details are available on forms corresponding to the various tax types. Forms and instructions are available for viewing or download at any time: <http://www.tax.ri.gov/taxforms/>. Note that deadlines for estimated and annual tax payments, and for returns, for surplus lines insurance brokers/licensees have not changed. See: <http://go.usa.gov/x8mYW>.

PERSONAL INCOME TAX REFUND STATISTICS

So far during this tax-filing season, the average Rhode Island personal income tax refund is \$557.35 for tax year 2016 returns (before interest and offset). That is an increase of 12.3 percent over the average of \$496.35 for tax year 2015 returns (before interest and offset) that were filed in the corresponding period last filing season.

The total dollar amount of refunds issued so far this season is up 21.9 percent, to more than \$119 million. The number of refunds issued so far this season is up 8.5 percent compared with the corresponding period last filing season.

Rhode Island personal income tax refunds – year to date			
	Filing season 2016 (Tax year 2015 returns)	Filing season 2017 (Tax year 2016 returns)	
Year-to-date number of refunds:	197,059	213,850	+ 8.5%
Year-to-date total amount refunded:	\$ 97,809,825.05	\$ 119,189,792.84	+ 21.9%
Year-to-date average refund:	\$ 496.35	\$ 557.35	+ 12.3%
Cumulative, year-to-date, tax year 2015 refunds processed through March 14, 2016, and tax year 2016 refunds processed through March 13, 2017. Numbers are before interest and offset, and do not include refunds for tax years other than those stated. Percentages may reflect rounding.			

PERSONAL INCOME TAX REFUND INFORMATION

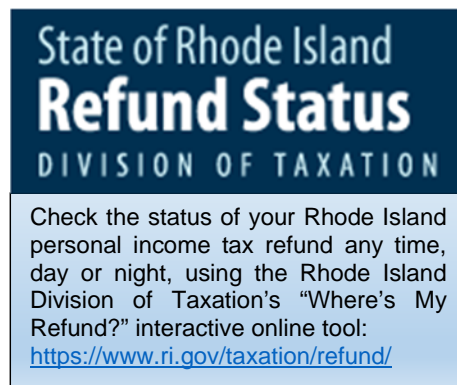
Before calling the Division of Taxation to check on the status of a Rhode Island personal income tax refund, use the agency's "Where's My Refund?" interactive online tool. It is available 24 hours a day, seven days a week.

Taxpayers and tax professionals use the secure website to find out if the Division of Taxation has received a return and whether any associated refund has been processed.

The Division of Taxation's "Where's My Refund?" online tool is updated with fresh information at least once a week, typically late each Friday.

The online tool has been made more user-friendly this filing season by providing additional information about the status of returns and refunds and related information. For details, use the following link: <http://go.usa.gov/x9JSP>.

That link also includes guidance on how soon you should start using the tool, after you've filed your return, to check on the status of your refund.



State of Rhode Island
Refund Status
DIVISION OF TAXATION

Check the status of your Rhode Island personal income tax refund any time, day or night, using the Rhode Island Division of Taxation's "Where's My Refund?" interactive online tool:
<https://www.ri.gov/taxation/refund/>

WHAT'S NEW

As preparers and taxpayers work toward the April filing deadline for Rhode Island resident and nonresident personal income tax returns, they will encounter a number of changes, including the following:

- A new tax break for Social Security benefits.
- An increase in the earned income credit.
- An increase in the statewide property-tax relief credit (Form RI-1040H).
- The ability to pay a balance due by debit card or credit card.
- A filing deadline of April 18, 2017.
- Increased efforts to combat tax refund fraud and refund-related identity theft.

For more information on the topics above, see the special edition of the Division's newsletter: <http://go.usa.gov/x9mzc>.

FOR MORE INFORMATION

The Division of Taxation is located on the first floor of the Powers Building, at One Capitol Hill, diagonally across from the Smith Street entrance of the State House. The Division is typically open to the public from 8:30 a.m. to 3:30 p.m. business days. Obtain forms and instructions at any time, day or night, through the Division of Taxation's website: <http://www.tax.ri.gov/taxforms/>. The main phone number is (401) 574-8829. (For questions about personal income tax, choose option # 3.) To see a list of phone numbers and email addresses to various sections within the agency, use the following link: <http://www.tax.ri.gov/contact/>.

The Division of Taxation cannot directly respond to taxpayer inquiries via social media, such as Twitter and Facebook, because of State statutes protecting taxpayer confidentiality. For the same reason, individual taxpayer inquiries cannot be directly addressed when made through traditional media, such as TV stations and talk-show programs. The Division recommends using the contact information listed in this Advisory – including the email address, phone number, and office visit information. The Division also recommends checking the "Where's My Refund?" interactive online tool: <https://www.ri.gov/taxation/refund/>.