



Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations
Department of Revenue

April 10, 2012

ADV 2012-09

Advisory:

Filing deadline one week from tonight

The deadline for filing Rhode Island personal income tax returns is one week away. The Rhode Island Division of Taxation today urged taxpayers to complete their returns as soon as possible – and to file them electronically – in order to avoid the last-minute crunch and to ensure that returns are received and processed as promptly as possible. Today's advisory provides details, resources, updated statistics, and other information.

Forms and instructions

Returns must be e-filed or postmarked by midnight on Tuesday, April 17. The Tax Division has the forms, instructions, booklets, and additional information you'll need in order to complete and file your return in advance of the deadline.

Obtain [forms and other items from the Tax Division's website](#).

Or visit the Tax Division's first-floor lobby at One Capitol Hill, Providence, 8:30 a.m. to 4 p.m. weekdays.

The Tax Division has issued [a special edition of its newsletter](#) to provide tax preparers, taxpayers, and others with helpful information about what's new for this filing season.

In addition, the Tax Division has posted a [list of the top five errors on returns](#) so far this season – mistakes you'll want to avoid making because they could delay your refund.

And if you have questions about your taxes, call the Tax Division at (401) 574-8829 from 8:30 a.m. to 3:30 p.m. business days. (When calling, please select option 3.)

Free preparation and e-file

The Tax Division offers [links to four independent tax-preparation companies](#) through which you can prepare and file both your federal and Rhode Island returns online at no charge.

The offers aren't for everyone; you must meet certain qualifications. "Taxpayers should check to see if they're eligible, and then read each program's rules to make sure the program suits their needs," Tax Administrator David M. Sullivan said.

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In addition, the offers are mainly for do-it-yourself taxpayers; they typically do not offer guidance, tax planning, or other services usually available through professionals. To take advantage of the offers, you must go through [the links on the Tax Division's website](#) – where you'll also find details about each offer. The companies behind the offers are part of the Free File Alliance, a consortium of tax software providers that make versions of their free-file products available [through the Internal Revenue Service](#).

Pay electronically

If you have a balance due on your Rhode Island personal income tax return this season, and you are e-filing, you can pay what you owe electronically, online. If you e-file through a preparer, chances are that your preparer's software offers the direct debit option of making payment. If you use your own tax-preparation software, it probably offers the option, too.

So far this season, about 6,000 taxpayers have paid – or have arranged to pay – \$2.8 million in Rhode Island personal income tax through the direct debit feature on their software or their preparer's software, Tax Division figures show.

(If you prefer to pay by credit card, [click here](#) for more details.)

E-file your return

Most people who have filed their Rhode Island returns so far this season have filed them electronically, online, a process known as e-filing. "E-filing is faster, more accurate, and provides refunds more quickly," said Peter McVay, associate director of revenue services.

For the filing season to date, 85.74 percent of all returns have been e-filed, up from about 81.77 percent at the same point last year, according to the latest Tax Division figures.

| | Filing season 2011 | Filing season 2012 | Difference |
|---------------------|--------------------|--------------------|------------|
| E-filed returns | 313,542 | 335,469 | + 6.99% |
| Paper returns | 50,068 | 38,708 | - 22.69% |
| 2-D barcode returns | 19,819 | 17,099 | - 13.72% |
| Total returns: | 383,429 | 391,276 | + 2.05% |

Cumulative figures for tax year 2010 returns filed through April 6, 2011, tax year 2011 returns through April 4, 2012.

Avoid penalties

Failure to file your Rhode Island personal income tax return as required will trigger the failure-to-file penalty – which applies at the rate of 5 percent per month, to a maximum of 25 percent of the amount due.

So at the very least, you should file a proper return. If you can't file your Rhode Island personal income tax return by the April 17 deadline, you can still avoid the failure-to-file penalty by filing a proper extension.

(Continued on next page)

You may use [Form RI-4868, "Rhode Island Application for Automatic Extension of Time to File a Rhode Island Individual Income Tax Return,"](#) available on the Tax Division website. It is good for both resident and nonresident returns. It will push your filing deadline out to October 15, 2012.

Remember, though, that it is an extension of the deadline for filing, McVay said. "You still must pay what you owe by April 17, or face penalty and interest charges," he said. The failure-to-pay penalty is levied at the rate of 0.5 percent (one-half of 1 percent) per month, to a maximum of 25 percent of the amount due.

In addition, the Tax Division charges interest on unpaid balances at the rate of 1.5 percent per month; the maximum is 18 percent per annum.

Note that if you are not required to make a payment by April 17 – because your calculations show that you paid in a sufficient amount last year, for example – you need not file the Rhode Island extension form; you'll qualify for the six-month extension automatically. (When you do file, attach to your return a copy of your federal or Rhode Island's Form RI-4868.)

If you must file Form RI-4868, follow the instructions carefully and use the form to make a proper estimate. If you fail to make a proper estimate, your extension request won't be considered valid. Also please note that the deadline for filing your Rhode Island extension is April 17.

If you can't pay what you owe by the April 17 deadline, file anyway to avoid the failure-to-file penalty. You can then enter into an agreement to pay what you owe over time, in installments. To learn more about such payment plans, call the Tax Division's Compliance & Collections section, at (401) 574-8941. (Have a copy of your return handy when you call.)

Bottom line: *File your return and pay what you owe by the April 17 deadline. If you can't file a return, you should at least file for an extension by midnight on April 17. If you can't pay what you owe by April 17, contact the Tax Division's Compliance & Collections section to enter into an installment agreement.*

Refund statistics

The number of refunds issued by the Tax Division so far this year is up 5.7 percent compared with the same point last year. In addition, the overall dollar amount of refunds issued by the Tax Division is up 14.5 percent so far. The average refund is \$514, up 8.4 percent from the same point last year.

| | Filing season 2011 | Filing season 2012 | Difference |
|-----------------------|--------------------|--------------------|------------|
| Number of refunds | 298,259 | 315,194 | + 5.7% |
| Total amount refunded | \$ 141,482,810 | \$ 161,946,199 | + 14.5% |
| Average refund | \$474 | \$ 514 | + 8.4% |

Cumulative figures for tax year 2010 through April 8, 2011, and for tax year 2011 through April 6, 2012. Figures for each filing season do not include prior-year returns and are before interest and offset.

To find out the status of your refund, use the ["Where's My Refund"](#) tool on the Tax Division's website. The tool is updated once a week, usually by Saturday, with fresh figures.

Or call the Tax Division's main number, at (401) 574-8829, and press option 3.

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Deadline for other forms

April 17 is the filing deadline for property-tax relief claims on [Form RI-1040H](#) and the residential lead abatement credit on [Form RI-6238](#) for tax year 2011. Even if you plan on filing your regular return on extension, you still must file your claims for property-tax relief and for the residential lead abatement credit by April 17. Also, April 17 is the deadline for calendar-year limited liability companies (LLCs) that file their annual return on [Form RI-1120S](#).

Estimated tax payments

If you make quarterly estimated payments of Rhode Island personal income tax, don't forget that the deadline for the first such payment of 2012 is April 17.

If you didn't receive a booklet in the mail, you may [use the payment coupons and instructions available on the Tax Division website, on Form RI-1040ES](#).

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