

2022 -- H 7928

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

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A N A C T

RELATING TO TAXATION -- STATE TAX OFFICIALS

Introduced By: Representative Marvin L. Abney

Date Introduced: March 07, 2022

Referred To: House Finance

(Dept. of Revenue)

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-1 of the General Laws entitled "State Tax Officials" is hereby
2 amended by adding thereto the following section:

3 **44-1-31.2. Electronic filing of large entity tax returns, electronic payments, and**
4 **penalties..**

5 (a) For the purposes of this chapter, "larger business registrant" means any person who:

6 (1) Operates as a business whose combined annual liability for all taxes administered by
7 the division of taxation for the entity is or exceeds five thousand dollars (\$5,000); or

8 (2) Operated as a business whose annual gross income is over one hundred thousand dollars
9 (\$100,000) for the entity.

10 (b) Beginning on January 1, 2023, any larger business registrant is required to file returns
11 and remit taxes to the State of Rhode Island electronically.

12 (c) Beginning on January 1, 2023, if any larger business registrant fails to pay said taxes
13 by electronic funds transfer or other electronic means defined by the tax administrator as required
14 hereunder, there shall be added to the amount of tax the lesser of five percent (5%) of the tax
15 liability amount that was not filed electronically or five hundred dollars (\$500), whichever is less,
16 unless there was reasonable cause for the failure and such failure was not due to negligence or
17 willful neglect.

18 (d) Notwithstanding the provisions of subsection (c) of this section, beginning on January
19 1, 2023, if any larger business registrant fails to file a return by electronic means defined by the tax

1 administrator as required hereunder, there shall be added to the amount of tax equal to fifty dollars
2 (\$50.00), unless there was reasonable cause for the failure and such failure was not due to
3 negligence or willful neglect.

4 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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- 1 This act would define "large business registrant" and would require the large business
- 2 registrant to file returns and remit taxes electronically with fines for failure to do so.
- 3 This act would take effect upon passage.

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