

Rhode Island Opens Tax Amnesty Window

August 2012

[David C. Morganelli, Esq.](#)
[Ryan W. Sawyer, Esq.](#)

The Rhode Island General Assembly recently passed the "2012 Rhode Island Tax Amnesty Act" which was promptly signed into law by the Governor on June 15, 2012. The Amnesty Act authorizes the Rhode Island Division of Taxation to run a tax amnesty program from September 2, 2012 through November 15, 2012 that will allow certain taxpayers to pay the full amount of overdue taxes plus seventy-five percent of the usual interest rate on past due taxes. The remaining interest and any penalties otherwise due will be waived.

The program will cover taxable periods ending on or before December 31, 2011. Amnesty will apply to "any tax imposed by reason of or pursuant to authorization by any law of the state of Rhode Island and collected by the tax administrator." For example, the program applies to the following types of taxes:

- Corporate income tax
- Estate tax
- Fiduciary income tax
- Personal income tax
- Sales tax
- Use tax
- Cigarette and tobacco products taxes
- Employer taxes - unemployment, temporary disability insurance

In addition, amnesty will be granted only if all amnesty conditions under the program are satisfied by the taxpayer. This is an excellent opportunity for delinquent taxpayers to come forward and settle their tax liabilities.

The program will not cover:

- Taxpayers facing criminal investigation; or
- Taxpayers party to any civil or criminal proceeding pending in any court of the United States or the State of Rhode Island, for fraud in relation to any State tax imposed by the laws of the State and collected by the Tax Administrator.

If you would like to discuss the various aspects of the amnesty program, please contact [David](#) or [Ryan](#).