



Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations
Department of Revenue

December 12, 2012

ADV 2012-36

Advisory:

E-filing rises for personal, corporate tax

Final figures for tax year 2011 show an increase in electronically filed returns for both personal income taxes and business taxes.

"We're delighted that so many taxpayers and tax preparers are taking advantage of the opportunity to e-file – and reap the many benefits," said Rhode Island Tax Administrator David M. Sullivan. E-filing is more convenient, results in fewer errors, and generates refunds more quickly, he said.

E-filing also saves taxpayer dollars by reducing processing, storage, and other expenses, according to Peter McVay, associate director of revenue services.

Personal income tax

About 469,000 personal income tax returns were e-filed this year, compared with about 436,000 last year, an increase of about 33,000 returns.

Overall, about 76 percent of personal income tax returns were e-filed this year, compared with 72 percent last year. About 10,000 fewer paper returns (without a barcode) were filed in 2012.

	Filing season 2011	Filing season 2012	Difference
E-filed returns:	436,288	469,602	+ 7.64%
Paper returns:	119,144	109,733	- 7.90%
2-D barcode returns:	46,490	38,370	- 17.47%
Total returns:	601,922	617,705	+ 2.62%

Cumulative figures for tax year 2010 returns filed through December 7, 2011, and tax year 2011 returns filed through December 5, 2012.

Corporate income tax

The number of e-filed corporate tax returns jumped 76 percent this year compared with last year. In total, nearly 18,000 corporate tax returns were e-filed this year, up from about 10,000 last year.

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Overall, about 36 percent of corporate returns were e-filed this year, compared with 21 percent last year. The number of returns filed on paper – including those using a two-dimensional barcode – dropped this year compared with last year.

	Filing season 2011	Filing season 2012	Difference
E-filed returns:	10,025	17,693	+ 76.49 %
2-D barcode returns:	5,829	2,829	- 51.47 %
Paper returns:	32,819	29,247	- 10.88 %
Total returns:	48,673	49,769	+ 2.25 %

Cumulative figures for tax year 2010 returns filed on Forms RI-1120C and RI-1120S through December 10, 2011, and tax year 2011 returns filed through December 1, 2012. (Most figures were posted on those dates, some near those dates.)

There were 38,869 returns filed on Form 1120S for tax year 2011, up from 35,078 for tax year 2010.

There were 10,900 returns filed on Form 1120C for tax year 2011, down from 13,595 for tax year 2010.

The number of corporate tax returns filed on paper still exceeded the number of e-filed returns this year. But the Division of Taxation fully expects that to change in 2013, which is when the agency begins enforcing the state's corporate e-file mandate.

E-file mandate - reminder

The Division of Taxation recently announced that it will mandate the electronic filing of corporate tax returns beginning with the filing season that starts January 1, 2013.

Legislation approved by the General Assembly and enacted in 2008 requires paid preparers of tax returns to file Rhode Island tax returns for their clients electronically with the Division of Taxation. The provision applies to each preparer who prepared more than 100 Rhode Island returns in the prior year.

The requirement took effect January 1, 2009. But as a practical matter, it applied at the time only to personal income tax returns; the agency's computers were not accepting e-filed corporate returns. However, corporate e-file "went live" at the Tax Division in March 2011, and the agency has been accepting e-filed corporate returns ever since.

The Tax Division will begin enforcing that mandate January 1, 2013, with respect to paid preparers of corporate returns on the Form RI-1120 series and Form RI-1065.

Thus, in nearly all cases, returns filed on or after January 1, 2013, on Form RI-1120C, Form RI-1120S, or Form RI-1065 must be e-filed. For more information on the corporate e-file mandate, including waivers for undue hardship, [click here](#).

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