



# Rhode Island Department of Revenue

## Division of Taxation

Notice 2023-01

March 6, 2023

### RI Filing requirements for LLCs 2023 Update

PROVIDENCE, R.I. – Limited liability companies (LLCs) are required under Rhode Island law to file an annual return with the Rhode Island Division of Taxation and pay an annual tax or fee. Which form to file, and which tax/fee to pay, depends upon the LLC:

- If the LLC is treated as a pass-through entity and not as a corporation for federal tax purposes, it must file Form RI-1065 and pay an annual fee, also known as an annual charge (see table below).
- If the LLC is treated as a corporation for federal tax purposes, it must file Form RI-1120C each year and pay the Rhode Island Corporate Income Tax.

Rhode Island filing and payment requirements for LLCs apply to multi-member LLCs and single-member LLCs. The filing and payment requirements apply for any full **or** partial year in which the business is in existence. This includes the **year in which the business is formed** and the **year in which the business dissolves**. For more information, see the applicable form and related instructions on the Division of Taxation’s website: [www.tax.ri.gov](http://www.tax.ri.gov).

#### Items to keep in mind:

- In general, the annual tax filing deadline is March 15 for an LLC treated as a pass-through entity, while the deadline is April 15 for an LLC treated as a corporation for federal tax purposes or as a single member LLC.
- There is no time limit regarding collecting taxes from non-filers. If a single-member LLC or multi-member LLC has failed to file and pay the annual charge in prior years, they must pay the previously incurred balance to be compliant and in good standing with the Division. Failure to file and pay will prevent you from receiving a Letter of Good Standing from the Division of Taxation, which in turn could prevent you from selling real estate or other key assets held by your single-member LLC or multi-member LLC.
- An LLC must notify the Division at least five business days before the sale or transfer of a major part in value of the LLC’s assets. The notification must be made by requesting a letter of good standing from the Division. All required tax returns must be filed, and all Rhode Island State taxes paid, when the Tax Administrator is notified of the sale or transfer.

Tax year	Annual charge
2022	\$400
2021	\$400
2020	\$400
2019	\$400
2018	\$400
2017	\$400
2016	\$450
2015	\$500

The annual charge – sometimes called the annual fee, filing fee, or filing charge – is \$400 for tax years beginning on or after January 1, 2017; \$450 for tax years beginning on or after January 1, 2016, but before January 1, 2017; \$500 for tax years beginning on or after January 1, 2004, but before January 1, 2016; \$250 for 2003.

- In general, for an LLC treated as a corporation for federal tax purposes, for tax years beginning on or after January 1, 2015, the tax is 7% of net income, or the minimum tax, whichever amount is greater. For prior years, corporations paid the Rhode Island corporate income tax or the franchise tax, whichever amount was greater. For rates and other information, please see the applicable tax form.
- If you cannot pay all of what is due, please call the Division of Taxation's Compliance & Collections section and ask about payment plans: (401) 574-8941 from 8:30 a.m. to 3:30 p.m. business days.
- An LLC whose members include one or more nonresidents generally must withhold and remit Rhode Island tax and file RI-1096PT\* each year reporting the income flowing through and the amount of nonresident Rhode Island tax withheld. (See also the note below.) Nonresident individuals and entities are required to file the appropriate Rhode Island tax returns reporting the pass-through income and any pass-through withheld tax. In some instances, Form RI-1040C may be filed. For more information on pass-through entities and composite filing, visit the Division's Forms webpage: <https://tax.ri.gov/forms/business-tax-forms/pass-through-entities-and-composite-return-tax-forms>
  - Note: Under Rhode Island legislation enacted in 2019, pass-through entities can elect to pay an entity-level tax. If an entity elects to pay income tax at the entity level on Form RI-PTE ("Pass-through Entity Election Tax Return"), the entity is not required to comply with the requirements for Form RI-1096PT.
  - More information about the entity-level tax can be found on the Division's website: <https://tax.ri.gov/tax-sections/corporate-tax/pass-through-entities>.
- If the LLC has employees, please see the following websites for information on employer taxes:
  - <http://www.uitax.ri.gov/>
  - <https://tax.ri.gov/tax-sections/withholding-tax>
- For the Division's regulation on LLCs: <https://rules.sos.ri.gov/regulations/part/280-20-25-7>.

For more information or for questions, taxpayers and preparers are encouraged to contact the Division's Corporate Tax Section by email: [Tax.Corporate@tax.ri.gov](mailto:Tax.Corporate@tax.ri.gov) or telephone from 8:30 a.m. to 3:30 p.m. business days: 401-574-8935.

\*Tax year 2022 will be the last year to file the RI-1096PT as a stand alone filing. Starting in tax year 2023, the RI-1096PT will be incorporated as a schedule as part of the RI-1120S or RI-1065 filing. If required to make estimated payments for tax year 2023, estimated payments formerly made with a RI-1096PT-ES will now be made with a RI-BUS form with Pass-through selected. Details on this change are contained in [Advisory 2022-27](#).

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*The Rhode Island Division of Taxation, part of the Rhode Island Department of Revenue, is open to the public from 8:30 a.m. to 3:30 p.m. business days. For more information, contact the Division of Taxation at (401) 574-8829 or see <https://tax.ri.gov/about-us/contact-us>.*