

2023 RI FORM T-71 INSURANCE - GENERAL INSTRUCTIONS

Form T-71 is due on or before April 15, 2024

Informational Section

Check whichever box applies:

Insurance companies check the "Insurance Company" box.

Specifically identified companies check the "Nonprofit Hospital Service Corp, Nonprofit Dental Corp, Nonprofit Medical Service Corp, and HMO" box.

If filing an amended T-71, check the "Amended" box.

Schedule A - Computation of Tax

Line 1a: Enter the amount of gross premiums less return premiums from Schedule T, Part 1 of your Annual Statement to Insurance Commissioner.

Line 1b: Enter the amount of reinsurance assumed from companies not authorized to do business in Rhode Island. (Covering property and risks in Rhode Island.)

Line 2: Total Premiums. Add lines 1a and 1b.

Line 3a: Mutual and Mutual Plan Companies Only -
Enter the amount of dividends paid or credited to policyholders.

Line 3b: Enter the amount of direct ocean marine premiums and any other federally exempted premiums such as Flood Insurance, Livestock, Crop, and Medicare Title XXVII. (Gross amount less return premiums.)

This line does not apply to risk retention groups. Include on this line any premiums that the State of Rhode Island is prohibited from taxing pursuant to federal law, including premiums for health benefits through the Federal Employees Health Benefits program under Title 5 US Code § 8909(f), premiums paid to Medicare organizations under Title 42 US Code §§ 1395w-24(g), 1395w-112(g), or 1395mm(k)(4)(B)[t1] premiums paid for crop insurance and livestock policies that are reinsured by the Federal Crop Insurance Corporation pursuant to Title 7 US Code § 1511 and Federal Flood Insurance administered by the National Flood Insurance Program pursuant 42 U.S.C. § 4071.

Line 3c: Enter your capital investment deduction amount -
R.I. Gen. Laws § 44-43

Line 3d: Enter the amount of Tax Incentives for Employers deduction against gross premiums as calculated on Form RI-107. Form RI-107 must be attached to your return.

Line 4: Total deductions. Add lines 3a, 3b, 3c and 3d.

Line 5: Net taxable premium. Subtract line 4 from line 2.

Line 6a: Rhode Island tax. Multiply line 5 by the tax rate of 2% (0.02).

Line 6b: Tax that would be imposed by taxpayer's state or country.

Only complete this line if your state is a retaliatory state.

Line 7: Total tax due. Enter the amount from line 6a or line 6b, whichever is greater.

Line 8a: Rhode Island credits. Enter the amount of credit from RI Schedule B-CR, Business Entity Credit Schedule, line 19. Proper documentation along with RI Schedule B-CR must be attached to your return to support the amount of credit being claimed.

Line 8b: Enter the amount of Life and Health Guaranty Fee.

Line 9: Total Credits. Add lines 8a and 8b.

Line 10a: Tax after credits. Subtract line 9 from line 7. If zero or less, enter \$0.

Line 10b: Enter the amount from line 10a.

Line 11a: Enter the amount of any estimated payments made on 2023 BUS-EST, Business Estimated Tax Payment or amounts applied from the prior year.

Line 11b: Enter the amount of any other payments made for tax year 2023.

Line 12: Total Payments. Add lines 11a and 11b.

Line 13: Previously issued overpayments. If filing an amended return, enter the amount of the overpayment from the original return whether the overpayment was refunded or carried forward.

Line 14: Net Payments. Subtract line 13 from line 12.

Line 15: Net Tax Due. If line 10b is greater than line 14, subtract line 14 from line 10b. This is the amount of tax due.

Line 16: Interest due -

(a) Late payment interest on tax due

For failure to pay the tax on time, interest at the rate of 12% (0.1200) per year; or 1.0% (0.0100) per month, shall be assessed.

Interest shall accrue on the amount from line 15 at the rate of 12% per annum from the due date for filing the return to the actual date of payment.

(b) Underestimating interest

In the case of any underpayment of the estimated taxes by an insurance company there shall be added to the tax as the case may be for the taxable year, an amount determined at the rate of 12% per annum upon the amount of the underpayment for the period of the underpayment.

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The amount of the estimated payments made for the tax year must equal at least eighty (80%) percent of the current year tax amount, or one hundred (100%) percent of the prior year tax amount, whichever is less. In addition, unless using the annualization of income method, total payments and withholding for each quarter must be at least equal to one quarter of the amount of tax in order to avoid underestimating interest. An overpayment or underpayment from the immediately preceding quarter should be applied to the next quarter when determining the overpayment or underpayment for that quarter.

Add lines (a) and (b) to get the total interest due.

Line 17: Total Due with Return. Add lines 15 and 16.

Line 18: Overpayment. If line 10b is less than line 14, subtract line 10b and any late payment or underestimating interest on line 16 from line 14. This is the amount of your overpayment.

Line 19: Enter the amount of your overpayment to be applied to your 2024 Calendar Year Estimated Tax.

Line 20: Amount of Refund. Subtract line 19 from line 18. This will be the amount refunded to you.

Electronic Mandate

The RI Division of Taxation has an electronic mandate that requires Larger Business Registrants use electronic means to file returns and remit taxes beginning on January 1, 2023.

A "larger business registrant" is defined as any person who:

1) Operates as a business whose combined annual liability for all taxes administered by the Division of Taxation for the entity is or exceeds \$5,000; or

2) Operated as a business whose annual gross income is over \$100,000 for the entity.

If you meet either of the above criteria you are required to file returns and remit taxes electronically.

Visit the RI Division of Taxation's website for additional information.

Taxation website: <https://tax.ri.gov/online-services/tax-portal>

Taxation's portal website: <https://taxportal.ri.gov/>

In order to file your return and/or remit your payment through the portal, you will need a portal account and a PIN number. If you do not have both of those required items already, be sure to timely create your portal account and/or request a PIN number so that you are set up and ready to file your return and/or remit your payment by the due date. You do not need a portal account to request a PIN number.

YOU MAY BE SUBJECT TO A PENALTY FOR FAILURE TO FILE RETURNS AND/OR REMIT PAYMENTS VIA ELECTRONIC MEANS.

If you are not required to file and pay via electronic means, use the following address to send in your return and payments:

Rhode Island Division of Taxation
One Capitol Hill
Providence, RI 02908-5811