



# Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations  
Department of Revenue

## Practitioner alert

February 18, 2014

**Issue #1:** Some workers have received a Form W-2 wage statement with an incorrect employer's state ID number shown in Box 15.

**Background:** An employer is supposed to list in Box 15 the number that the employer uses to file withholding taxes with the State of Rhode Island. A preparer then enters that number on Schedule W of the client's Rhode Island personal income tax return on Form RI-1040, whether a resident or nonresident return. The Division of Taxation uses the number as part of an internal process to verify the withholding amount. The problem is that some employers and/or payroll providers are placing an incorrect number in Box 15 – perhaps, for example, a number the employer uses to report state unemployment insurance and temporary disability insurance tax.

22222		a Employee's social security number		OMB No. 1545-0008			
b Employer identification number (EIN)			1 Wages, tips, other compensation		2 Federal income tax withheld		
c Employer's name, address, and ZIP code			3 Social security wages		4 Social security tax withheld		
			5 Medicare wages and tips		6 Medicare tax withheld		
			7 Social security tips		8 Allocated tips		
d Control number			9		10 Dependent care benefits		
e Employee's first name and initial		Last name	Suff.	11 Nonqualified plans		12a	
f Employee's address and ZIP code		15 State	Employer's state ID number	13 Statutory employee	Retirement plan	Third-party sick pay	12b
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12c
		16 State wages, tips, etc.	17 State income tax	18 Local wages, tips, etc.	19 Local income tax	20 Locality name	

Some employers or payroll companies have put the wrong number in this box of the Form W-2.

Form **W-2** Wage and Tax Statement  
Copy 1 – For State, City, or Local Tax Department

2013

Department of the Treasury – Internal Revenue Service

## What to do:

■ If you have already filed your client's return, you may wish to advise your client that the return (as well as any related refund) will be delayed while the Division of Taxation works to resolve the issue. Please be aware that the problem arises during the height of filing season, when call volume is high and the Division of Taxation staff is busy responding to filing season inquiries from taxpayers, tax preparers, software providers, and other stakeholders. It could take a number of weeks before staff can resolve the issue for your client. Use the Division of Taxation's "[Where's my refund](#)" online tool to check the status of a refund. If additional documentation is needed from the taxpayer, the online tool will specify what's needed and where to send it.

■ If you have not filed your client's return, please use the correct number in Box 15 – the number that the employer uses to file withholding taxes with the State of Rhode Island. If that number is not readily available, use the number in Box b, the employer identification number (EIN). If Box 15 is blank – as is the case for a number of State of Rhode Island employees – use the number in Box b, the employer identification number (EIN). The Division of Taxation will work with software providers, payroll providers, employers, and other stakeholders to make them aware of the issue and to ask that they use the correct number when filling out each Form W-2 – as well as Schedule W on each Form RI-1040.

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**Issue #2:** A company that makes commercial tax preparation software – used mainly by some professional and volunteer preparers – recently transmitted a batch of 10,000 Rhode Island personal income tax returns that claimed refunds and elected the direct deposit option. However, on each of the returns, the bank routing number and bank account number were the same.

**Background:** When a taxpayer elects direct deposit, the preparer must accurately enter the bank routing number and the taxpayer's bank account number. The software provider also must accurately transmit that information. Providing inaccurate numbers to the Division of Taxation typically results in delayed processing until the problem can be resolved.

**What to do:** The Division of Taxation spotted this problem as it developed and crafted a solution: The refund for each return will be converted to a paper check and mailed to the taxpayer at the address listed on the return. Thus, the practitioner need not take any steps (aside, perhaps, from advising the client that the refund will be arriving by check, not by direct deposit). The Division of Taxation has alerted the software company about the problem and has asked the software company to fix the problem.

**Update:** Click [here](#) for latest update.

Questions about Rhode Island personal income taxes? Call the Division of Taxation's Personal Income Tax section, at (401) 574-8829 (press option #3) from 8:30 a.m. to 3:30 p.m. business days, or e-mail: [txassist@tax.ri.gov](mailto:txassist@tax.ri.gov)