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**Division of Taxation launches self-audit program**

*Applicants who pay what they owe in use tax may qualify for penalty waiver, interest reduction*

PROVIDENCE, R.I. – The Rhode Island Division of Taxation today launched a self-audit program. For those whose applications are approved, who complete their self-audit in accordance with program guidelines, and who pay the tax due, the Division of Taxation will waive penalties and forgive a portion of the interest that would otherwise be due.

“This is a great opportunity for taxpayers, especially businesses, to clear their books of a tax liability and get a significant break in the form of a penalty waiver and interest forgiveness,” said Rhode Island Tax Administrator David M. Sullivan.

The program was proposed by Rhode Island Governor Gina M. Raimondo, approved by the General Assembly, and enacted on June 30, 2015, as part of the budget bill for the 2016 fiscal year. Under the program:

- The taxpayer uses a special form to apply for the program. If the application is approved, the Tax Division assigns a revenue agent, who mails the taxpayer a letter of confirmation as well as guidance for conducting the self-audit.
- If the taxpayer completes the audit in accordance with program guidelines, the results are approved, and the taxpayer pays the tax due, the Tax Division will waive penalties and forgive up to two-thirds of the interest. The Tax Division also will agree not to audit the taxpayer for the tax type and time period involved in the self-audit.
- Businesses and individuals, whether resident or nonresident, may apply. For now, the program involves only Rhode Island use tax. Also for now, those holding a Rhode Island sales tax permit cannot participate.

For more information, see the new self-audit section of the Tax Division’s website, which includes the program application form, a program poster, and FAQs: <http://go.usa.gov/3JexQ>.

Information is also available by calling the Division of Taxation’s Field Audit section at (401) 574-8962 from 8:30 a.m. to 3:30 p.m. business days.

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Contact:  
Neil Downing  
Chief Revenue Agent  
Rhode Island Division of Taxation  
[Neil.Downing@tax.ri.gov](mailto:Neil.Downing@tax.ri.gov)  
(401) 574-8115