



# STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Revenue  
DIVISION OF TAXATION  
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## Important Notice

The 2009 Session of the Rhode Island General Assembly enacted into law Article 16 of House Bill 5983 Substitute A as Amended which amended the Jobs Development Act. The article made two major changes to the Jobs Development Act.

First, the article modified the definition of a “Full-Time Equivalent Active Employee”.

For **eligible companies qualifying on or after July 1, 2009** for a rate reduction pursuant to section 42-64.5-3, the term “full-time equivalent active employee” means any employee of an eligible company who:

1. Works a minimum of thirty (30) hours per week within the state;
2. Earns healthcare insurance benefits, and retirement benefits; and
3. Earns no less than two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law at the later of:
  - a. The time the employee was first treated as a full-time equivalent active employee during a tax year that the eligible company qualified for a rate reduction pursuant to section 42-64.5-3; or
  - b. The time the employee first earned at least two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law as an employee of the eligible company.

For **existing eligible companies qualifying before July 1, 2009** for a rate reduction pursuant to section 42-64.5-3, any new “full-time equivalent active employee”, who replaces an existing “full-time equivalent active employee”, shall meet the following standards to remain eligible:

1. Works a minimum of thirty (30) hours per week within the state;
2. Earns healthcare insurance benefits and retirement benefits; and
3. Earns no less than two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law at the later of:
  - a. The time the employee was first treated as a full-time equivalent active employee during a tax year that the eligible company qualified for a rate reduction pursuant to section 42-64.5-3; or
  - b. The time the employee first earned at least two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law as an employee of the eligible company.

**Important Note:** When determining if an employee meets the new criteria, the requirement to “earn healthcare insurance benefits and retirement benefits” means that an employee is eligible to participate in the company’s healthcare and retirement programs. If the employee is eligible for the company’s healthcare and retirement program but elects not to participate, they are still deemed to have “earned” healthcare insurance benefits and retirement (401K, pension, etc.) benefits. Also, if an employee is required complete a reasonable probationary period to be eligible for healthcare insurance benefits and retirement benefits they are deemed to have “earned” these benefits from day one of their employment.

Second, the article created a new filing requirement for all Eligible Companies.

On or before September 1, 2009 all eligible companies shall file an annual report with the Division of Taxation containing each “Full-Time Equivalent Active Employee” as of July 1, 2009. Enclosed please find **Form 9261A** which can be used to file this annual report.

If you have any questions please contact Donna Dube at (401) 574-8903 or via email at [dvillanova@tax.ri.gov](mailto:dvillanova@tax.ri.gov).

## **Instructions for Form 9261A - Jobs Development Act Rate Reduction Annual Report**

Complete all informational lines at the top of the form, including name, address, city, state and zip code, and federal identification number.

In addition, please provide your base employment level and base employment date, your active employment level and qualifying date.

In the first column, please indicate with a yes if this is the first year the employee qualifies as a new full time equivalent active employee.

In the space provided, or on a separate sheet(s), provide the following information for each full-time equivalent active employee: name, social security number, date of hire, hourly wage as of July 1, 2009, and the number of hours worked per week within the State of Rhode Island by the employee.

In the last two columns, please indicate with either a yes or no, whether or not health insurance benefits and/or pension benefits are offered to the employee.

**All information is required for all employees.**

**This form must be filed by September 1, annually.**

In lieu of submitting this Annual Report, all required information may be submitted in an Excel spreadsheet via CD-ROM, DVD, or email. The spreadsheet must contain all required information as shown on the Annual Report form.

All Annual Reports, regardless of format, shall be submitted to Donna Dube by either

mail: Rhode Island Division of Taxation  
Tax Credits and Incentives  
One Capitol Hill  
Providence, RI 02908  
Attn: Donna Dube

or email: [DVillanova@tax.ri.gov](mailto:DVillanova@tax.ri.gov)

### **Important Definitions:**

**"Base employment"** means, except as otherwise provided in § 42-64.5-7, the aggregate number of full-time equivalent active employees employed within the State by an eligible company and its eligible subsidiaries on July 1, 1994, or at the election of the eligible company, on an alternative date as provided by § 42-64.5-5. In the case of a manufacturing company which is ruined by disaster, the aggregate number of full-time equivalent active employees employed at the destroyed facility would be zero, under which circumstance the base employment date shall be July 1 of the calendar year in which the disaster occurred. Only one base employment period can be elected for purposes of a rate reduction by an eligible company.

**"Full-time Equivalent Active Employee - Eligible Company Qualifying for the Jobs Development Act Rate Reduction on or after July 1, 2009"** means any employee of an eligible company who:

- 1) Works a minimum of thirty (30) hours per week within the state;
- 2) Earns healthcare insurance benefits
- 3) Earns retirement benefits
- 4) Earns no less than two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law at the later of:
  - a: The time the employee was first treated as a full-time equivalent active employee during a tax year that the eligible company qualified for a rate reduction pursuant to section 42-64.5-3; or
  - b: The time the employee first earned at least two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law as an employee of the eligible company.

**"Full-time Equivalent Active Employee - Existing Eligible Company Qualifying for the Jobs Development Act Rate Reduction prior to July 1, 2009"** means any new employee who replaces an existing "full-time equivalent active employee" of an eligible company and who:

- 1) Works a minimum of thirty (30) hours per week within the state;
- 2) Earns healthcare insurance benefits
- 3) Earns retirement benefits
- 4) Earns no less than two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law at the later of:
  - a: The time the employee was first treated as a full-time equivalent active employee during a tax year that the eligible company qualified for a rate reduction pursuant to RIGL § 42-64.5-3; or
  - b: The time the employee first earned at least two hundred fifty percent (250%) of the hourly minimum wage prescribed by Rhode Island law as an employee of the eligible company.

**"Health Insurance Benefits"** means any health insurance plan offered by the eligible company to its employees regardless of whether or not the employee takes advantage of the plan.

**"Retirement Benefits"** means any retirement plan offered by the eligible company to its employees regardless of whether or not the employee takes advantage of the plan. This could be in the form of a SEP, a SIMPLE, a 401K plan, a profit sharing plan, a defined benefit plan, a deferred compensation plan or any qualified employer plan.

**"Qualifying Date"** means the date the eligible company qualified for the Jobs Development Act Rate Reduction under RIGL § 42-64.5.

**NOTE: An employee who is required to complete a reasonable probationary period to be eligible for healthcare or retirement benefits is deemed to have "earned" those benefits from day one of their employment.**

# Form 9261A Annual Report

## State of Rhode Island and Providence Plantations Division of Taxation Jobs Development Act Rate Reduction Annual Report Due September 1

NAME OF ELIGIBLE COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_

FEDERAL IDENTIFICATION NUMBER \_\_\_\_\_

BASE EMPLOYMENT LEVEL	NUMBER OF FULL TIME EQUIVALENT ACTIVE EMPLOYEES
BASE EMPLOYMENT DATE	QUALIFYING DATE

\*\*\* ALL INFORMATION IS REQUIRED FOR ALL EMPLOYEES \*\*\*

New Full Time Equivalent Active Employee (Y)	Employee Name	Social Security Number	Date of Hire	Hourly Wage as of 7/1/2009	Hours Worked Per Week Within Rhode Island	Health Insurance Y/N	Pension Benefits Y/N

**If additional space is needed, please attach a separate sheet(s) with the additional information.**

Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct and complete .

Signature of authorized officer \_\_\_\_\_ Date \_\_\_\_\_ Signature of preparer \_\_\_\_\_ Date \_\_\_\_\_

MAY THE DIVISION CONTACT YOUR PREPARER ABOUT THIS RETURN?  YES  NO Telephone Number \_\_\_\_\_