

State of Rhode Island - Division of Taxation

Business Corporation Tax

Estimated Tax Payments

Regulation CT 12-10

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RULE 1. PURPOSE

These rules and regulations implement Rhode Island General Law (RIGL) chapter 44-26. That chapter accelerates the payment of the respective taxes imposed under RIGL chapters 11, 12, 13, 14, 15, and 17 of title 44, and chapter 3 of title 27 by requiring that an entity pay a sum equal to the entire amount of its estimated tax during its current taxable year.

RULE 2. AUTHORITY

These rules and regulations are promulgated pursuant to RIGL §44-1-4 and §44-26-11. The rules and regulations have been prepared in accordance with the requirements of RIGL §§42-35-1 et. seq. of the Rhode Island Administrative Procedures Act.

RULE 3. APPLICATION

These rules and regulations shall be liberally construed so as to permit the Division of Taxation to effectuate the purpose of RIGL chapter 44-26 and other applicable state laws and regulations.

RULE 4. SEVERABILITY

If any provision of these rules and regulations, or the application thereof to any person or circumstances, is held invalid by a court of competent jurisdiction, the validity of the remainder of the rules and regulations shall not be affected thereby.

RULE 5. DEFINITIONS

"Advance" means a sum equal to one hundred percent (100%) of the full amount of the tax that a corporation estimates it will be required to pay under the provisions of any of the RIGL chapters 11, 12, 13, 14, 15, and 17 of title 44, and chapter 3 of title 27, or in any changes and amendments of those chapters.

"Corporation" means every corporation, utility, banking institution, insurance company, organization, association, or individual subject to taxation under RIGL chapters 11, 12, 13, 14, 15, and 17 of title 44, and chapter 3 of title 27, or under any changes and amendments of those chapters.

"Taxable year," means:

(i) For entities taxed under RIGL chapters 44-11 or 44-12, the calendar year or fiscal year for which a return is filed and;

(ii) For entities taxed under RIGL chapter 44-14, referred to as "income period", the calendar year or the fiscal year, or portion of the year to be covered by the filing and;

(iii) For entities taxed under RIGL chapters 44-13, 44-15, or 44-17, or under RIGL chapter 27-3, the calendar year ending December 31st of each year.

RULE 6. DECLARATION – DUE DATE – PAYMENTS – INTEREST

(a) Every corporation is required to file estimated taxes if their estimated liability for the taxable year can reasonably be expected to exceed five hundred dollars (\$500) pursuant to RIGL 44-26-2.1(a).

For Calendar Year taxpayers:

Tax Types	Tax Form Used for Filing	1st Installment Due Date	2nd Installment Due Date	3rd Installment Due Date	4th Installment Due Date
Corporation and Franchise Tax	RI-1120ES	40% March 15 th	60% June 15 th	N/A	N/A
Public Service Tax	T69-ESPS	40% March 15 th	60% June 15 th	N/A	N/A
Taxation of Banks	T69-ESBE	40% March 15 th	60% June 15 th	N/A	N/A
Bank Deposits	T69-ESBD	40% March 15 th	60% June 15 th	N/A	N/A
Taxation of Insurance Companies	T69-ESINS	40% March 15 th	60% June 15 th	N/A	N/A
Surplus Lines Tax	T69-ESSLBDEC	25% April 30 th	25% June 30 th	25% October 30 th	25% December 31 st

For Fiscal Year taxpayers:

Tax Types	Tax Form Used for Filing	1st Installment Due Date	2nd Installment Due Date	3rd Installment Due Date	4th Installment Due Date
Corporation and Franchise Tax	RI-1120ES	40% 15 th day of 3 rd month	60% 15 th day of 6 th month	N/A	N/A
Taxation of Banks	T69-ESBE	40% 15 th day of 3 rd month	60% 15 th day of 6 th month	N/A	N/A

(b) If multiple payments are being made for different obligations with one check (for example, an extension and an estimated tax payment), the appropriate separate coupons shall accompany the payment(s).

(c) If the required estimated payments are not made, then underestimated interest shall be calculated and reported on Form RI-2220 when filing the annual return.

(d) In the event the estimated tax liability increases, an entity may file an amended estimated declaration and shall file and pay an additional amount at the time of the amended declaration. However, underestimating interest may still be assessed.

RULE 7. CREDIT AGAINST TAX

Credit against tax. – All payments of any advance or installment payment, for any taxable year is allowed as a credit to the corporation against the tax imposed upon the corporation for the taxable year under the provisions of any of the chapters enumerated in § 44-26-1.

RULE 8. FAILURE TO FILE

If any corporation is required under RIGL chapter 44-26 to file a declaration of estimated tax for any taxable year at any time on or before the fifteenth day of the tenth month of the taxable year and the corporation fails to file any declaration, although the declaration may otherwise be late, on or before that date, there shall be assessed as a penalty against the corporation an amount equal to five percent (5%) of the tax imposed upon the corporation for the taxable year. The tax administrator may waive the penalty, if it is shown to his or her satisfaction that the failure to file the declaration was due to reasonable cause and not to willful neglect.

RULE 9. EFFECTIVE DATE

This Regulation shall take effect July 1, 2012 and shall amend and supercede regulation CT 01-10 promulgated January 1, 2001.

David M. Sullivan
TAX ADMINISTRATOR