**Rhode Island Payroll Taxes**

**RI State Income Tax Withholding**

Visit <https://tax.ri.gov/tax-sections/withholding-tax> for more information about Rhode Island state withholding tax.

**Who Must Withhold RI State Income Taxes**

Rhode Island, like the federal government and many states, has a pay-as-you-earn income tax system. Under that system, employers are required to withhold a portion of their employees’ wages for work performed in the state of Rhode Island and to periodically turn over those withheld funds to the RI Division of Taxation.

Employers may register for an income tax withholding account and an unemployment insurance account electronically via the RI Division of Taxation Combined Online Registration Service at the following link: <https://www.ri.gov/taxation/BAR/>. When completing the Business Application and Registration (BAR) form, the employer’s mailing address should be the address of the business. The box that asks for the actual Rhode Island location should be the employee’s home address.

Contact telephone numbers:

* RI Division of Taxation Registration Section 401-574-8938 - withholding and sales tax registration only questions.
* RI Employer Tax Section 401-574-8700 (Option 1) - unemployment and Temporary Disability Insurance.
* RI Department of Labor and Training 401-462-8760.
* For help with Technical Problems with the online application 401-831-8099

The RI Tax Portal can be used to quickly and easily pay your RI Withholding taxes using a checking or savings account. Register for a Tax Portal login and password, then file forms and make withholding tax payments via the following website: <https://tax.ri.gov/online-services/tax-portal>.

RI Withholding Tax Due Dates depend on the amount of wages withheld:

* **Weekly**- If the employer withholds $600 or more for any calendar month during the year from employees' wages, the employer must remit the taxes withheld on a weekly basis.
* **Monthly**- If an employer withholds $50 or more but less than $600 for any calendar month from employees' wages, the employer must remit the taxes withheld on a monthly basis. The submission is due within twenty (20) days after the close of the month
* **Quarterly**- If an employer withholds less than $50 for any calendar month from employees' wages, the employer must report and remit taxes withheld on a quarterly basis. A form RI-941 must accompany the payment and the form and payment are due on or before the last day of the month following the close of the quarter.

Under the filing-frequency requirement, a week will be defined as beginning on Sunday and ending on Saturday. Under the “weekly” filing frequency, all payroll occurring in a given week will be due on the business day following the end of the week. In other words, the withheld tax must be remitted on the Monday (or Tuesday if Monday is a recognized holiday) of the following week.

Please note that if an entity fails to remit withheld tax at the times prescribed by the Division of Taxation, there may be interest assessed at the annual rate.

On or before January 31 of each year (or at the termination of business), each employer must file a Rhode Island reconciliation return (RI W-3) for the preceding year of Rhode Island income tax withheld with all individuals and tax statements.

* The total income tax withheld shown on the reconciliation return should equal the total payments made to the Division of Taxation for that year and should also equal the total amount of Rhode Island income tax withheld as shown on all the W-2 forms the employer furnished to its employees and submitted with the W-3 form.
* The state copy of the W-2 form(s) must accompany the reconciliation form (RI W-3). Information concerning electronic reporting is available in the "W-2 Electronic Filing Requirements" document on the Division of Taxation's website.

Beginning on January 1, 2020, every employer that’s required to deduct and withhold Rhode Island personal income tax – and that had an average tax amount of $200 or more per month for the previous calendar year – must file a return and remit the payments by electronic funds transfer (or by other electronic means as defined by the Division of Taxation).

**RI W-4 Requirements**

Employees must complete Form RI W-4, Employee’s Withholding Allowance Certificate, and submit it to their employer. Form RI W-4 may be downloaded from the State of Rhode Island Department of Revenue’s Division of Taxation website via the following link: <https://tax.ri.gov/forms/business-tax-forms/withholding-tax-forms>

**RI State Unemployment Insurance**

In general, workers are covered by the unemployment law of the state in which the work is performed. The unemployment insurance liability date is the ***first date wages were paid*** in Rhode Island by the employer. The employer’s unemployment account cannot be set up before this date and as a result the employer Account Number cannot be provided until the date of liability.

RI allows a nonprofit organization or governmental entity to elect to self-pay via the reimbursable method (the agency is billed for its share of unemployment benefits paid to former employees in lieu of making contributions).

RI has adopted the Interstate Reciprocal Coverage Arrangement for unemployment

insurance. Under this arrangement, if an employee works in more than one state, an employer may elect to cover all the services of such a worker in any state in which: (1) any part of the worker's service is performed, (2) the worker has his or her residence, or (3) the employer maintains a place of business. The agreement should be initiated through the state where the employer wants to report the payroll. A Washington employer may request to elect reciprocal coverage with another state by following the filing process outlined by Washington Administrative Code 192-300-150: <https://app.leg.wa.gov/wac/default.aspx?cite=192-300-150>.

Employers may file quarterly reports electronically via the Employer Wage Tax Filing website by browsing out to this link: <https://www.ri.gov/taxation/tx17/>. First time users should set up a new account by using the link on the website.

Quarterly taxes are due on the last day of the month following the end of the quarter; January 31, April 30, July 31, and October 31.

Payment can be made by:

* Business, personal or bank check
* Money order, or by
* Automated Clearinghouse Method (ACH) credit after completing the application process. [Click here for the EFT Application form](https://dlt.ri.gov/media/17131/download?language=en).

A debit payment can be made while filing the current period tax filing on-line ***after*** banking information has been verified. Verification is a one-time, multi-day process. Credit card payments are not accepted at this time.

**RI State Workers’ Compensation**

With limited exceptions, Rhode Island law requires employers with one or more employees to provide workers' compensation insurance.

Washington State Department of Enterprise Services (DES) administers a [Workers' Compensation Insurance program](https://des.wa.gov/sites/default/files/2023-08/Out-Of-State-Workers-Compensation-FAQs.pdf) for state workers. If your employee works outside of Washington in a single other state for more than 30 days (240 hours) per year, **your agency must work with DES** to insure your out-of-state employee. For more information, contact Kimberly Haggard kimberly.haggard@des.wa.gov at DES Risk Management.

**RI State Paid Family / Medical Leave**

Rhode Island has a paid family and medical leave program funded through Temporary Disability Insurance (TDI) program employee contributions. Washington Community Colleges, as state government employers, are exempt from the TDI program.

If agencies have policy questions they are asked to email Washington Employment Security Department at esddlpfmlpolicy@esd.wa.gov.

**Helpful resources for Rhode Island**

RI Division of Taxation Withholding Tax Booklet and other withholding tax forms may be accessed here: <https://tax.ri.gov/forms/business-tax-forms/withholding-tax-forms>

Rhode Island Department of Labor and Training Workers’ Compensation for Employers website: <https://dlt.ri.gov/workers-compensation/employers>

Rhode Island Employer Handbook may be downloaded here: <https://dlt.ri.gov/sites/g/files/xkgbur571/files/documents/pdf/wrs/laws.pdf>

Rhode Island Unemployment Insurance Tax Forms may be accessed here: <https://dlt.ri.gov/employers/employer-tax-unit/tax-forms>

For ctcLink vendor setup, the RI employer withholding tax mailing address is:

State of Rhode Island

Division of Taxation

One Capitol Hill

Providence, RI 02908

For ctcLink vendor setup, the RI unemployment insurance tax mailing address is:

State of Rhode Island
Department of Labor and Training
Employer Tax Unit
1511 Pontiac Ave
Cranston, RI 02920-0942