Rhode Island Department of Revenue
Division of Taxation

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Computer system changeover starts on Monday

Tax Division will remain open; most services not affected; some services limited

PROVIDENCE, R.I. – Rhode Island Tax Administrator David M. Sullivan reminds taxpayers and tax practitioners that the second phase of the Division of Taxation's changeover to a new agency-wide computer system starts on Monday and continues through November 2.

The Tax Division will remain open for business while the changeover occurs, but certain services will be limited or will not be available during the changeover. "Certain services will be limited, but only temporarily – for the six business days beginning October 26, 2015," said Sullivan. "If you need those services, please plan accordingly."

For example, "If you're blocked from renewing a driver's license, professional license, or motor vehicle registration because you owe back taxes, you should pay the tax debt today, October 23, 2015," Sullivan said. The Tax Division is open 8:30 a.m. to 3:30 p.m. and can be reached by phone at (401) 574-8829.

The following table shows some of the services that will continue to be available, and some that will be limited, during the changeover period that begins on Monday.

Division of Taxation services from October 26, 2015, through November 2, 2015	
Services available:	*Services limited or halted temporarily*:
Office remains open, sections remain open	Issuing letters of good standing
Phones, emails answered	Releasing license blocks
Letters and other deliveries received by Tax Division	Releasing registration blocks
Payments received (electronic and paper; cashier window open)	Releasing liens and levies*
E-filed tax returns received, acknowledged	Issuing refunds**
Paper-filed tax returns received	
Requests for forms, instructions accepted	
Questions answered	
New businesses registered	
Cigarette stamps sold; hearings held; legal papers received	

* Requests to release estate tax liens will continue to be processed as usual -- as will acknowledgements of discharges of liens related to sale of Rhode Island real estate by nonresidents.
** Most refunds have already been issued. Note: All services resume full operation on Tuesday, November 3, 2015

Background on changeover

"We are moving to a new system that will eventually save everyone time and give taxpayers and practitioners more tools and improved online access," Sullivan said. "To get to that point, we must change over the old system to the new system. But to keep disruption to a minimum, we are doing the changeover gradually, in stages over time," he said. This year's stage of the changeover will take place on six consecutive business days: from Monday, October 26, 2015, through Monday, November 2, 2015. During that time, the Tax Division office at One Capitol Hill in Providence will remain open during its usual hours: 8:30 a.m. to 3:30 p.m. business days. Phones will be staffed, emails answered, payments received, and returns accepted, as usual. But certain services will be limited, including issuing of letters of good standing and releasing motor vehicle license blocks, motor vehicle registration blocks, and certain liens and levies. (Requests to release estate tax liens will continue to be processed as usual -- as will acknowledgements of discharges of liens related to the sale of Rhode Island real estate by nonresidents.)

"We will remain open, we will be answering the phones, and we will continue to provide the kinds of services that are regularly used by the vast majority of taxpayers and practitioners," Sullivan said. "However, we want to let everyone know now, in advance, that certain services used by a limited number of taxpayers and practitioners will not be available during the six-day changeover," he said. All services will resume full operation on Tuesday, November 3, 2015, he said.

For More Information:

Call the Division of Taxation at (401) 574-8829
from 8:30 a.m. to 3:30 p.m. business days.

Project background

The project involves the modernization of the Tax Division's tax and revenue accounting system. The first stage of the project, which occurred in summer 2014, mainly involved migrating account records and other information regarding bank, insurance, and certain other tax types and fees from the old system to the new system. In this, the second phase, the personal income tax, estate and trust income tax, composite income tax, and pass-through withholding will be migrated onto the new system.

In the third phase, in late 2016, the Tax Division will launch a new website and taxpayer portal, and a number of other taxes and fees will be migrated over, including the corporate income tax and the sales and use tax. "By the time the third phase is completed, all of the system's benefits will be available – and a number of them will be visible to taxpayers and tax practitioners," Sullivan said. For example:

- A high-speed scanning and imaging system will ensure that returns -- and refunds -- are processed more quickly. The faster processing of returns -- and of payments – means that taxpayer accounts will be updated more quickly.
- Eventually, all information about a taxpayer will be contained in one place. So if a taxpayer or preparer calls, the Tax Division employee can easily and quickly pull up the taxpayer's account to view all of the account activity on one system – such as payments, notices, letters, and other items.
- There will be consistent business rules across all tax types -- for the application of interest and penalties, and for filing requirements, for example.
- The single location for taxpayer information should eventually result in faster processing of requests for letters of good standing. (To fulfill such requests, the Tax Division must check its records to determine if the taxpayer is current on taxes. But under the current system, that process can take time; a taxpayer's sales tax account, withholding account, and corporate account are all in different locations.)
- Faster processing of returns will also result in more timely review of those returns and their related accounts, which should reduce the turnaround time for billing. More timely review and faster and more accurate billing can improve collection on delinquent accounts – which helps all taxpayers.

The new computer system, known in the industry as an integrated tax system, is the result of legislation approved by the Rhode Island General Assembly and signed into law by then-Governor Lincoln D. Chafee in 2012, which appropriated $25 million for the project, to be paid out over a number of years to the vendor. Revenue Solutions Inc. (RSI), of Pembroke, Mass., was the successful bidder. The Tax Division is using RSI's Revenue Premier system. The system is known within the Tax Division as the State Tax Administration and Revenue System (STAARS).

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