

**DR** Rhode Island Department of Revenue  
Division of Taxation

*Via Electronic Mail*

March 10, 2026

The Honorable Carol Hagan McEntee  
Chair, House Committee on Judiciary  
Rhode Island State House  
Providence, RI 02903

**RE: Letter Regarding House Bill 7509 – An Act Relating to Criminal Offenses -- Identity Theft Protection Act Of 2015**

Dear Chair McEntee:

I am writing on behalf of the Rhode Island Department of Revenue, Division of Taxation (“Division”), to: i) express concerns regarding issues with proposed House Bill 7509 as currently drafted; ii) explain the background and current statutory context in order to clarify the intended and unintended consequences of this bill; and iii) make recommendations and request your support in implementing those recommendations.

This letter is not intended as a position in support of or opposition to the bill, but only to notify the Committee of potential impacts of the bill on tax administration.

As you know, House Bill 7509 amends several sections within R.I. Gen. Laws Chapter 11-49.3, entitled “Identity Theft Protection Act of 2015.” As it relates to taxation, the bill would delete from R.I. Gen. Laws § 11-49.3-3 the definition for “[c]lassified data,” among others, and replace it with a definition for “[p]ersonally identifiable information.” The bill is set to take effect on July 1, 2026.

The Division has concerns with the proposed removal of the “[c]lassified data” definition, which includes “federal tax information (FTI).” In order for the Division to receive FTI from the IRS, the Division must comply with [Publication 1075](#) (Rev. 11-2021),<sup>1</sup> which establishes mandatory security guidelines for protecting FTI. If the State were not to adhere to those guidelines, there is a significant risk to the State that would be detrimental to our tax system, as well as other State systems. Therefore, it is important that this bill does not in any way lessen the protections for that information, which likely is not the intent of the bill.

The Division takes no position with respect to the remainder of the proposed legislation. Rather, the Division is concerned solely with the issues of clarity, tax compliance, and tax administration.

---

<sup>1</sup> See <https://www.irs.gov/pub/irs-pdf/p1075.pdf>.

The Division looks forward to working with you to address the issues raised in this letter and appreciates your consideration.

Very truly yours,



Bethany M. Whitmarsh  
Assistant Tax Administrator

cc: The Honorable Members of the House Committee on Judiciary  
(via: [HouseJudiciary@rilegislature.gov](mailto:HouseJudiciary@rilegislature.gov))  
The Honorable Lauren H. Carson (via: [rep-carson@rilegislature.gov](mailto:rep-carson@rilegislature.gov))  
Nicole McCarty, Esquire, Chief Legal Counsel to the Speaker of the House  
Lynne Urbani, Director of House Policy  
Thomas A. Verdi, Director, Department of Revenue