

DOR Rhode Island Department of Revenue
Division of Taxation

Via Electronic Mail

May 26, 2026

The Honorable Louis P. DiPalma
Chair, Senate Committee on Finance
Rhode Island State House
Providence, RI 02903

RE: Letter of Support Regarding Senate Bill 2810 – An Act Relating to Taxation – Tax Preparers Act of 2013

Dear Chair DiPalma:

I am writing on behalf of the Rhode Island Department of Revenue, Division of Taxation (“Division”), to: i) express support for proposed Senate Bill 2810; ii) explain the background and current statutory context for this bill; and iii) request your support for this bill.

As you know, this bill amends Chapter 44-68 of the Rhode Island General Laws (Tax Preparers Act of 2013) to provide for the authority to assess penalties for tax preparers that purposefully misled or committed fraud against their clients, or acted as ghost preparers of tax returns (a tax return preparer who did not self-identify or comply with IRS statutory and regulatory mandates, but was compensated or benefited from the preparation of returns), or purposefully circumvented the tax laws administered by the Tax Administrator. The bill also allows the Tax Administrator to publish on a periodic basis a list of tax return preparers whose filing privileges have been suspended or revoked. The bill is set to take effect upon passage.

Rhode Island enacted R.I. Gen. Laws § 44-68-1 et seq. for preparer penalties with respect to earned income tax credit and property tax relief credit. Currently, this section only has a general provision covering preparers “with the intent to evade or reduce a tax obligation.” The Division would like to expand the enforcement provisions to include both preparers that purposefully mislead or commit fraud against their clients or preparers that purposefully circumvent the established laws for taxes to better protect Rhode Island’s taxpayer base. This includes adding a provision with increased penalties for those tax preparers that commit a violation subsequent to a suspension or revocation. Rhode Island would not be an outlier among other states as both federal law and other state laws, including that of our neighboring states of Massachusetts and Connecticut, have similar laws imposing penalties for tax preparers.

This issue is timely, as on February 24, 2026, the U.S. Government Accountability Office issued a report entitled “Paid Tax Return Preparers: Opportunities Remain to Improve IRS Oversight”

(GAO-26-108723).¹ The publishing of this report illustrates that this is a growing concern nationally and without sufficient federal oversight, strengthened state law would be impactful and is necessary to protect taxpayers.

Further, the Division respectfully requests one minor amendment to the proposed language in R.I. Gen. Laws § 44-68-3(c) to read: “A tax return preparer shall not be a ghost preparer or engage in any activity **with the intent to facilitate** the use of a ghost preparer.” (Emphasis added). The Division supports this change as it furthers the goal of the bill. The Division discussed the proposed amendment with the American Civil Liberties Union (ACLU) and understands that the revised language addresses the ACLU’s concern with the original bill, as presented in its March 3, 2026 letter on the companion House Bill 7613.

For the reasons above, and to aid in tax compliance and administration, the Division supports Senate Bill 2810 and believes it will protect Rhode Island taxpayers and be a net benefit for the State and its taxpayers, while not having a negative fiscal impact on the State.

I look forward to working with you and appreciate your consideration.

Very truly yours,



Neena S. Savage
Tax Administrator

cc: The Honorable Members of the Senate Committee on Finance (via: SenateFinance@rilegislature.gov)
The Honorable Lammis J. Vargas (via: sen-vargas@rilegislature.gov)
Kristen Silvia, Deputy Chief of Staff/Director of Legislation
Jane E. Cole, Interim Director, Department of Revenue

¹ See [GAO-26-107823, Paid Tax Return Preparers: Opportunities Remain to Improve IRS Oversight](https://www.gao.gov/assets/gao-26-108723.pdf?utm_source=newsletter&utm_medium=email&utm_content=GAO-26-108723&utm_campaign=FTA%20e-Newsletter%20-%2027-2026) (https://www.gao.gov/assets/gao-26-108723.pdf?utm_source=newsletter&utm_medium=email&utm_content=GAO-26-108723&utm_campaign=FTA%20e-Newsletter%20-%2027-2026).