

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 2815 – An Act Relating to Taxation – State Tax Officials

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 2815; 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 R.I. Gen. Laws § 44-1-6 (Additional collection powers – Nonresident contractors) to extend the timeframe for the Division to review nonresident contractor cases from thirty (30) days to sixty (60) days. The bill further adds a new subsection (e), which provides “[a]ny person doing business with a nonresident contractor who fails to comply with the provisions of this section shall be liable for payment of the amount due as determined by the tax administrator and shall be subject to the same collection activities as a taxpayer pursuant to [Title 44].”

This bill clarifies language in R.I. Gen. Laws § 44-1-6, which was enacted in 1974 and has not been revised since that time, to allow sufficient time for Division review and to include enforcement language, both of which are aimed at more effective administration and compliance with the nonresident contractor process and statute. The bill is set to take effect upon passage.

The Division receives a high volume of review requests related to compliance with the nonresident contractor provisions in R.I. Gen. Laws § 44-1-6. The work related to the review of these requests is a strain on resources, both the time needed to obtain documents from the nonresident contractor and the staff needed to comply with the strict statutory timeframe on multiple ongoing cases. The bill seeks to reasonably expand the timeframe for the Division’s review while also providing for enforcement if the Rhode Island-based company fails to comply with the requirements of the statute. This amendment would allow sufficient time for review and also provide a mechanism for enforcement that will alleviate, in part, the strain on resources caused by the current provisions in § 44-1-6. Under current law, the consequence of not completing the review within the thirty (30) day timeframe is that the amount held by the contractor is provided to the nonresident contractor regardless of whether the nonresident contractor is liable for Rhode Island taxes, which is not in the best interests of the State.

For the reasons above, and to aid in tax compliance and administration, the Division supports Senate Bill 2815 and believes it will provide 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 Frank A. Ciccone, III (via: sen-ciccone@rilegislature.gov)
Kristen Silvia, Deputy Chief of Staff/Director of Legislation
Jane E. Cole, Interim Director, Department of Revenue