

## Title:

Payroll Rhode Island, Unique Aspects of Rhode Island Payroll Law and Practice

## Word Count:

857

## Summary:

Rhode Island payroll has some unique aspects and conditions. Some of the details and laws are set out in this article including information concerning: tax withholding and reporting; unemployment insurance taxes and reporting; wage and hour laws; and child support withholding.

## Keywords:

Payroll Rhode Island, Rhode Island payroll, payroll, Rhode Island payroll taxes, Rhode Island Income Tax, Rhode Island payroll withholding, Rhode Island payroll service, Rhode Island Unemployment Insu

## Article Body:

<b>The Rhode Island State Agency that oversees the collection and reporting of State income taxes deducted from payroll checks is:</b>

Department of Administration

Division of Taxation

One Capitol Hill

Providence, RI 02908-5800

(401) 222-3911

<http://www.doa.state.ri.us/>

Rhode Island allows you to use the Federal W4 Form to calculate state income tax withholding.

Not all states allow salary reductions made under Section 125 cafeteria plans or 401(k) to be treated in the same manner as the IRS code allows. In Rhode Island cafeteria plans are not taxable for income tax calculation; not taxable for unemployment insurance purposes. 401(k) plan deferrals are not taxable for income taxes; not taxable for unemployment purposes.

In Rhode Island supplemental wages are taxed at a 7% flat rate.

You must file your Rhode Island state W-2s by magnetic media if you are have at

least 25 employees and are required to file your federal W-2s by magnetic media.

<b>The Rhode Island State Unemployment Insurance Agency is:</b>

Department of Labor and Training  
115 Pontiac Ave.  
Cranston, RI 02920  
(401) 243-9137  
[www.dlt.state.ri.us/](http://www.dlt.state.ri.us/)

The State of Rhode Island taxable wage base for unemployment purposes is wages up to \$14,000.00.

Rhode Island requires Magnetic media reporting of quarterly wage reporting if the employer has at least 200 employees that they are reporting that quarter and if at least 20 clients.

Unemployment records must be retained in Rhode Island for a minimum period of four years. This information generally includes: name; social security number; dates of hire, rehire and termination; wages by period; payroll pay periods and pay dates; date and circumstances of termination.

<b>The Rhode Island State Agency charged with enforcing the state wage and hour laws is:</b>

Department of Labor and Training  
Division of Labor Standards  
610 Manton Ave.  
Providence, RI 02909  
(401) 462-8550  
[www.dlt.state.ri.us/](http://www.dlt.state.ri.us/)

The minimum wage in Rhode Island is \$6.75 per hour.

The general provision in Rhode Island concerning paying overtime in a non-FLSA covered employer is one and one half times regular rate after 40-hour week.

Rhode Island State new hire reporting requirements are that every employer must

report every new hire and rehire. The employer must report the federally required elements of:

- Employee's name
- health insurance
- wage withholding address
- Employee's address
- Employee's social security number
- Employer's name
- Employers address
- Employer's Federal Employer Identification Number (EIN)

This information must be reported within 14 days of the hiring or rehiring. The information can be sent as a W4 or equivalent by mail, fax or electronically.

There is a \$20.00 penalty for a late report and \$500 for conspiracy in Rhode Island.

The Rhode Island new hire-reporting agency can be reached at 888-870-6461 or on the web at [www.rinewhire.com](http://www.rinewhire.com)

Rhode Island does not allow compulsory direct deposit

Rhode Island requires the following information on an employee's pay stub:

- Gross and Net Earnings
- straight time and overtime pay
- hours worked (nonexempt employees)
- itemized deductions (upon request of employee)

Rhode Island requires that employee be paid weekly; except salaried employees paid at biweekly, semimonthly, monthly, or annual rate.

Rhode Island requires that the lag time between the end of the pay period and the payment of wages to the employee not exceed nine days.

Rhode Island payroll law requires that involuntarily terminated employees must be paid their final pay by next regular payday; within 24 hours if employer closes down, moves, or merges. Voluntarily terminated employees must be paid

their final pay by the next regular payday.

Deceased employee's wages of \$150 must be paid to the surviving spouse, adult children, parents, siblings, or person paying funeral expenses (in that order).

Escheat laws in Rhode Island require that unclaimed wages be paid over to the state after one year.

The employer is further required in Rhode Island to keep a record of the wages abandoned and turned over to the state for a period of 7 years.

Rhode Island payroll law mandates no more than \$3.86 may be used as a tip credit.

In Rhode Island the payroll laws covering mandatory rest or meal breaks are only that all employees must have 20-minute meal period after 6 hours, with some exceptions.

Rhode Island statute requires that wage and hour records be kept for a period of not less than three years. These records will normally consist of at least the information required under FLSA.

**The Rhode Island agency charged with enforcing Child Support Orders and laws is:**

Department of Administration  
Division of Taxation-Child Support Enforcement  
77 Dorance St.  
Providence, RI 02903  
(401) 222-3845  
[www.childsupportliens.com/RI/index.html](http://www.childsupportliens.com/RI/index.html)

Rhode Island has the following provisions for child support deductions:

- When to start Withholding? **1 week after service.**
- When to send Payment? **Within 7 days of Payday.**
- When to send Termination Notice? **Within 10 days of termination.**

- <li>Maximum Administrative Fee?      <b>\$2 per payment.</li></b>
- <li>Withholding Limits?      <b>Federal Rules under CCPA.</li></b>

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Please note that this article is not updated for changes that can and will happen from time to time.