

2017 -- S 0395 SUBSTITUTE A

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LC001783/SUB A
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO TAXATION - LEVY AND ASSESSMENT OF LOCAL TAXES

Introduced By: Senators Conley, Lombardi, Lombardo, Archambault, and Pearson

Date Introduced: March 02, 2017

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 44-5-60, 44-5-60.1, 44-5-65, 44-5-70, 44-5-80 and 44-5-85 of the
2 General Laws in Chapter 44-5 entitled "Levy and Assessment of Local Taxes" are hereby
3 amended to read as follows:

4 **44-5-60. North Providence -- Homestead exemptions.**

5 (a) The mayor, upon approval of the town council of the town of North Providence, is
6 authorized to annually fix the amount, if any, of homestead exemption with respect to assessed
7 value from local taxation on taxable real property used for residential purposes in the town of
8 North Providence and to grant homestead exemptions to the owner or owners of residential real
9 estate in an amount not to exceed twenty percent (20%) of the assessed value. The exemption
10 only applies to class 3 residential property as defined in § 44-5-57 improved with a dwelling
11 house whose owner is a resident of North Providence and who occupies the property as his or her
12 principal residence. The dwelling house shall consist of no more than five (5) dwelling units. In
13 order to determine compliance with the homestead exemption as outlined in this subsection, the
14 town council shall provide, by resolution or ordinance, rules and regulations governing eligibility
15 for the exemption established by this section.

16 (b) In the event property granted an exemption under this section is sold or transferred
17 during the year for which the exemption is claimed, ~~the exemption is void for that portion of the~~
18 ~~year following the sale or transfer and the buyer or transferee is liable to the town of North~~
19 ~~Providence for any tax benefit received after the sale or transfer~~ the town council of North

1 [Providence may provide for a proration of the homestead exemption in cases where title to](#)
2 [property passes from those not entitled to claim an exemption to those who are entitled to claim](#)
3 [an exemption](#); provided, that there is a homestead exemption for owner occupied residential and
4 commercial mixed-use (class 5) real estate in an amount not to exceed ten percent (10%) of the
5 assessed value.

6 **44-5-60.1. Johnston -- Homestead exemptions.**

7 (a) The mayor of the town of Johnston, upon approval of the town council, is authorized
8 to annually fix the amount, if any, of homestead exemption with respect to assessed value from
9 local taxation on taxable real property used for residential purposes in the town of Johnston and to
10 grant homestead exemptions to the owner(s) of that residential real estate in an amount not to
11 exceed twenty percent (20%) of the assessed value. That exemption only applies to class 3
12 residential property as defined in § 44-5-57 improved with a dwelling house whose owner is a
13 resident of Johnston and who occupies the property as his or her principal residence. The
14 dwelling house shall consist of no more than five (5) dwelling units. In order to determine
15 compliance with the homestead exemption as outlined in this section, the town council shall
16 provide, by resolution or ordinance, rules and regulations governing eligibility for the exemption
17 established by this section.

18 (b) In the event property granted an exemption under this section is sold or transferred
19 during the year for which the exemption is claimed, ~~the exemption is void for that portion of the~~
20 ~~year following the sale or transfer, and the buyer or transferee shall be liable to the town of~~
21 ~~Johnston for any tax benefit received after the sale or transfer~~ [the mayor of the town of Johnston,](#)
22 [upon approval of the town council, may provide for a proration of the homestead exemption in](#)
23 [cases where title to property passes from those not entitled to claim an exemption to those who](#)
24 [are entitled to claim an exemption](#). Provided, that there shall be a homestead exemption for
25 owner-occupied residential and commercial mixed-use (class 5) real estate in an amount not to
26 exceed ten percent (10%) of the assessed value.

27 **44-5-65. East Greenwich -- Homestead exemption.**

28 (a) The town council of the town of East Greenwich is authorized to annually fix the
29 amount, if any, of a homestead exemption with respect to assessed value from local taxation on
30 taxable real property used for residential purposes in the town of East Greenwich and to grant
31 homestead exemptions to the owner or owners of residential real estate in an amount not to
32 exceed twenty percent (20%) of the assessed value. The exemption only applies to property used
33 exclusively for residential purposes, and improved with a dwelling containing less than five (5)
34 units. In order to determine compliance with the homestead exemption as outlined in this section,

1 the town council shall provide, by resolution or ordinance, rules and regulations governing
2 eligibility for the exemption established by this section.

3 [\(b\) In the event property granted an exemption under this section is sold or transferred](#)
4 [during the year for which the exemption is claimed, the town council of the town of East](#)
5 [Greenwich, upon approval of the town council, may provide for a proration of the homestead](#)
6 [exemption in cases where title to property passes from those not entitled to claim an exemption to](#)
7 [those who are entitled to claim an exemption.](#)

8 **44-5-70. East Providence -- Homestead exemption.**

9 [\(a\)](#) The city council of the city of East Providence is authorized to annually fix the
10 amount, if any, of a homestead exemption with respect to assessed value from local taxation on
11 taxable real property used for residential purposes in the city of East Providence and to grant
12 homestead exemptions to the owner or owners of residential real estate in an amount not to
13 exceed fifteen percent (15%) of the assessed value. The exemption only applies to property used
14 exclusively for residential purposes, and improved with a dwelling containing less than four (4)
15 units. In order to determine compliance with the homestead exemption as outlined in this section,
16 the city council shall provide, by resolution or ordinance, rules and regulations governing
17 eligibility for the exemption established by this section.

18 [\(b\) In the event property granted an exemption under this section is sold or transferred](#)
19 [during the year for which the exemption is claimed, the town council of the city of East](#)
20 [Providence, upon approval of the town council, may provide for a proration of the homestead](#)
21 [exemption in cases where title to property passes from those not entitled to claim an exemption to](#)
22 [those who are entitled to claim an exemption.](#)

23 **44-5-80. Homestead exemption in the town of West Greenwich.**

24 [\(a\)](#) Notwithstanding any other provisions of the general or special laws to the contrary,
25 the town council of the town of West Greenwich is authorized to annually fix the amount, if any
26 of a homestead exemption with respect to assessed value from local taxation on taxable real
27 property used for residential purposes in the town of West Greenwich and to grant homestead
28 exemptions to the owner or owners of residential real estate in an amount not to exceed forty
29 percent (40%) of the assessed value. The exemption only applies to property used exclusively for
30 residential purposes, and improved with a dwelling containing less than five (5) units. In order to
31 determine compliance with the homestead exemption as outlined in this section, the town council
32 shall provide by ordinance rules and regulations governing eligibility for the exemption
33 established by this section.

34 [\(b\) In the event property granted an exemption under this section is sold or transferred](#)

1 during the year for which the exemption is claimed, the town council of the town of West
2 Greenwich, upon approval of the town council, may provide for a proration of the homestead
3 exemption in cases where title to property passes from those not entitled to claim an exemption to
4 those who are entitled to claim an exemption.

5 **44-5-85. Narragansett homestead exemption.**

6 (a) The town council of the town of Narragansett is authorized to annually fix the
7 amount, if any, of a homestead exemption, with respect to assessed value, from local taxation on
8 taxable real property used for residential purposes or mixed purposes, defined as a combination of
9 residential and commercial uses, in the town of Narragansett, and to grant homestead exemptions
10 to the owner, or owners, of residential real estate, or combination residential and commercial real
11 estate, in an amount not to exceed ten percent (10%) of the assessed value. The exemption shall
12 apply to property used exclusively for residential purposes, and improved with a dwelling
13 containing less than five (5) units, or real property used for a combination of residential and
14 commercial uses. When real property is used for mixed purposes, the percentage of the assessed
15 value shall be a prorated amount. The prorated amount shall be the percentage of square feet of
16 the parcel used for residential purposes, multiplied by the percentage of the homestead
17 exemption. In order to determine compliance with the homestead exemption as outlined in this
18 section, the town council shall provide, by resolution or ordinance, rules and regulations
19 governing eligibility for the exemption established by this section.

20 (b) In the event property granted an exemption under this section is sold or transferred
21 during the year for which the exemption is claimed, the town council of the town of Narragansett,
22 upon approval of the town council, may provide for a proration of the homestead exemption in
23 cases where title to property passes from those not entitled to claim an exemption to those who
24 are entitled to claim an exemption.

25 SECTION 2. This act shall take effect on August 1, 2018.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TAXATION - LEVY AND ASSESSMENT OF LOCAL TAXES

1 This act would provide for a proration of the homestead exemption in cases where title to
2 property passes from those not entitled to claim an exemption to those who are entitled.

3 This act would take effect on August 1, 2018.

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