ANNEX

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES

Introduced By: Senators Picard, and Cote
Date Introduced: January 18, 2018
Referred To: Senate Finance

It is enacted by the General Assembly as follows:

SECTION 1. Section 44-5-13.11 of the General Laws in Chapter 44-5 entitled "Levy and Assessment of Local Taxes" is hereby amended to read as follows:

44-5-13.11. Qualifying low-income housing -- Assessment and taxation.

Any residential property that has been issued an occupancy permit on or after January 1, 1995, after substantial rehabilitation as defined by the U.S. Department of Housing and Urban Development and is encumbered by a covenant recorded in the land records in favor of a governmental unit or Rhode Island housing and mortgage finance corporation restricting either or both the rents that may be charged to tenants of the property or the incomes of the occupants of the property, is subject to a tax that equals eight percent (8%) ten percent (10%) of the property's previous year's prospective year's gross scheduled rental income or a lesser percentage as determined by each municipality.

SECTION 2. This act shall take effect upon passage.
This act would increase the maximum tax on qualifying low-income property from eight percent (8%) of the previous year's gross scheduled rental income to ten percent (10%) of the prospective year's gross scheduled rental income.

This act would take effect upon passage.