

**2019 -- S 0980 SUBSTITUTE A**

LC002727/SUB A/2

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2019**

**A N A C T**

**RELATING TO TAXATION -- HISTORIC PRESERVATION TAX CREDITS**

Introduced By: Senators Euer, and DiPalma

Date Introduced: June 13, 2019

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Sections 44-33.6-7 and 44-3.6-11 of the General Laws in Chapter 44-33.6  
2 entitled "Historic Preservation Tax Credits 2013" are hereby amended to read as follows:  
3           **44-33.6-7. Timing and reapplication.**  
4           (a) Taxpayers shall have twelve (12) months from the approval of Part 2 application to  
5 commence substantial construction activities related to the subject substantial rehabilitation.  
6 Upon commencing substantial construction activities, the taxpayer shall submit an affidavit of  
7 commencement of substantial construction to the commission, together with evidence of such  
8 requirements having been satisfied. Furthermore, after commencement of substantial construction  
9 activities, no project shall remain idle prior to completion for a period of time exceeding six (6)  
10 months. In the event that a taxpayer does not commence substantial construction activities within  
11 twelve (12) months from the approval of Part 2 application, or in the event that a project remains  
12 idle prior to completion for a period of time exceeding six (6) months, the subject taxpayer shall  
13 forfeit all fees paid prior to such date and its then-current contract for tax credits shall be deemed  
14 null and void, and shall terminate without need for further action or documentation. Upon any  
15 such forfeiture and termination, a taxpayer may re-apply for tax credits pursuant to this chapter,  
16 however, notwithstanding anything contained herein to the contrary, one hundred percent (100%)  
17 of the fees required shall be paid upon reapplication and such fees shall be non-refundable.  
18 Additionally, any taxpayer reapplying for tax credits pursuant to this § 44-33.6-7 shall be required  
19 to submit evidence with its application establishing the reason for delay in commencement or the

1 project sitting idle, as the case may be, and provide evidence, reasonably satisfactory to the  
2 commission, that such condition or event causing same has been resolved. All taxpayers shall  
3 submit a reasonably detailed project timeline to the commission together with the Part 2  
4 application. The provisions of this section shall be further detailed and incorporated into the form  
5 of contract for tax credits used in connection with this chapter.

6 (b) Projects that have been approved for historic preservation tax credits and have been  
7 funded through the cultural arts and the economy grant program, as enacted in chapter 145 of the  
8 2014 Pub. L., and whose contract for tax credits would expire on December 31, 2019, are not  
9 subject to the provisions of § 44-33.6-7 and shall remain in full force and effect until December  
10 31, 2022.

11 **44-33.6-11. Sunset.**

12 No credits shall be authorized to be reserved pursuant to this chapter on or after June 30,  
13 ~~2019~~ 2020, or upon the exhaustion of the maximum aggregate credits, whichever comes first.

14 SECTION 2. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
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1           This act would extend the use of historic tax credits for three (3) years until December  
2 31, 2022, for all projects which have been funded through the cultural arts and the economy grant  
3 program, as enacted in chapter 145 of the 2014 Pub. L., and which would have expired on  
4 December 31, 2019. The act would also extend the sunset provision of the historic tax credits  
5 from June 30, 2019, to June 30, 2020.

6           This act would take effect upon passage.

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