

2020 -- S 2534

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2020

A N A C T

RELATING TO TAXATION -- LEVY AND LOCAL ASSESSMENT OF LOCAL TAXES

Introduced By: Senators Lombardo, Ciccone, Lombardi, Nesselbush, and Archambault

Date Introduced: February 25, 2020

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

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

3 ~~44-5-13.11. Qualifying low-income housing -- Assessment and taxation~~ **Qualifying**
4 **low- and moderate-income housing -- Assessment and taxation.**

5 Any residential property that has been issued an occupancy permit on or after January 1,
6 1995, after substantial rehabilitation as defined by the U.S. Department of Housing and Urban
7 Development [Handbook 4460.1, Chapter 4, Section 2](#), and is encumbered by a covenant recorded
8 in the land records in favor of a governmental unit or Rhode Island housing and mortgage finance
9 corporation restricting either or both the rents that may be charged to tenants of the property or the
10 incomes of the occupants of the property, is subject to a tax that equals eight percent (8%) of the
11 property's previous years' gross scheduled rental income or a lesser percentage as determined by
12 each municipality.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would apply a tax to moderate-income housing equal to eight percent (8%) of the
2 property's previous year's gross scheduled rental income as defined by the U.S. Department of
3 Housing and Urban Development Handbook 4461.1, Chapter 4, Section 2.

4 This act would take effect upon passage.

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