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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2016

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A N A C T

RELATING TO TAXATION - PROPERTY SUBJECT TO TAXATION - NARRAGANSETT

Introduced By: Representatives McEntee, and Tanzi

Date Introduced: February 10, 2016

Referred To: House Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-3-23 of the General Laws in Chapter 44-3 entitled "Property  
2 Subject to Taxation" is hereby amended to read as follows:

3 **44-3-23. Narragansett -- Tax exemptions in the town.** – (a) The town council of the  
4 town of Narragansett may, by ordinance, grant an income-based exemption on real property  
5 located within the town and owned and occupied for a period of five (5) years of residency by any  
6 person sixty-five (65) years of age or older ~~at the rate of one hundred twenty-five dollars (\$125)~~  
7 ~~per one thousand dollars (\$1,000) of valuation. Each exemption to all other persons granted on~~  
8 ~~property in the town of Narragansett is at the rate of fifty-five dollars (\$55.00) per one thousand~~  
9 ~~dollars (\$1,000.00) of valuation for each exemption granted to a taxpayer~~ having an annual  
10 income of not more than seventy percent (70%) of the "median income" for such a household in  
11 Narragansett for the calendar year in which the tax bill is issued, as published annually by the  
12 United States Department of Housing and Urban Development.

13 (b) The town council shall establish the value of this exemption by ordinance calculated  
14 to limit the tax liability of eligible taxpayers to no more than four and two-tenths percent (4.2%)  
15 of their annual gross income; provided, however, that in no event shall the monetary value of the  
16 exemption exceed two thousand five hundred dollars (\$2,500).

1 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 change the method by which Narragansett calculates its elderly tax
- 2 exemption by adopting a needs-based and percentage of income formula.
- 3           This act would take effect upon passage.

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