

2018 -- S 2748

LC003100

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: Senator Ryan W. Pearson

Date Introduced: March 27, 2018

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-12.1 of the General Laws in Chapter 44-5 entitled "Levy and  
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 **44-5-12.1. Assessment of tangible personal property.**

4 (a) All tangible personal property subject to taxation shall be assessed for taxation based  
5 on the original purchase price (new or used) including all costs such as freight and installation.  
6 Assets will be classified and depreciated as defined in this section.

7 (b) The following classification and depreciation table shall be used in determining the  
8 assessed value of tangible personal property.

9 State of Rhode Island Tangible Property Classification

10 Class of Assets	Class I Short Life	Class II Mid-Life	Class III Long Life
11 Age	1-5 yrs	6-12 yrs	13+ yrs
12 1	95	95	95
13 2	80	90	90
14 3	60	80	85
15 4	30	70	80
16 5	20	60	75
17 6	20	50	70
18 7	20	40	65
19 8	20	30	60

1	9	20	30	55
2	10	20	30	50
3	11	20	30	45
4	12	20	30	40
5	13	20	30	35
6	14	20	30	30
7	15+	20	30	30

8 Assets Shall Not be Trended

9 (c) Assets shall be classified on an annual basis by the Rhode Island Association of  
10 Assessing Officers' Personal Property Committee based on the following table:

11 INDUSTRY GROUP IN YEARS CLASS

12	<del>Aerospace industry</del>			<del>H</del>
13	Agriculture machinery and equipment			II
14	<del>cotton ginning</del>			<del>H</del>
15	Aircraft and all helicopters			II
16	Amusement and theme parks			II
17	<del>Apparel and fabricated textile manufacturing</del>			<del>H</del>
18	Automobile repair shops			II
19	Bakeries and confectionery production			II
20	Barber and beauty shops			II
21	Billboards			<del>H</del> <u>III</u>
22	Brewery equipment <u>(if not used directly in manufacturing)</u>			II
23	<del>Cable television, headend facilities</del>			<del>H</del>
24	<u>Cable television: All equipment including set top boxes, remotes, and other</u>			
25	<u>related equipment</u>			<u>II</u>
26	<u>Aerial, underground, and drops (including MDUS)</u>			<u>III</u>
27	<del>microwave systems</del>			<del>H</del>
28	<del>program origination</del>			<del>H</del>
29	<del>service and test</del>			<del>H</del>
30	<del>subscriber connection and distribution</del>			<del>H</del>
31	Canneries and frozen food production			II
32	Cement <del>manufacture</del> <u>processing</u>			III
33	Chemical and allied production			II
34	Clay products <del>manufacturing</del> <u>processing</u>			III

1	<del>Clocks and watches, manufacturing</del>	II
2	<del>electronic instrumentation</del>	I
3	Cold storage and ice-making equipment	III
4	Cold storage warehouse equipment	II
5	Computers, personal computers (PC) <a href="#">laptops, tablets, cell phones,</a>	
6	<a href="#">mainframe/servers, peripherals, keyboard, mouse, etc.</a>	I
7	<del>mainframe</del>	I/II
8	<del>peripherals</del>	I
9	Condiments, <del>manufacturing and</del> processing	II
10	Construction equipment, general construction, <a href="#">backhoes, forklifts,</a>	
11	<a href="#">loaders, cranes, unregistered vehicles, and the like</a>	II
12	Dairy products <del>manufacturing</del> <a href="#">processing</a>	II
13	Data handling equipment, except computers, <a href="#">printers, copiers,</a>	
14	<a href="#">bridges, routers and gateways</a>	II
15	Distilling	II
16	Electrical equipment <a href="#">not used in</a> manufacturing, <a href="#">how listed in utilities</a>	
17	<a href="#">Power production</a>	II
18	<del>Electronic companies, steam production</del>	III
19	<del>other production, combined cycle</del>	III
20	<del>gas turbines</del>	III
21	<del>nuclear production</del>	III
22	<del>transmission</del>	III
23	<del>distribution</del>	III
24	Electronic equipment <del>manufacturing</del>	I II
25	Fabricated metal products/ <a href="#">special tools</a>	II
26	<del>special tools</del>	I
27	Fishing equipment, excluding boats and barges, <a href="#">lines, nets, and the like</a>	I
28	Food and beverage production	II
29	<del>special handling devices</del>	I
30	Fur processing	II
31	Gas distribution, total distribution equipment	III
32	<del>Optional—for equipment by category:</del>	
33	<del>mains and services, plastic</del>	III
34	<del>mains and services, steel</del>	III

1	<del>meters, regulators, installations</del>	III
2	<del>other distribution equipment</del>	III
3	Glass and glass products/ <a href="#">special tools</a>	II
4	<del>special tools</del>	I
5	Grain and grain mill products <del>manufacture</del> <a href="#">processing</a>	III
6	Gypsum products	III
7	Hand tools	I
8	Hospital furnishings and equipment	II
9	Hotel and motel furnishings and equipment	II
10	Jewelry products and pens	II
11	Knitwear and knit products <a href="#">except work uniforms</a>	I
12	Laundry equipment	II
13	Leather and leather products	II
14	Logging, timber cutting	I/II
15	<del>Machinery manufacturing, except, as otherwise listed</del>	II
16	Marine construction	II
17	Meatpacking	II
18	Medical and dental supply production	II
19	Metalworking machinery <del>manufacturing</del> <a href="#">processing</a>	II
20	Mining and quarrying	II
21	Motion picture and television production	II
22	Motor vehicle <del>and parts</del> <del>manufacturing</del> <a href="#">and special tools</a>	II
23	<del>special tools</del>	I
24	Office furniture and equipment	II
25	Optical lenses and instrument <del>manufacturing</del> <a href="#">processing</a>	II
26	Paints and varnishes	I II
27	<del>Paper and pulp manufacturing</del>	II
28	<del>converted paper, paperboard and pump</del>	II
29	<del>Petroleum and natural gas, drilling, onshore</del>	II
30	<del>drilling, offshore</del>	II
31	<del>exploration and production</del>	II
32	petroleum refining	III
33	pipeline transportation	III
34	Plastics manufacturing	I/II

1	Plastic products <del>manufacturing</del> <u>processing/special tools</u>	II
2	<del>special tools</del>	I
3	Primary metals production, nonferrous and foundry products	III
4	special tools	I II
5	Primary steel mill products	III
6	Printing and publishing	II
7	Professional and scientific instruments	II
8	Radio and television, broadcasting	I/H I
9	Railroad transportation equipment <del>manufacturing</del>	II
10	locomotive <del>manufacturing</del>	II
11	Recreation and amusement	II
12	Retail trades, fixtures and equipment	II
13	Residential furniture	II
14	Restaurant and bar equipment	II
15	Restaurant equipment, fast foods	II
16	Rubber products <del>manufacturing</del> <u>processing/special tools</u>	II
17	<del>special tools</del>	I
18	Sawmills, permanent/ <u>portable</u>	II
19	<del>portable</del>	I
20	Service establishments	II
21	Ship and boat building <del>machinery and</del> equipment/ <u>special tools</u>	II
22	<del>special tools</del>	I
23	Soft drink <del>manufacture</del> <u>processing</u> and bottling	II
24	<del>Steam production and distribution</del>	III
25	Stone products <del>manufacturing</del> <u>processing</u>	III
26	<del>Sugar and sugar products manufacturing</del>	III
27	Telecommunications, local <u>and interstate</u> <del>exchange</del> analog <u>and digital</u> switching I/H II	
28	<del>digital switching</del>	I/H
29	circuit, digital <u>analog, optic</u>	I/H II
30	<del>circuit, analog</del>	H
31	<del>circuit, optic</del>	I/H
32	<del>other central office equipment</del>	I/H
33	information/origination equipment	I/H II
34	smart phones	I

1	metallic cable	II
2	fiber cable, <a href="#">poles, conduit</a>	III
3	<del>poles</del>	<del>III</del>
4	<del>conduit</del>	<del>III</del>
5	<del>Telecommunications, interstate interexchange</del>	
6	<del>analog switching</del>	<del>I/II</del>
7	<del>digital switching</del>	<del>I/II</del>
8	<del>metallic cable</del>	<del>II</del>
9	<del>fiber cable</del>	<del>III</del>
10	<del>poles</del>	<del>III</del>
11	<del>conduit</del>	<del>III</del>
12	all other equipment	<del>I/II</del> II
13	Telecommunications, cellular analog/ <a href="#">digital</a> switching	<del>I/II</del> II
14	<del>digital switching</del>	<del>I/II</del>
15	radio frequency channel and control	<del>I/II</del> II
16	power equipment	II
17	antennae	II
18	towers	III
19	transmission equipment	<del>I/II</del> II
20	cellular phones	I
21	Textile products, including finishing and dyeing	II
22	<del>manufacture of nonwoven fabrics</del>	<del>II</del>
23	<del>manufacture</del> of yarn, thread and woven fabrics	II
24	<del>manufacture of textured yarns</del>	<del>II</del>
25	Theater equipment	II
26	<del>Tobacco and tobacco products</del>	<del>III</del>
27	<del>Vegetable oil products</del>	<del>III</del>
28	<a href="#">Utilities/power production</a>	III
29	<a href="#">Generation, transmission, or distribution equipment</a>	III
30	Waste reduction and resource recovery	II
31	Water transportation	III
32	vessels, barges and tugs	III
33	Water utilities	III
34	Wharves, docks and piers	III

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|---|--|----|
| 1 | Wholesale trade fixtures and equipment   | II |
| 2 | Wood products and furniture manufacturing  | II |
| 3 | <a href="#"><u>Any industry group or asset not listed above will be classified as Class II</u></a> |    |
| 4 | SECTION 2. This act shall take effect upon passage.  |    |

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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RELATING TO TAXATION - LEVY AND ASSESSMENT OF LOCAL TAXES

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1           This act would amend the classification table utilized by cities and towns in connection  
2 with the assessment of tangible personal property in order to provide clarity to businesses  
3 operating within the state.

4           This act would take effect upon passage.

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