

2021 -- H 6299

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2021

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A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION -- SMITHFIELD

Introduced By: Representatives Costantino, and Hawkins

Date Introduced: May 05, 2021

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-3 of the General Laws entitled "Property Subject to Taxation" is  
2 hereby amended by adding thereto the following section:

3 **44-3-9.11. Smithfield - Exemption or stabilizing of taxes on qualifying property used**  
4 **for manufacturing or commercial purposes.**

5 (a) Except as provided in this section, the town council of the town of Smithfield may vote  
6 to authorize, for a period not to exceed ten (10) years, and subject to the conditions provided in this  
7 section, to exempt from payment, in whole or in part, real and/or personal property used for  
8 manufacturing or commercial purposes, or to determine a stabilized amount of taxes to be paid on  
9 account of the property, notwithstanding the valuation of the property or the rate of tax; provided,  
10 that after public hearings, at least ten (10) days' notice of which shall be given in a newspaper  
11 having a general circulation in the town, the town council determines that:

12 (1) Granting of the exemption or stabilization of taxes will inure to the benefit of the town  
13 by reason of:

14 (i) The willingness of the manufacturing or commercial firm or concern to locate in the  
15 town; or

16 (ii) The willingness of a manufacturing or commercial firm or concern to expand facilities  
17 with an increase in employment; or

18 (2) Granting of the exemption or stabilization of taxes will inure to the benefit of the town  
19 by reason of the willingness of a manufacturing or commercial firm or concern to replace,

1 reconstruct, expand, or remodel existing buildings, facilities, fixtures, machinery, or equipment  
2 with modern buildings, facilities, fixtures, machinery, or equipment resulting in an increase in plant  
3 or commercial building investment by the firm or concern in the town.

4 (b) For purposes of this section, "real property used for commercial purposes" includes any  
5 building or structure used for offices or commercial enterprises including, without limitation, any  
6 building or structure used for wholesale, warehouse, distribution, and/or storage businesses, used  
7 for service industries, or used for any other commercial business, and the land on which the building  
8 or structure is situated and not used for residential purposes.

9 (c) For purposes of this section, "personal property used for commercial purposes" means  
10 any personal property owned by a firm or concern in its commercial enterprise including, without  
11 limitation, furniture, fixtures, equipment, machinery, stock in trade, and inventory.

12 (d) Except as provided in this section, property, the payment of taxes or which is subject  
13 to the payment of a stabilized amount of taxes, shall not, during the period for which the exemption  
14 or stabilization of the amount of taxes is granted, be further liable to taxation by the town in which  
15 the property is located so long as the property is used for the manufacturing or commercial purposes  
16 for which the exemption or stabilized amount of taxes was made.

17 (e) Notwithstanding any vote and findings by the town council, the property shall be  
18 assessed for and shall pay that portion of the tax, if any, assessed by the town of Smithfield for the  
19 purpose of paying the indebtedness of the town and the indebtedness of the state or any political  
20 subdivision of the state to the extent assessed upon or apportioned to the town, and the interest on  
21 the indebtedness, and for appropriation to any sinking fund of the town, which portion of the tax  
22 shall be paid in full, and the taxes so assessed and collected shall be kept in a separate account and  
23 used only for that purpose.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION -- SMITHFIELD

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- 1           This act would authorize the town of Smithfield to exempt or stabilize taxes on qualified
- 2 property used for manufacturing or commercial purposes in the town of Smithfield.
- 3           This act would take effect upon passage.

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