

2023 -- H 6374

LC002930

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO TAXATION -- HISTORIC PRESERVATION TAX CREDITS 2013

Introduced By: Representatives Speakman, Casey, Phillips, J. Brien, and Chippendale

Date Introduced: May 05, 2023

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-33.6-7 of the General Laws in Chapter 44-33.6 entitled "Historic
2 Preservation Tax Credits 2013" is 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. Upon
6 commencing substantial construction activities, the taxpayer shall submit an affidavit of
7 commencement of substantial construction to the commission, together with evidence of the
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 such
15 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 the fees shall be non-refundable.
18 Additionally, any taxpayer reapplying for tax credits pursuant to this section shall be required to
19 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 the condition or event causing same has been resolved. All taxpayers shall submit
3 a reasonably detailed project timeline to the commission together with the Part 2 application. The
4 provisions of this section shall be further detailed and incorporated into the form of contract for tax
5 credits used in connection with this chapter.

6 (b) Notwithstanding any other provision of law to the contrary, projects that have been
7 approved for historic preservation tax credits and have been funded through the cultural arts and
8 the economy grant program, as enacted in P.L. 2014, ch. 145, and whose contract for tax credits
9 would expire on December 31, 2019, are not subject to the provisions of this section and shall
10 remain in full force and effect until December 31, 2022.

11 (c) Notwithstanding any other provision of this chapter or any prior or succeeding law to
12 the contrary, as a result of executive orders issued by the governor of the State of Rhode Island
13 declaring and continuing a state of emergency due to the COVID-19 pandemic, any date for
14 commencement of substantial construction activities, any completion date or any placed in service
15 date required under this chapter (or any prior or succeeding law) or under any contract for tax
16 credits originally expected to occur between March 9, 2020 and December 31, 2024 is extended to
17 December 31, 2026. No project having any contract for tax credits shall be deemed to have remained
18 idle during the period between March 9, 2020 and December 31, 2024.

19 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 extend the commencement of substantial construction activities date,
2 completion date or placed in service date, to December 31, 2026 and no project shall be deemed
3 idle between March 9, 2020 and December 31, 2024.

4 This act would take effect upon passage.

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