

2023 -- S 0239

LC000801

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION

Introduced By: Senators Pearson, and Picard

Date Introduced: February 16, 2023

Referred To: Senate Finance

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 **44-3-9.12. Exemption or stabilizing of taxes on qualifying property used for**
4 **manufacturing, commercial, residential or mixed-use purposes.**

5 (a)(1) Except as provided in this section, the town council of the town of Cumberland may
6 vote to authorize, for a period not to exceed twenty (20) years, and subject to the conditions as
7 provided in this section, to exempt from payment, in whole or in part, real and personal property
8 which has undergone environmental remediation, is historically preserved, or is used for affordable
9 housing, manufacturing, commercial, residential, or mixed-use purposes, or to determine a
10 stabilized amount of taxes to be paid on account of such property, notwithstanding the valuation of
11 the property or the rate of tax; provided, that after public hearings, at least ten (10) days' notice of
12 which shall be given in a newspaper having a general circulation in the town, the town council
13 determines that:

14 (i) Granting of the exemption or stabilization of taxes will inure to the benefit of the town
15 by reason of:

16 (A) The willingness of the manufacturing or commercial firm or concern to locate in the
17 town or of individuals to reside in such an area; or

18 (B) The willingness of a manufacturing or commercial firm or concern to expand facilities
19 with an increase in employment or the willingness of a commercial or manufacturing concern to

1 retain or expand its facility in the town and not substantially reduce its work force in the town; or
2 (C) An improvement of the physical plant of the town which will result in a long-term
3 economic benefit to the town and state; or
4 (D) An improvement which converts or makes available land or facility that would
5 otherwise be not developable or difficult to develop without substantial environmental remediation;
6 or
7 (ii) Granting of the exemption or stabilization of taxes will inure to the benefit of the town
8 by reason of the willingness of a manufacturing, commercial, residential or mixed-use firm or
9 property owner to construct new or replace, reconstruct, expand, or remodel existing buildings,
10 facilities, fixtures, machinery, or equipment with modern buildings, facilities, fixtures, machinery,
11 or equipment resulting in an increase in plant, commercial, residential housing or mixed-use
12 building investment by the firm or property owner in the town.
13 (2) Provided that should the town council make the determination in subsection (a)(1)(i)(B)
14 of this section, any exemption or stabilization may be granted as to new buildings, fixtures,
15 machinery, or equipment for new buildings, firms or expansions, and may be granted as to the
16 existing building, fixtures, machinery and equipment for existing employers in the town.
17 (b) For purposes of this section, “real property used for manufacturing, commercial,
18 residential or mixed-use purposes” includes any building or structure used for manufacturing,
19 offices, commercial enterprises, and/or residential housing including, without limitation, any
20 building or structure used for wholesale, warehouse, distribution, and/or storage businesses, used
21 for service industries, or used for any other commercial or manufacturing business, residential
22 housing , including mixed-use, and the land on which any such building or structure is situated.
23 (c) For purposes of this section, “personal property used for manufacturing, commercial or
24 mixed-use purposes” means any property owned by a firm or concern occupying a building,
25 structure, and/or land used for commercial or mixed-use purposes and used by such firm or property
26 owner in its manufacturing, commercial or mixed-use enterprise including, without limitation, real
27 property and personal property including furniture, fixtures, equipment, machinery, stock in trade,
28 and inventory.
29 (d) Except as provided in this section, real and personal property, the payment of taxes on
30 which has been so exempted or that is subject to the payment of a stabilized amount of taxes, shall
31 not, during the period for which the exemption or stabilization of the amount of taxes is granted,
32 be further liable to taxation by the town in which the property is located so long as the property is
33 used for the manufacturing, commercial, residential or mixed-use purposes for which the
34 exemption or stabilized amount of taxes was made.

1 (e) Notwithstanding any vote and findings by the town council, the property shall be
2 assessed for and shall pay that portion of the tax, if any, assessed by the town of Cumberland for
3 the purpose of paying the indebtedness of the town and the indebtedness of the state or any political
4 subdivision of the state to the extent assessed upon or apportioned to the town, and the interest on
5 the indebtedness, and for appropriation to any sinking fund of the town, which portion of the tax
6 shall be paid in full, and the taxes so assessed and collected shall be kept in a separate account and
7 used only for that purpose.

8 (f) Renewable energy resources as defined in §39-26-5, qualify for tax stabilization
9 agreements pursuant to subsection (a) of this section.

10 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

1 This act would authorize the town of Cumberland to exempt from taxation or determine a
2 stabilized amount of taxes to be paid for real and personal property, located in the town of
3 Cumberland, which has undergone environmental remediation, is historically preserved, or is used
4 for affordable housing, manufacturing, commercial, residential, or mixed-use purposes.

5 This act would take effect upon passage.

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