

2023 -- S 1118

LC003215

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: Senator E Morgan

Date Introduced: June 13, 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 **44-3-67. Richmond -- Partially exempting or stabilizing of taxes on qualifying**
4 **residential property.**

5 (a) The town council of the town of Richmond is authorized to partially exempt qualifying
6 real property from payment of taxes, or to determine a stabilized amount of taxes to be paid on
7 qualifying real property, for a period not to exceed twenty (20) years, notwithstanding the valuation
8 of the property or the rate of taxation, under the following conditions and subject to the following
9 procedures.

10 (b) For the purposes of this section, qualifying real property means residential property
11 that:

12 (1) Is located in a mixed-use commercial and residential development; and

13 (2) Has a total assessed value of not less than ten million dollars (\$10,000,000) on the date
14 on which the partial exemption or stabilization will take effect; and

15 (3) Is used for or available for use as short-term rental property for no fewer than twenty-
16 six (26) weeks in each calendar year.

17 (c) An agreement to exempt or stabilize taxes on any one lot or on contiguous lots under
18 the authority of this section shall be enacted in the form of a resolution. The town council shall
19 enact such a resolution only after a public hearing. Notice of the date, time, and location of the

1 public hearing shall appear as a display advertisement in a newspaper of general circulation in the
2 town three (3) consecutive weeks before the week in which the public hearing will take place.
3 Notice of the date, time, and location of the public hearing shall also be posted on the town's
4 website.

5 (d) Before enacting such a resolution, the town council shall find that approving the
6 exemption or stabilization will benefit the town because of the agreement of the property owner to
7 invest an additional ten million dollars (\$10,000,000) in the property during the period for which
8 taxes have been partially exempted or stabilized by constructing new buildings or facilities or
9 replacing, reconstructing, converting, expanding, or remodeling existing buildings or facilities.

10 (e) During the period for which taxes have been partially exempted or stabilized, the
11 property shall not be further liable to taxation by the town; provided, however, that the property
12 shall be assessed for and shall pay that portion of the tax assessed by the town for the payment of
13 indebtedness of the town and for appropriation to any sinking fund of the town.

14 (f) A resolution to partially exempt or stabilize taxes under the authority of this section
15 shall be considered null and void and of no further force and effect if the property owner or owners
16 are delinquent in the payment of any property taxes, including, but not limited to, any quarterly
17 installment tax payment, or if the property no longer satisfies the criteria for qualifying property.

18 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 Richmond's town council to partially exempt
2 qualifying real estate from the payment of property taxes or to determine a stabilized amount of
3 taxes to be paid on qualifying real property.

4 This act would take effect upon passage.

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