

2023 -- S 0955

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

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A N A C T

RELATING TO TAXATION -- STATEWIDE TANGIBLE PROPERTY TAX EXEMPTION

Introduced By: Senators de la Cruz, Rogers, Tikoian, DiPalma, Lombardo, Ciccone,  
Burke, and Pearson

Date Introduced: May 01, 2023

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 44 of the General Laws entitled "TAXATION" is hereby amended by  
2 adding thereto the following chapter:

3 CHAPTER 5.3

4 STATEWIDE TANGIBLE PROPERTY TAX EXEMPTION

5 **44-5.3-1. Statewide tangible property tax exemption.**

6 (a) Notwithstanding the provisions of chapter 5 of this title or any other provisions to the  
7 contrary, in an effort to provide relief for businesses, including small businesses, and to promote  
8 economic development, all ratable, tangible personal property not otherwise exempt from taxation  
9 shall be exempt from taxation up to and including the amount of assessed value set forth in  
10 subsection (b) of this section.

11 (b) The exemption provided in subsection (a) of this section shall be up to and including  
12 the following amounts:

13 (1) Five thousand dollars (\$5,000) for the tax year ending on December 31, 2024;

14 (2) Twenty thousand dollars (\$20,000) for the tax year ending on December 31, 2025;

15 (3) Fifty thousand dollars (\$50,000) for the tax year ending on December 31, 2026;

16 (4) One hundred thousand dollars (\$100,000) for the tax year ending on December 31,  
17 2027;

18 (5) Two hundred fifty thousand dollars (\$250,000) for the tax year ending on December  
19 31, 2028.

1           (c) Beginning in fiscal year 2025 and for each fiscal year through fiscal year 2029, cities,  
2 towns, and fire districts shall receive reimbursements, as set forth in this section, from state general  
3 revenues equal to the amount of lost tax revenues due to the reduction of the tangible property tax  
4 in the respective fiscal year as a result of the corresponding exemption set forth in subsections (a)  
5 and (b) of this section.

6           (d) Beginning in fiscal year 2029, all ratable, tangible personal property assessed at less  
7 than two hundred fifty thousand dollars (\$250,000), shall be exempt from taxation.

8           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 phase in an exemption from taxation of all ratable, tangible personal  
2 property of businesses, up to a maximum assessed value of two hundred fifty thousand dollars  
3 (\$250,000), over a five (5) year period, at which time, the maximum exemption would become  
4 permanent. This act would also provide for cities, towns, and fire districts to receive reimbursement  
5 from state general revenues equal to the amount of lost tax revenues due to the exemption.

6           This act would take effect upon passage.

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