

2024 -- H 7660

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

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A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION

Introduced By: Representative Gregory J. Costantino

Date Introduced: February 15, 2024

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 44-3-9.11 of the General Laws in Chapter 44-3 entitled "Property  
2 Subject to Taxation" is hereby amended to read as follows:

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

6           (a) Except as provided in this section, the town council of the town of Smithfield may vote  
7 to authorize, for a period not to exceed ~~ten (10)~~ twenty (20) years, and subject to the conditions  
8 provided in this section, to exempt from payment, in whole or in part, real and/or personal property  
9 used for manufacturing, industrial, or commercial purposes, or to determine a stabilized amount of  
10 taxes to be paid on account of the property, notwithstanding the valuation of the property or the  
11 rate of tax; provided, that after public hearings, at least ten (10) days' notice of which shall be given  
12 in a newspaper having a general circulation in the town, the town council determines that:

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

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

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

19           (2) Granting of the exemption or stabilization of taxes will inure to the benefit of the town

1 by reason of the willingness of a manufacturing, industrial, or commercial firm or concern to  
2 replace, reconstruct, expand, or remodel existing buildings, facilities, fixtures, machinery, or  
3 equipment with modern buildings, facilities, fixtures, machinery, or equipment resulting in an  
4 increase in ~~plant~~ manufacturing, industrial, or commercial building investment by the firm or  
5 concern in the town.

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

12 (c) For purposes of this section, “personal property used for manufacturing, industrial, or  
13 commercial purposes” means any personal property owned by a firm or concern in its  
14 manufacturing, industrial, or commercial enterprise including, without limitation, furniture,  
15 fixtures, equipment, machinery, stock in trade, and inventory.

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

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

28 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 exempt from taxation real and tangible personal property classified as
- 2 industrial. This act would extend the exemption period from ten (10) years to twenty (20) years.
- 3           This act would take effect upon passage.

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