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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION

Introduced By: Senators Bell, Ciccone, Vargas, Mack, Bissailon, Quezada, and Kallman

Date Introduced: May 23, 2025

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Section 44-3-3 of the General Laws in Chapter 44-3 entitled "Property
2 Subject to Taxation" is hereby amended to read as follows:
- 3 **44-3-3. Property exempt.**
- 4 (a) The following property is exempt from taxation:
- 5 (1) Property belonging to the state, except as provided in § 44-4-4.1;
- 6 (2) Lands ceded or belonging to the United States;
- 7 (3) Bonds and other securities issued and exempted from taxation by the government of
8 the United States or of this state;
- 9 (4) Real estate, used exclusively for military purposes, owned by chartered or incorporated
10 organizations approved by the adjutant general and composed of members of the national guard,
11 the naval militia, or the independent, chartered-military organizations;
- 12 (5) Buildings for free public schools, buildings for religious worship, and the land upon
13 which they stand and immediately surrounding them, to an extent not exceeding five (5) acres so
14 far as the buildings and land are occupied and used exclusively for religious or educational
15 purposes;
- 16 (6) Dwellings houses and the land on which they stand, not exceeding one acre in size, or
17 the minimum lot size for zone in which the dwelling house is located, whichever is the greater,
18 owned by, or held in trust for, any religious organization and actually used by its officiating clergy;
19 provided, further, that in the town of Charlestown, where the property previously described in this

1 paragraph is exempt in total, along with dwelling houses and the land on which they stand in
2 Charlestown, not exceeding one acre in size, or the minimum lot size for zone in which the dwelling
3 house is located, whichever is the greater, owned by, or held in trust for, any religious organization
4 and actually used by its officiating clergy, or used as a convent, nunnery, or retreat center by its
5 religious order;

6 (7) Intangible personal property owned by, or held in trust for, any religious or charitable
7 organization, if the principal or income is used or appropriated for religious or charitable purposes;

8 (8) Buildings and personal estate owned by any corporation used for a school, academy, or
9 seminary of learning, and of any incorporated public charitable institution, and the land upon which
10 the buildings stand and immediately surrounding them to an extent not exceeding one acre, so far
11 as they are used exclusively for educational purposes, but no property or estate whatever is hereafter
12 exempt from taxation in any case where any part of its income or profits, or of the business carried
13 on there, is divided among its owners or stockholders; provided, however, that unless any private
14 nonprofit corporation organized as a college or university located in the town of Smithfield reaches
15 a memorandum of agreement with the town of Smithfield, the town of Smithfield shall bill the
16 actual costs for police, fire, and rescue services supplied, unless otherwise reimbursed, to said
17 corporation commencing March 1, 2014; provided, however, that unless any private nonprofit
18 corporation organized as a college or university located in the city of Providence reaches a new
19 memorandum of agreement with the city of Providence, the city of Providence shall bill the actual
20 costs of municipal services supplied, unless otherwise reimbursed, to said corporation commencing
21 October 1, 2026;

22 (9) Estates, persons, and families of the president and professors for the time being of
23 Brown University for not more than ten thousand dollars (\$10,000) for each officer, the officer's
24 estate, person, and family included, but only to the extent that any person had claimed and utilized
25 the exemption prior to, and for a period ending, either on or after December 31, 1996;

26 (10) Property especially exempt by charter unless the exemption has been waived in whole
27 or in part; provided that, notwithstanding any provision of a charter or act of incorporation or other
28 law to the contrary, any real and personal property (or portion thereof) of a healthcare facility,
29 and/or any parent corporation, operator, manager, or subsidiary thereof, or of an institution of
30 higher education, that would otherwise be exempted from property taxation that is leased to,
31 subleased to, occupied or used by an entity, organization, or individual that is not itself exempted
32 from property taxation shall be taxed to the tenant, who, for the purposes of taxation is deemed the
33 owner;

34 (11) Lots of land exclusively for burial grounds;

1 (12) Property, real and personal, held for, or by, an incorporated library, society, or any
2 free public library, or any free public library society, so far as the property is held exclusively for
3 library purposes, or for the aid or support of the aged poor, or poor friendless children, or the poor
4 generally, or for a nonprofit hospital for the sick or disabled;

5 (13) Real or personal estate belonging to, or held in trust for, the benefit of incorporated
6 organizations of veterans of any war in which the United States has been engaged, the parent body
7 of which has been incorporated by act of Congress, to the extent of four hundred thousand dollars
8 (\$400,000) if actually used and occupied by the association; provided, that the city council of the
9 city of Cranston may by ordinance exempt the real or personal estate as previously described in
10 this subdivision located within the city of Cranston to the extent of five hundred thousand dollars
11 (\$500,000);

12 (14) Property, real and personal, held for, or by, the fraternal corporation, association, or
13 body created to build and maintain a building or buildings for its meetings or the meetings of the
14 general assembly of its members, or subordinate bodies of the fraternity, and for the
15 accommodation of other fraternal bodies or associations, the entire net income of which real and
16 personal property is exclusively applied or to be used to build, furnish, and maintain an asylum or
17 asylums, a home or homes, a school or schools, for the free education or relief of the members of
18 the fraternity, or the relief, support, and care of worthy and indigent members of the fraternity, their
19 wives, widows, or orphans, and any fund given or held for the purpose of public education,
20 almshouses, and the land and buildings used in connection therewith;

21 (15) Real estate and personal property of any incorporated volunteer fire engine company
22 or incorporated volunteer ambulance or rescue corps in active service;

23 (16) The estate of any person who, in the judgment of the assessors, is unable from infirmity
24 or poverty to pay the tax; provided, that in the towns of Burrillville and West Greenwich, the tax
25 shall constitute a lien for five (5) years on the property where the owner is entitled to the exemption.
26 At the expiration of five (5) years, the lien shall be abated in full. Provided, if the property is sold
27 or conveyed, or if debt secured by the property is refinanced during the five-year (5) period, the
28 lien immediately becomes due and payable; any person claiming the exemption aggrieved by an
29 adverse decision of an assessor shall appeal the decision to the local board of tax review and
30 thereafter according to the provisions of § 44-5-26;

31 (17) Household furniture and family stores of a housekeeper in the whole, including
32 clothing, bedding, and other white goods, books, and all other tangible personal property items that
33 are common to the normal household;

34 (18) Improvements made to any real property to provide a shelter and fallout protection

1 from nuclear radiation, to the amount of one thousand five hundred dollars (\$1,500); provided, that
2 the improvements meet applicable standards for shelter construction established, from time to time,
3 by the Rhode Island emergency management agency. The improvements are deemed to comply
4 with the provisions of any building code or ordinance with respect to the materials or the methods
5 of construction used and any shelter or its establishment is deemed to comply with the provisions
6 of any zoning code or ordinance;

7 (19) Aircraft for which the fee required by § 1-4-6 has been paid to the tax administrator;

8 **(20) Manufacturer's inventory.**

9 (i) For the purposes of §§ 44-4-10, 44-5-3, 44-5-20, and 44-5-38, a person is deemed to be
10 a manufacturer within a city or town within this state if that person uses any premises, room, or
11 place in it primarily for the purpose of transforming raw materials into a finished product for trade
12 through any or all of the following operations: adapting, altering, finishing, making, and
13 ornamenting; provided, that public utilities; non-regulated power producers commencing
14 commercial operation by selling electricity at retail or taking title to generating facilities on or after
15 July 1, 1997; building and construction contractors; warehousing operations, including distribution
16 bases or outlets of out-of-state manufacturers; and fabricating processes incidental to warehousing
17 or distribution of raw materials, such as alteration of stock for the convenience of a customer; are
18 excluded from this definition;

19 (ii) For the purposes of this section and §§ 44-4-10 and 44-5-38, the term "manufacturer's
20 inventory," or any similar term, means and includes the manufacturer's raw materials, the
21 manufacturer's work in process, and finished products manufactured by the manufacturer in this
22 state, and not sold, leased, or traded by the manufacturer or its title or right to possession divested;
23 provided, that the term does not include any finished products held by the manufacturer in any retail
24 store or other similar selling place operated by the manufacturer whether or not the retail
25 establishment is located in the same building in which the manufacturer operates the manufacturing
26 plant;

27 (iii) For the purpose of § 44-11-2, a "manufacturer" is a person whose principal business
28 in this state consists of transforming raw materials into a finished product for trade through any or
29 all of the operations described in paragraph (i) of this subdivision. A person will be deemed to be
30 principally engaged if the gross receipts that person derived from the manufacturing operations in
31 this state during the calendar year or fiscal year mentioned in § 44-11-1 amounted to more than
32 fifty percent (50%) of the total gross receipts that person derived from all the business activities in
33 which that person engaged in this state during the taxable year. For the purpose of computing the
34 percentage, gross receipts derived by a manufacturer from the sale, lease, or rental of finished

1 products manufactured by the manufacturer in this state, even though the manufacturer's store or
2 other selling place may be at a different location from the location of the manufacturer's
3 manufacturing plant in this state, are deemed to have been derived from manufacturing;

4 (iv) Within the meaning of the preceding paragraphs of this subdivision, the term
5 "manufacturer" also includes persons who are principally engaged in any of the general activities
6 coded and listed as establishments engaged in manufacturing in the Standard Industrial
7 Classification Manual prepared by the Technical Committee on Industrial Classification, Office of
8 Statistical Standards, Executive Office of the President, United States Bureau of the Budget, as
9 revised from time to time, but eliminating as manufacturers those persons, who, because of their
10 limited type of manufacturing activities, are classified in the manual as falling within the trade
11 rather than an industrial classification of manufacturers. Among those thus eliminated, and
12 accordingly also excluded as manufacturers within the meaning of this paragraph, are persons
13 primarily engaged in selling, to the general public, products produced on the premises from which
14 they are sold, such as neighborhood bakeries, candy stores, ice cream parlors, shade shops, and
15 custom tailors, except, that a person who manufactures bakery products for sale primarily for home
16 delivery, or through one or more non-baking retail outlets, and whether or not retail outlets are
17 operated by the person, is a manufacturer within the meaning of this paragraph;

18 (v) The term "Person" means and includes, as appropriate, a person, partnership, or
19 corporation; and

20 (vi) The department of revenue shall provide to the local assessors any assistance that is
21 necessary in determining the proper application of the definitions in this subdivision;

22 (21) Real and tangible personal property acquired to provide a treatment facility used
23 primarily to control the pollution or contamination of the waters or the air of the state, as defined
24 in chapter 12 of title 46 and chapter 25 of title 23, respectively, the facility having been constructed,
25 reconstructed, erected, installed, or acquired in furtherance of federal or state requirements or
26 standards for the control of water or air pollution or contamination, and certified as approved in an
27 order entered by the director of environmental management. The property is exempt as long as it is
28 operated properly in compliance with the order of approval of the director of environmental
29 management; provided, that any grant of the exemption by the director of environmental
30 management in excess of ten (10) years is approved by the city or town in which the property is
31 situated. This provision applies only to water and air pollution control properties and facilities
32 installed for the treatment of waste waters and air contaminants resulting from industrial
33 processing; furthermore, it applies only to water or air pollution control properties and facilities
34 placed in operation for the first time after April 13, 1970;

(22) Manufacturing machinery and equipment acquired or used by a manufacturer after December 31, 1974. Manufacturing machinery and equipment is defined as:

(i) Machinery and equipment used exclusively in the actual manufacture or conversion of raw materials or goods in the process of manufacture by a manufacturer, as defined in subdivision (20), and machinery, fixtures, and equipment used exclusively by a manufacturer for research and development or for quality assurance of its manufactured products;

(ii) Machinery and equipment that is partially used in the actual manufacture or conversion of raw materials or goods in process of manufacture by a manufacturer, as defined in subdivision (20), and machinery, fixtures, and equipment used by a manufacturer for research and development or for quality assurance of its manufactured products, to the extent to which the machinery and equipment is used for the manufacturing processes, research and development, or quality assurance. In the instances where machinery and equipment is used in both manufacturing and/or research and development and/or quality assurance activities and non-manufacturing activities, the assessment on machinery and equipment is prorated by applying the percentage of usage of the equipment for the manufacturing, research and development, and quality-assurance activity to the value of the machinery and equipment for purposes of taxation, and the portion of the value used for manufacturing, research and development, and quality assurance is exempt from taxation. The burden of demonstrating this percentage usage of machinery and equipment for manufacturing and for research and development and/or quality assurance of its manufactured products rests with the manufacturer; and

(iii) Machinery and equipment described in §§ 44-18-30(7) and 44-18-30(22) that was purchased after July 1, 1997; provided that the city or town council of the city or town in which the machinery and equipment is located adopts an ordinance exempting the machinery and equipment from taxation. For purposes of this subsection, city councils and town councils of any municipality may, by ordinance, wholly or partially exempt from taxation the machinery and equipment discussed in this subsection for the period of time established in the ordinance and may, by ordinance, establish the procedures for taxpayers to avail themselves of the benefit of any exemption permitted under this section; provided, that the ordinance does not apply to any machinery or equipment of a business, subsidiary, or any affiliated business that locates or relocates from a city or town in this state to another city or town in the state;

(23) Precious metal bullion, meaning any elementary metal that has been put through a process of melting or refining, and that is in a state or condition that its value depends upon its content and not its form. The term does not include fabricated precious metal that has been processed or manufactured for some one or more specific and customary industrial, professional,

1 or artistic uses;

2 (24) Hydroelectric power-generation equipment, which includes, but is not limited to,
3 turbines, generators, switchgear, controls, monitoring equipment, circuit breakers, transformers,
4 protective relaying, bus bars, cables, connections, trash racks, headgates, and conduits. The
5 hydroelectric power-generation equipment must have been purchased after July 1, 1979, and
6 acquired or used by a person or corporation who or that owns or leases a dam and utilizes the
7 equipment to generate hydroelectric power;

8 (25) Subject to authorization by formal action of the council of any city or town, any real
9 or personal property owned by, held in trust for, or leased to an organization incorporated under
10 chapter 6 of title 7, as amended, or an organization meeting the definition of “charitable trust” set
11 out in § 18-9-4, as amended, or an organization incorporated under the not-for-profits statutes of
12 another state or the District of Columbia, the purpose of which is the conserving of open space, as
13 that term is defined in chapter 36 of title 45, as amended, provided the property is used exclusively
14 for the purposes of the organization;

15 (26) Tangible personal property, the primary function of which is the recycling, reuse, or
16 recovery of materials (other than precious metals, as defined in § 44-18-30(24)(ii) and (iii)), from,
17 or the treatment of “hazardous wastes,” as defined in § 23-19.1-4, where the “hazardous wastes”
18 are generated primarily by the same taxpayer and where the personal property is located at, in, or
19 adjacent to a generating facility of the taxpayer. The taxpayer may, but need not, procure an order
20 from the director of the department of environmental management certifying that the tangible
21 personal property has this function, which order effects a conclusive presumption that the tangible
22 personal property qualifies for the exemption under this subdivision. If any information relating to
23 secret processes or methods of manufacture, production, or treatment is disclosed to the department
24 of environmental management only to procure an order, and is a “trade secret” as defined in § 28-
25 21-10(b), it shall not be open to public inspection or publicly disclosed unless disclosure is
26 otherwise required under chapter 21 of title 28 or chapter 24.4 of title 23;

27 (27) Motorboats as defined in § 46-22-2 for which the annual fee required in § 46-22-4 has
28 been paid;

29 (28) Real and personal property of the Providence Performing Arts Center, a non-business
30 corporation as of December 31, 1986;

31 (29) Tangible personal property owned by, and used exclusively for the purposes of, any
32 religious organization located in the city of Cranston;

33 (30) Real and personal property of the Travelers Aid Society of Rhode Island, a nonprofit
34 corporation, the Union Mall Real Estate Corporation, and any limited partnership or limited liability

1 company that is formed in connection with, or to facilitate the acquisition of, the Providence YMCA
2 Building;

3 (31) Real and personal property of Meeting Street Center or MSC Realty, Inc., both not-
4 for-profit Rhode Island corporations, and any other corporation, limited partnership, or limited
5 liability company that is formed in connection with, or to facilitate the acquisition of, the properties
6 designated as the Meeting Street National Center of Excellence on Eddy Street in Providence,
7 Rhode Island;

8 (32) The buildings, personal property, and land upon which the buildings stand, located on
9 Pomham Island, East Providence, currently identified as Assessor's Map 211, Block 01, Parcel
10 001.00, that consists of approximately twenty-one thousand three hundred (21,300) square feet and
11 is located approximately eight hundred sixty feet (860'), more or less, from the shore, and limited
12 exclusively to these said buildings, personal estate and land, provided that said property is owned
13 by a qualified 501(c)(3) organization, such as the American Lighthouse Foundation, and is used
14 exclusively for a lighthouse;

15 (33) The Stadium Theatre Performing Arts Centre building located in Monument Square,
16 Woonsocket, Rhode Island, so long as said Stadium Theatre Performing Arts Center is owned by
17 the Stadium Theatre Foundation, a Rhode Island nonprofit corporation;

18 (34) Real and tangible personal property of St. Mary Academy — Bay View, located in
19 East Providence, Rhode Island;

20 (35) Real and personal property of East Bay Community Action Program and its
21 predecessor, Self Help, Inc; provided, that the organization is qualified as a tax-exempt corporation
22 under § 501(c)(3) of the United States Internal Revenue Code;

23 (36) Real and personal property located within the city of East Providence of the Columbus
24 Club of East Providence, a Rhode Island charitable nonprofit corporation;

25 (37) Real and personal property located within the city of East Providence of the Columbus
26 Club of Barrington, a Rhode Island charitable nonprofit corporation;

27 (38) Real and personal property located within the city of East Providence of Lodge 2337
28 BPO Elks, a Rhode Island nonprofit corporation;

29 (39) Real and personal property located within the city of East Providence of the St.
30 Andrews Lodge No. 39, a Rhode Island charitable nonprofit corporation;

31 (40) Real and personal property located within the city of East Providence of the Trustees
32 of Methodist Health and Welfare service a/k/a United Methodist Elder Care, a Rhode Island
33 nonprofit corporation;

34 (41) Real and personal property located on the first floor of 90 Leonard Avenue within the

1 city of East Providence of the Zion Gospel Temple, Inc., a religious nonprofit corporation;

2 (42) Real and personal property located within the city of East Providence of the Cape
3 Verdean Museum Exhibit, a Rhode Island nonprofit corporation;

4 (43) The real and personal property owned by a qualified 501(c)(3) organization that is
5 affiliated and in good standing with a national, congressionally chartered organization and thereby
6 adheres to that organization's standards and provides activities designed for recreational,
7 educational, and character building purposes for children from ages six (6) years to seventeen (17)
8 years;

9 (44) Real and personal property of the Rhode Island Philharmonic Orchestra and Music
10 School; provided, that the organization is qualified as a tax-exempt corporation under § 501(c)(3)
11 of the United States Internal Revenue Code;

12 (45) The real and personal property located within the town of West Warwick at 211
13 Cowesett Avenue, Plat 29-Lot 25, which consists of approximately twenty-eight thousand seven
14 hundred fifty (28,750) square feet and is owned by the Station Fire Memorial Foundation of East
15 Greenwich, a Rhode Island nonprofit corporation;

16 (46) Real and personal property of the Comprehensive Community Action Program, a
17 qualified tax-exempt corporation under § 501(c)(3) of the United States Internal Revenue Code;

18 (47) Real and personal property located at 52 Plain Street, within the city of Pawtucket of
19 the Pawtucket Youth Soccer Association, a Rhode Island nonprofit corporation;

20 (48) Renewable energy resources, as defined in § 39-26-5, used in residential systems and
21 associated equipment used therewith in service after December 31, 2015;

22 (49) Renewable energy resources, as defined in § 39-26-5, if employed by a manufacturer,
23 as defined in subsection (a) of this section, shall be exempt from taxation in accordance with
24 subsection (a) of this section;

25 (50) Real and personal property located at 415 Tower Hill Road within the town of North
26 Kingstown, of South County Community Action, Inc., a qualified tax-exempt corporation under §
27 501(c)(3) of the United States Internal Revenue Code;

28 (51) As an effort to promote business growth, tangible business or personal property, in
29 whole or in part, within the town of Charlestown's community limits, subject to authorization by
30 formal action of the town council of the town of Charlestown;

31 (52) All real and personal property located at 1300 Frenchtown Road, within the town of
32 East Greenwich, identified as assessor's map 027, plat 019, lot 071, and known as the New England
33 Wireless and Steam Museum, Inc., a qualified tax-exempt corporation under § 501(c)(3) of the
34 United States Internal Revenue Code;

1 (53) Real and tangible personal property of Mount Saint Charles Academy located within
2 the city of Woonsocket, specifically identified as the following assessor’s plats and lots: Logee
3 Street, plat 23, lot 62, Logee Street, plat 24, lots 304 and 305; Welles Street, plat 23, lot 310;
4 Monroe Street, plat 23, lot 312; and Roberge Avenue, plat 24, lot 47;

5 (54) Real and tangible personal property of Steere House, a Rhode Island nonprofit
6 corporation, located in Providence, Rhode Island;

7 (55) Real and personal property located within the town of West Warwick of Tides Family
8 Services, Inc., a Rhode Island nonprofit corporation;

9 (56) Real and personal property of Tides Family Services, Inc., a Rhode Island nonprofit
10 corporation, located in the city of Pawtucket at 242 Dexter Street, plat 44, lot 444;

11 (57) Real and personal property located within the town of Middletown of Lucy’s Hearth,
12 a Rhode Island nonprofit corporation;

13 (58) Real and tangible personal property of Habitat for Humanity of Rhode Island—
14 Greater Providence, Inc., a Rhode Island nonprofit corporation, located in Providence, Rhode
15 Island;

16 (59) Real and personal property of the Artic Playhouse, a Rhode Island nonprofit
17 corporation, located in the town of West Warwick at 1249 Main Street;

18 (60) Real and personal property located at 321 Main Street, within the town of South
19 Kingstown, of the Contemporary Theatre Company, a qualified, tax-exempt corporation under §
20 501(c)(3) of the United States Internal Revenue Code;

21 (61) Real and personal property of The Samaritans, Inc., a Rhode Island nonprofit §
22 501(c)(3) corporation located at 67 Park Place, Pawtucket, Rhode Island, to the extent the city
23 council of Pawtucket may from time to time determine;

24 (62) Real and personal property of North Kingstown, Exeter Animal Protection League,
25 Inc., dba “Pet Refuge,” 500 Stony Lane, a Rhode Island nonprofit corporation, located in North
26 Kingstown, Rhode Island;

27 (63) Real and personal property located within the city of East Providence of Foster
28 Forward (formerly the Rhode Island Foster Parents Association), a Rhode Island charitable
29 nonprofit corporation;

30 (64) Real and personal property located at 54 Kelly Avenue within the town of East
31 Providence, of the Associated Radio Amateurs of Southern New England, a Rhode Island nonprofit
32 corporation;

33 (65) Real and tangible personal property of Providence Country Day School, a Rhode
34 Island nonprofit corporation, located in East Providence, Rhode Island and further identified as plat

1 406, block 6, lot 6, and plat 506, block 1, lot 8;

2 (66) As an effort to promote business growth, tangible business or personal property, in
3 whole or in part, within the town of Bristol’s community limits, subject to authorization by formal
4 action of the town council of the town of Bristol;

5 (67) Real and tangible personal property of the Heritage Harbor Foundation, a Rhode
6 Island nonprofit corporation, located at 1445 Wampanoag Trail, Suites 103 and 201, within the city
7 of East Providence;

8 (68) Real property of Ocean State Community Wellness, Inc., a qualified tax-exempt
9 corporation under § 501(c)(3) of the United States Internal Revenue Code, located in North
10 Kingstown, Rhode Island, with a physical address of 7450 Post Road, and further identified as plat
11 108, lot 83;

12 (69) Real and tangible personal property of St. John Baptist De La Salle Institute, d/b/a La
13 Salle Academy, a Rhode Island domestic nonprofit corporation, located in Providence, Rhode
14 Island denominated at the time this subsection was adopted as Plat 83 Lot 276 by the tax assessor
15 for the city of Providence comprising approximately 26.08 acres of land along with all buildings
16 and improvements that have been or may be made;

17 (70) Real and tangible personal property of The Providence Community Health Centers,
18 Inc., a Rhode Island domestic nonprofit corporation, located in Providence, Rhode Island;

19 (71) In the city of Central Falls and the city of Pawtucket, real property and tangible
20 personal property located on or in the premise acquired or leased by a railroad entity and for the
21 purpose of providing boarding and disembarking of railroad passengers and the supporting
22 passenger railroad operations and services. For the purpose of this section, a railroad entity shall be
23 any incorporated entity that has been duly authorized by the Rhode Island public utilities
24 commission to provide passenger railroad services;

25 (72) Real and tangible personal property of the American Legion Riverside Post Holding
26 Company, d/b/a American Legion Post 10, a Rhode Island nonprofit corporation, located at 830
27 Willet Avenue, within the city of East Providence on Map 513, Block 27, Parcel 001.00 as long as
28 said property is owned by American Legion Post 10;

29 (73) Real and tangible personal property of the Holy Rosary Band Society, a Rhode Island
30 nonprofit corporation, located at 328 Taunton Avenue, within the city of East Providence on Map
31 306, Block 01, Parcel 012.00;

32 (74) Real and tangible personal property of Foster Forward, a Rhode Island domestic
33 nonprofit corporation, located within the city of Pawtucket, at 16 North Bend Street, and further
34 identified as assessor’s plat 21, lot 312;

1 (75) Real and tangible personal property of the Old and Ancient Rowers Society of Rhode
2 Island, a Rhode Island domestic nonprofit corporation, located at 166 Walmsley Lane, within the
3 town of North Kingstown on Plat 004/Lot 019;

4 (76) Real and tangible personal property of the Rhode Island Public Health Foundation, a
5 domestic nonprofit corporation or any other entity formed by the Rhode Island Public Health
6 Foundation in connection with, or to facilitate the acquisition of, one property to be owned by the
7 Rhode Island Public Health Foundation or such entity, located in the city of Providence;

8 (77) Real and tangible personal property of the Manissean Tribal Council, a Rhode Island
9 nonprofit corporation, located in the town of New Shoreham, Rhode Island;

10 (78) Real and tangible personal property of Sophia Academy located at 582 Elmwood
11 Avenue, the San Miguel Education Center located at 525 Branch Avenue, and the Community
12 Preparatory School, Inc. located at 135 Prairie Avenue, all of which are domestic nonprofit
13 corporations, and all of which are located within the city of Providence;

14 (79) Real and tangible personal property of Cape Verdean Museum Exhibit, a Rhode Island
15 domestic nonprofit corporation, located at 617 Prospect Street, within the city of Pawtucket on
16 Assessors' Plat 37, Lot 434;

17 (80) Real and tangible personal property of Sojourner House, a Rhode Island nonprofit
18 corporation, located in the city of Providence, at 386 Smith Street, further identified as Assessor's
19 Plat 67, Lot 46, and 1570 Westminster Street, further identified as Assessor's Plat 35, Lot 200;

20 (81) Real and tangible personal property of the Little Flower Home, a Rhode Island
21 domestic nonprofit corporation, located at 304 Hooper Street, within the Town of Tiverton on Map
22 102, Lot 196; provided that, the organization remains a federal 501(c)(3) tax-exempt corporation
23 and a domestic nonprofit charitable corporation;

24 (82) Real and tangible personal property of the Brain Injury Association of Rhode Island,
25 Inc., a nonprofit corporation, located at 1017 Waterman Avenue within the city of East Providence
26 on tax assessor's map 607, Block 11, Parcel 4;

27 (83) Real and tangible personal property of the Johnnycake Center Realty Corporation, a
28 Rhode Island nonprofit corporation, located in the town of South Kingstown, and further identified
29 as 12 Green Street, Assessor's Map 49-1, Lot 148, 44 Kersey Road, further identified as Assessor's
30 Map 49-1, Lot 136, 54 Kersey Road, further identified as Assessor's Map 49-1, Lot 137, and 1004
31 Kingstown Road, further identified as Assessor's Map 49-4, Lot 124;

32 (84) Real and tangible personal property of the Little Compton Game Club, a Rhode Island
33 domestic nonprofit corporation, located at 83 John Dyer Road and 88 John Dyer Road, within the
34 town of Little Compton on Assessor's Plat 44 Lots 4 and 5;

1 (85) Real and tangible personal property of Wildlife Rehabilitators Association of Rhode
2 Island (Wildlife Clinic of Rhode Island), a Rhode Island domestic nonprofit corporation, located at
3 2865 Tower Hill Road, within the town of North Kingstown on Assessor's Map Plat 5, Lot 1;

4 (86) Non-commercial real and tangible personal property of Southside Community Land
5 Trust, a Rhode Island domestic nonprofit corporation, located in the city of Providence, at 404
6 Broad Street, further identified as Assessor's Plat 23, Lot 753; and

7 (87) Tangible personal property of Northwest Community Health Care d/b/a WellOne
8 Primary Medical and Dental Care, a Rhode Island domestic nonprofit corporation, located in the
9 town of North Scituate at 35 Village Plaza Way, and further identified as Plat 38, Lot 72.

10 (b) Except as provided below, when a city or town taxes a for-profit hospital facility, the
11 value of its real property shall be the value determined by the most recent full revaluation or
12 statistical property update performed by the city or town; provided, however, in the year a nonprofit
13 hospital facility converts to or otherwise becomes a for-profit hospital facility, or a for-profit
14 hospital facility is initially established, the value of the real property and personal property of the
15 for-profit hospital facility shall be determined by a valuation performed by the assessor for the
16 purpose of determining an initial assessed value of real and personal property, not previously taxed
17 by the city or town, as of the most recent date of assessment pursuant to § 44-5-1, subject to a right
18 of appeal by the for-profit hospital facility which shall be made to the city or town tax assessor with
19 a direct appeal from an adverse decision to the Rhode Island superior court business calendar.

20 A "for-profit hospital facility" includes all real and personal property affiliated with any
21 hospital as identified in an application filed pursuant to chapter 17 or 17.14 of title 23.
22 Notwithstanding the above, a city or town may enter into a stabilization agreement with a for-profit
23 hospital facility under § 44-3-9 or other laws specific to the particular city or town relating to
24 stabilization agreements. In a year in which a nonprofit hospital facility converts to, or otherwise
25 becomes, a for-profit hospital facility, or a for-profit hospital facility is otherwise established, in
26 that year only the amount levied by the city or town and/or the amount payable under the
27 stabilization agreement for that year related to the for-profit hospital facility shall not be counted
28 towards determining the maximum tax levy permitted under § 44-5-2.

29 (c) Notwithstanding any other provision of law to the contrary, in an effort to provide relief
30 for businesses, including small businesses, and to promote economic development, a city, town, or
31 fire district may establish an exemption for tangible personal property within its geographic limits
32 by formal action of the appropriate governing body within the city, town, or fire district, which
33 exemptions shall be uniformly applied and in compliance with local tax classification requirements.
34 Exemptions established pursuant to this subsection shall conform to the requirements of § 44-5-

1 12.2.

2 SECTION 2. Chapter 44-3 of the General Laws entitled "Property Subject to Taxation" is
3 hereby amended by adding thereto the following section:

4 **44-3-70. Additional definitions.**

5 As used in this chapter:

6 (1) "Actual costs of municipal services supplied" means the total costs incurred by a
7 municipality for municipal services provided to a college or university.

8 (2) "Municipal services" means police services, fire services, rescue services, and other
9 services as the municipality may set by ordinance.

10 (3) "Provided to a college or university" means provided to a property owned by the college
11 or university or a property where at least one of its students resides.

12 SECTION 3. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
13 adding thereto the following chapter:

14 CHAPTER 72

15 COLLEGIATE MEMORANDUM PAYMENTS BASELINE

16 **44-72-1. Definitions.**

17 As used in this chapter:

18 (1) "Annual inflation" means the percentage increase in the consumer price index for all
19 urban consumers published by the federal department of labor between the first month of a state
20 fiscal year and the first month of the previous state fiscal year.

21 (2) "Base payment" means the greater of:

22 (a) The total of memorandum payments made by a college or university to a municipality
23 during state fiscal year 2024, increased by three percent (3%).

24 (b) The total of memorandum payments made by a college or university to a municipality
25 during the time period from May 1, 2024 to May 1, 2025.

26 (c) The total of memorandum payments made by a college or university to a municipality
27 during state fiscal year 2025.

28 (3) "Base fiscal year" means state fiscal year 2025.

29 (4) "Host municipality" means the city or town where a college or university is located.

30 (5) "Memorandum payments" means the amount of money paid by a private nonprofit
31 corporation organized as a college or university to the host municipality pursuant to a memorandum
32 of agreement between the host municipality and the college or university, including payments
33 exceeding the terms of the memorandum of agreement.

34 (6) "Memorandum payments baseline" means the base payment in the base fiscal year, and

1 in each subsequent fiscal year, it shall increase by annual inflation or three percent (3%), whichever
2 is greater.

3 **44-72-2. Revenue taxation.**

4 (a) In the event that any private nonprofit corporation organized as a college or university
5 pays the host municipality less in memorandum payments than the memorandum payments
6 baseline during a state fiscal year, the college or university shall pay a tax to the host municipality
7 equal to ten percent (10%) of the total revenue it received during the prior state fiscal year.

8 (b) The host municipality may, by ordinance, increase the tax rate above ten percent (10%).

9 SECTION 4. 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 bill nonprofit colleges and universities in the city of Providence for
2 municipal services if they do not reach a memorandum of agreement with the city for increased
3 payments. This act would further define the actual costs and municipal services provided to the
4 colleges and universities where at least one student resides. This act would further establish the
5 collegiate memorandum payments baseline and allow a ten percent (10%) tax on revenue where
6 the college or university fails to make its baseline memorandum payments.
- 7 This act would take effect upon passage.

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