

2026 -- H 8017

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LC004889
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

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A N A C T

RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES

Introduced By: Representatives Morales, Cruz, Potter, Tanzi, and Cotter

Date Introduced: February 27, 2026

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-13.11 of the General Laws in Chapter 44-5 entitled "Levy and
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 **44-5-13.11. Qualifying low-income housing — Assessment and taxation.**

4 (a) Any residential property that has been issued an occupancy permit on or after January
5 1, 1995, ~~after substantial rehabilitation as defined by the U.S. Department of Housing and Urban~~
6 ~~Development~~ and is encumbered by a covenant recorded in the land records in favor of a
7 governmental unit or Rhode Island housing and mortgage finance corporation restricting ~~either or~~
8 ~~both the rents that may be charged to tenants of the property or~~ the incomes of the occupants ~~of the~~
9 ~~property, is subject to a tax that equals eight percent (8%) of the property's previous years' gross~~
10 ~~scheduled rental income or a lesser percentage as determined by each municipality.~~

11 (1) At least forty percent (40%) of the rental dwelling units in the property to levels
12 affordable to households at or below eighty percent (80%) statewide area median income, adjusted
13 for family size, as established by § 45-53-3, are subject to a tax that equals eight percent (8%) of
14 the property's previous year's gross scheduled rental income or a lesser percentage as determined
15 by each municipality; or

16 (2) At least thirty percent (30%) of the rental dwelling units in the property to levels
17 affordable to households at or below sixty percent (60%) statewide area median income, adjusted
18 for family size, as established by § 45-53-3, are subject to a tax that equals eight percent (8%) of
19 the property's previous year's gross scheduled rental income or a lesser percentage as determined

1 by each municipality.

2 (b) For those properties that have been approved by the tax assessor for tax treatment under
3 this section as of July 1, 2026, the manner in which the tax assessor has previously applied this
4 section shall not be further extended.

5 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
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1 This act would change the assessment for residential property where forty percent (40%)
2 of the dwellings are below eighty percent (80%) of statewide median income and thirty percent
3 (30%) are below sixty percent (60%).

4 This act would take effect upon passage.

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