

2026 -- S 3262 AS AMENDED

LC006380

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2026

A N A C T

RELATING TO TAXATION-PROPERTY SUBJECT TO TAXATION -- GLOCESTER --
EXEMPTION OF ELDERLY AND DISABLED PERSONS

Introduced By: Senator Jessica de la Cruz

Date Introduced: May 05, 2026

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-3-13.5 of the General Laws in Chapter 44-3 entitled "Property
2 Subject to Taxation" is hereby amended to read as follows:

3 **44-3-13.5. Gloucester — Exemption of elderly and disabled persons.**

4 (a) ~~The town council of Gloucester may, by ordinance, issue a tax credit for real property~~
5 ~~situated in the town of Gloucester which is owned and occupied by owners over sixty five (65) years~~
6 ~~of age or under sixty five (65) years of age who are permanently disabled in an amount of one~~
7 ~~thousand one hundred fifty dollars (\$1,150) adjusted annually by the rate of the annual tax increase,~~
8 ~~if any, times the per one thousand dollar (\$1,000) average valuation of the exempted real properties~~
9 ~~and in like manner may also by ordinance issue a tax credit for real property situated in the town~~
10 ~~which is owned and occupied by owners with a combined adjusted gross taxable annual income~~
11 ~~not to exceed twenty three thousand dollars (\$23,000) adjusted annually by the consumer price~~
12 ~~index — all urban customers (CPI-U) published by the Bureau of Labor Statistics of the United~~
13 ~~States Department of Labor as set forth in the following schedule:~~

14 (1) ~~Owners who are sixty five (65) but less than eighty (80) years of age: — an additional~~
15 ~~tax credit not to exceed one thousand five hundred dollars (\$1,500);~~

16 (2) ~~Owners who are eighty (80) years of age or older: — an additional tax credit not to~~
17 ~~exceed four thousand five hundred (\$4,500).~~

18 (b) ~~The exemption shall be pro-rated among the owners of the real property and shall be in~~

~~1 addition to any and all other exemptions from taxation to which the person may be otherwise
2 entitled. The exemption shall be applied uniformly. Only one exemption shall be granted to co-
3 tenants, joint tenants, and tenants by the entirety, even though all of the co-tenants, joint tenants,
4 and tenants by the entirety are eligible for an exemption. The provisions of this section apply
5 notwithstanding the provisions of § 44-3-15.~~

6 Notwithstanding any provision of the general laws to the contrary, the town of Gloucester
7 may, by ordinance, provide for exemptions or tax credits for real property situated in the town and
8 owned and occupied by qualified persons as follows:

9 (1) The town council may establish exemptions or tax credits for real property owned and
10 occupied by qualified persons including, but not limited to:

11 (i) A base exemption for real property owned and occupied by persons sixty-five (65) years
12 of age or older, or under sixty-five (65) years of age who are permanently disabled, in an amount
13 not to exceed two thousand seventy dollars (\$2,070), which amount shall be adjusted annually by
14 the consumer price index for all urban consumers (CPI-U). The town may, by ordinance, establish
15 and modify the required length of legal residency within the town of Gloucester as a condition of
16 eligibility for this exemption including, but not limited to, minimum consecutive years of residency
17 immediately preceding application.

18 (ii) An additional exemption for real property owned and occupied by persons eighty (80)
19 years of age or older, in an amount not to exceed one thousand dollars (\$1,000), which amount may
20 be adjusted by ordinance. The town of Gloucester may, by ordinance, establish and modify the
21 required length of residency within the town for eligibility for this exemption, as well as any
22 required duration of ownership and occupancy of the subject property.

23 (iii) A minimum tax provision requiring that any qualified owner-occupant receiving an
24 exemption shall pay not less than a minimum annual tax amount as may be established by
25 ordinance.

26 (iv) A variable income exemption for qualified owner-occupants who received such
27 exemption prior to a date established by ordinance, with income thresholds, exclusions, and
28 administration as established by ordinance, including annual verification requirements.

29 (v) Authority to adjust income eligibility thresholds annually based on the CPI-U or a
30 regional equivalent, as provided by ordinance.

31 (vi) No income limitation shall apply to exemptions granted under subsections (a)(1)(i) and
32 (a)(1)(ii) of this section for applicants qualifying after a date established by ordinance.

33 (b) Consumer price index (CPI) adjustments shall be calculated using a non-compounded
34 methodology, applying each annual percentage change solely to the original base amount.

1 (c) The town council may, by ordinance, establish and enforce all qualifications and
2 eligibility criteria including, but not limited to:

- 3 (1) Age requirements;
- 4 (2) Length of residency within the town, including authority to set different residency
5 requirements for different exemption categories;
- 6 (3) Ownership and occupancy requirements, including principal residence limitations;
- 7 (4) Legal domicile requirements;
- 8 (5) Disability status and verification, including physician certification;
- 9 (6) Income and asset limitations, including definitions and exclusions;
- 10 (7) Duration of ownership or occupancy of the property;
- 11 (8) Grandfathering provisions or date-based eligibility distinctions;
- 12 (9) Household composition or co-ownership considerations;
- 13 (10) Application procedures, deadlines, and renewal requirements;
- 14 (11) Documentation and verification requirements; and
- 15 (12) Any other reasonable qualification or administrative standard necessary to implement
16 the exemptions.

17 (d) The exemptions shall be prorated among the owners, applied uniformly, limited to one
18 exemption per property, and shall be in addition to any other exemptions otherwise authorized.

19 (e) This section shall apply notwithstanding the provisions of § 44-3-15.

20 (f) The exemptions authorized herein may be provided in addition to, in lieu of, or in
21 combination with any other exemptions authorized by law or ordinance.

22 SECTION 2. This act shall take effect upon passage and shall apply to assessments as of
23 December 31, 2025, and thereafter, for use in the tax roll for fiscal year 2026–2027 and thereafter.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TAXATION-PROPERTY SUBJECT TO TAXATION -- GLOCESTER --
EXEMPTION OF ELDERLY AND DISABLED PERSONS

1 This act would amend the current statute governing exemptions from property taxes for
2 elderly and the disabled in the town of Gloucester to authorize the town council's proposed addition
3 of a non-compounding CPI adjustment without an income qualification; and would align the town's
4 existing ordinance framework with what is expressly permitted under state law.

5 This act would take effect upon passage and shall apply to assessments as of December 31,
6 2025, and thereafter, for use in the tax roll for fiscal year 2026–2027 and thereafter.

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