

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2004**

**A N A C T**

**RELATING TO STATUTES AND STATUTORY CONSTRUCTION**

Introduced By: Representative Gordon D. Fox

Date Introduced: April 22, 2004

Referred To: House Judiciary

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 5-1-15.1 of the General Laws in Chapter 5-1 entitled "Architects" is  
2 hereby amended to read as follows:

3           **5-1-15.1. Certificate of authorization for sole proprietorships, partnerships, or**  
4 **corporations.** -- (a) A partnership or corporation is admitted to practice architecture in this state  
5 if:

6           (1) Two-thirds (2/3) of the partners (if a partnership) or two-thirds (2/3) of the directors  
7 (if a corporation) are registered under the laws of any state or any reciprocal jurisdiction as  
8 defined by the National Council of Architectural Registration Boards to practice architecture or  
9 engineering;

10           (2) One-third (1/3) of the partners (if a partnership) or one-third (1/3) of the directors (if  
11 a corporation), are registered under the laws of any state or reciprocal jurisdiction as defined by  
12 the National Council of Architectural Registration Boards to practice architecture; and

13           (3) The person having the practice of architecture in his or her charge is himself or  
14 herself a partner (if a partnership) or a director (if a corporation) and registered to practice  
15 architecture in this state.

16           (b) The board is empowered to require any sole proprietorship, partnership, or  
17 corporation practicing architecture in this state to file information concerning its officers,  
18 directors, and other aspects of its business organization, upon any forms that the board prescribes.

19           (c) The practice or offer to practice architecture as defined by this chapter by a sole

1 proprietorship, partnership, or corporation, subsequently referred to as the "firm", through one or  
2 more architects registered under the provisions of this chapter, is permitted provided that the  
3 registered architect(s) are in direct control of the practice or exercise personal supervision of all  
4 personnel who act in behalf of the firm in professional and technical matters; and provided,  
5 further, that the firm has been issued a certificate of authorization by this board.

6 (d) ~~Within one year after enactment of this chapter, every~~ Every firm must obtain a  
7 certificate of authorization from this board, and those individuals in direct control of the practice  
8 or who exercise personal supervision of all personnel who act in behalf of the firm in professional  
9 and technical matters must be registered with the board. The certificate of authorization is issued  
10 by the board upon satisfaction of the provisions of this chapter and the payment of a fee as  
11 determined by the board in accordance with section 5-1-11. This fee is waived if the firm consists  
12 of only one person who is the registered architect. Every firm must file with the board an  
13 application for a certificate of authorization on a form provided by the board.

14 (e) Every certificate of authorization is valid for a period of two (2) years and expires on  
15 the last day of December of each even numbered year following its issuance. A separate form  
16 provided by the board is to be filed with each renewal of the certificate of authorization. The firm  
17 shall complete a renewal form within thirty (30) days of the time any information previously filed  
18 with the board has changed, is no longer true or valid, or has been revised for any reason. If, in its  
19 judgment, the information contained on the application and/or renewal form is satisfactory and  
20 complete, the board will issue a certificate of authorization for the firm to practice architecture in  
21 this state. The board may require all applicants for renewal to provide the board with information,  
22 including but not limited to, a brief outline setting forth the professional activities of any  
23 applicant during a period in which a certificate of authorization has lapsed and other evidence of  
24 the continued competence and good character of the applicant, all as the board deems necessary.

25 SECTION 2. Section 5-3.1-16 of the General Laws in Chapter 5-3.1 entitled "Public  
26 Accountancy" is hereby amended to read as follows:

27 **5-3.1-16. Acts declared unlawful. --** (a) Except as permitted by the board pursuant to  
28 section 5-3.1-18(b), no person shall hold himself or herself out to the public as a certified public  
29 accountant or assume or use the designation "certified public accountant" or "CPA" or any other  
30 title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the  
31 person is a certified public accountant or CPA, unless that person has been issued a permit to  
32 practice under section 5-3.1-7.

33 (b) No entity shall provide attest or compilation services or assume or use the  
34 designation "certified public accountants" or "CPAs" or any other title, designation, words,

1 letters, abbreviation, sign, card, or device tending to indicate that the practice unit is composed of  
2 certified public accountants or CPAs, unless:

3 (1) The practice unit holds a permit to practice under section 5-3.1-9;

4 (2) Ownership of the firm is in accord with this chapter and rules promulgated by the  
5 board;

6 (3) [Deleted by P.L. 2001, ch. 336, section 1.]

7 (c) No person shall hold himself or herself out to the public as a public accountant, or  
8 assume or use the designation "public accountant" or "PA" or any other title, designation, words,  
9 letters, abbreviation, sign, card, or device tending to indicate that the person is a public  
10 accountant or PA, unless that person holds an authority as a public accountant and a permit to  
11 practice in this state issued under section 5-3.1-7. This subsection does not apply to those persons  
12 qualified under subsection (a) to hold themselves out to the public as certified public accountants  
13 and to use the designation "certified public accountant" or "CPA".

14 (d) No entity shall provide attest or compilation services or assume or use the  
15 designation "public accountants" or "PAs" or any other title, designation, words, letters,  
16 abbreviation, sign, card, or device tending to indicate that the practice unit is composed of public  
17 accountants or PAs, unless the practice unit holds a permit to practice under section 5-3.1-9.

18 (e) No person or entity not holding a valid permit, shall assume or use the title or  
19 designation "certified accountant", "chartered accountant", "enrolled accountant", "licensed  
20 accountant", "registered accountant", "accredited accountant", or any other title or designation  
21 likely to be confused with "certified public accountant" or "public accountant", any of the  
22 abbreviations "CA", "RA", "LA", "AA", or similar abbreviation likely to be confused with "CPA"  
23 or "PA"; provided, that anyone who holds a permit to practice under section 5-3.1-7 may hold  
24 himself or herself out to the public as an "accountant" or "auditor". The title "Enrolled Agent" or  
25 the abbreviation "EA" may only be used by those individuals so designated by the Internal  
26 Revenue Service. In addition, the board may at its discretion allow titles or abbreviations to be  
27 used which do not mislead the public and for which appropriate certification or accreditation by a  
28 national organization can be demonstrated.

29 (f) No person or entity shall prepare or attempt to prepare, or sign, affix, or associate the  
30 person's or entity's name or any trade name used by him, her, or it in the person's or entity's  
31 business or profession or practice unit to any attest or compilation reports unless the individual  
32 holds a permit to practice under section 5-3.1-7 or 5-3.1-8, and unless the practice unit holds a  
33 permit to practice under section 5-3.1-9.

34 (g) [Deleted by P.L. 2001, ch. 336, section 1.]

1 (h) No person or entity not holding a permit to practice under this chapter shall hold  
2 himself, herself, or itself out to the public as an "accountant" or "auditor", whether or not the term  
3 is accompanied by any other description or designation, on any sign, card, or letterhead, or in any  
4 advertisement or directory.

5 (i) No person holding a permit shall assume or use a professional or firm name or  
6 designation that is misleading about the legal form of the firm, or the persons who are partners,  
7 officers, members, managers or shareholders of the firm, or about any other matter, provided,  
8 however, that names of one or more former partners, members, managers or shareholders may be  
9 included in the name of a firm or its successor.

10 (j) No person or entity shall hold himself, herself, or itself out to the public as being  
11 qualified for the practice of public accounting unless the person or entity holds a permit to  
12 practice under this chapter.

13 (k) The provisions of subsections (a), (c), and (e) of this section do not prohibit any  
14 accountant licensed by a foreign country who holds an annual limited permit to engage in the  
15 practice of public accounting under section 5-3.1-8 from using the accounting designation by  
16 which he or she is known in his or her own country, translated into the English language,  
17 followed by the name of the country from which his or her certificate, license, or degree was  
18 issued, as required by section 5-3.1-8.

19 (l) [Deleted by P.L. 2001, ch. 336, section 1.]

20 (m) Any person or practice unit that is found to have violated any provision of this  
21 section by a court of competent jurisdiction is liable to the board for reasonable attorneys' fees in  
22 connection with the proceeding in which the finding was made.

23 (n) A licensee, practice unit or affiliated entity shall not directly or indirectly for a  
24 commission recommend or refer to a client any product or service, or for a commission  
25 recommend or refer any product or service to be supplied by a client, or receive a commission,  
26 when the licensee, practice unit or affiliated entity also performs for that client any attest or  
27 compilation services or reports. This prohibition applies during the period in which the licensee  
28 or practice unit or affiliated entity is engaged to perform any services listed above and the period  
29 covered by any historical financial statements involved in such listed services.

30 (1) A licensee, practice unit or affiliated entity who is not prohibited by this section from  
31 performing services for or receiving a commission and who is paid or expects to be paid a  
32 commission shall disclose that fact to any person or entity to whom the licensee, practice unit or  
33 affiliated entity recommends or refers a product or service to which the commission relates. The  
34 disclosure must be made in writing contemporaneously with or prior to the referral or

1 recommendation.

2 (2) Any licensee, practice unit or affiliated entity who accepts a referral fee for  
3 recommending or referring any service of a licensee to any person or entity or who pays a referral  
4 fee to obtain a client shall disclose such acceptance or payment to the client. The disclosure must  
5 be made in writing contemporaneously with or prior to the referral or recommendation.

6 (3) For purposes of this section, an "affiliated entity" is defined as an entity in which the  
7 licensee, and/or any member and/or employee of the practice unit, has more than an aggregate  
8 twenty percent (20%) direct or indirect financial interest.

9 (4) A licensee or practice unit in public practice who is not prohibited by this section  
10 from performing service for or receiving a commission shall comply with all applicable federal  
11 and state securities laws, rules promulgated thereunder, and registration requirements.

12 (o) A licensee, practice unit or affiliated entity shall not: perform for a contingent fee any  
13 professional services for, or receive such a fee from a client for whom the licensee or practice unit  
14 performs any attest or compilation services or reports; or prepare an original or amended tax  
15 return or claim for a tax refund for a contingent fee for any client.

16 ~~(1) The prohibitions in subdivision (1)(1) of this section applies during the period in~~  
17 ~~which the licensee is engaged to perform any of the services listed above and the period covered~~  
18 ~~by any historical financial statements involved in any such listed services.~~

19 (2) Except as stated in the next sentence, a "contingent fee" is a fee established for the  
20 performance of any service pursuant to an arrangement in which no fee will be charged unless a  
21 specified finding or result is attained, or in which the amount of the fee is otherwise dependent  
22 upon the finding or result of such service. Solely for purposes of this section, fees are not  
23 regarded as being contingent if fixed by courts or other public authorities, or, in tax matters, if  
24 determined based on the results of judicial proceedings or the findings of governmental agencies.  
25 A licensee's fees may vary depending, for example, on the complexity of services rendered.

26 (3) For purposes of this section, an "affiliated entity" is defined as any entity in which  
27 the licensee, or any member or employee of the practice unit, has more than an aggregate twenty  
28 percent (20%) direct or indirect financial interest.

29 (4) Any licensee who receives a contingent fee pursuant to this section shall comply with  
30 all applicable federal and state securities laws, rules promulgated thereunder, and registration  
31 requirements.

32 SECTION 3. Sections 5-6-20.1 and 5-6-28 of the General Laws in Chapter 5-6 entitled  
33 "Electricians" are hereby amended to read as follows:

34 **5-6-20.1. Mandatory continuing education.** -- (a) ~~On or before January 1, 1996, the~~ [The](#)

board of examiners of electricians shall, by regulation, establish a mandatory continuing education program for all persons licensed under this chapter. The program is designed to ensure current competency in each licensee's area of certification and/or licensing.

(b) ~~On and after January 1, 1997, no~~ No license under this chapter ~~is~~ shall be renewed unless the licensee demonstrates, in a manner prescribed by the board of examiners of electricians, that he or she has successfully completed at least fifteen (15) clock hours of continuing education pursuant to and in compliance with the mandatory continuing education program established under this section.

(c) The course of study to be conducted over the fifteen (15) hour clock period shall be approved by the Rhode Island building commissioner's office. Course providers may include, but not be limited to, vocational schools, association seminars, labor training programs, employee training programs and private instructors or inspectors and must also be approved by the building commissioner's office. Instructors or inspectors ~~are~~ shall be Rhode Island licensed electrical contractors employed by or about to be employed by the providers and be board approved. Instructors or inspectors must attend a preparation seminar held by the Rhode Island building commissioner's office to be approved. That course ~~is~~ shall be paid for by individuals attending the course.

(d) The mandatory continuing education requirement is limited to class A and class B electricians.

(e) Out of state residents that hold a Rhode Island electrical license are allowed to submit a fifteen (15) hour continuing education credit from their state if it meets the Rhode Island requirements and their state recognizes the Rhode Island continuing education certificates;

(f) Upon completion of the fifteen (15) clock hour course, an approved uniform certificate of completion ~~is~~ shall be issued. Licensees are required to submit this verification of completion for license renewal. The continuing education credits ~~are~~ shall be included in the currently adopted edition of the national electrical code and the ~~BOCA~~ Building Officials and Code Administrators International, Inc. (BOCA) national codes;

(g) Only those approved instructors actually teaching a fifteen (15) clock hour course ~~are~~ shall be exempt from attending the fifteen (15) hour course.

**5-6-28. Penalties for unlicensed work.** -- Any person, firm, association, or corporation or employee of ~~these~~ any person, firm, association or corporation, and any representative, member, or officer of any firm, association, or corporation individually entering upon or engaging in the business and work previously defined in this chapter, without having complied with this chapter, shall be assessed penalties pursuant to section 5-6-32.

SECTION 4. Section 5-7-2 of the General Laws in Chapter 5-7 entitled "Employment Agencies" is hereby amended to read as follows:

**5-7-2. Penalty for establishment of office without license -- Public agencies exempt. -**

Whoever ~~without a license to do so~~ establishes or keeps an intelligence or employment office for any of the purposes specified in this chapter without a license to do so, upon conviction, ~~is~~ shall be fined ten dollars (\$10.00) for each day the office is kept; and any person violating any of those rules or regulations, upon conviction, ~~is~~ shall be fined not exceeding twenty dollars (\$20.00) for each offense, provided, that this chapter does not apply to any employment office established by the state or federal government.

SECTION 5. Sections 5-8-3 and 5-8-24 of the General Laws in Chapter 5-8 entitled "Engineers" are hereby amended to read as follows:

**5-8-3. Board -- Creation -- Duties -- Composition -- Appointments -- Terms. --** (a)

The duty of the board of engineers is to administer those provisions of this chapter that relate to the regulation of professional engineering and the registration of professional engineers.

(b) The board of engineers shall establish any rules and regulations for the conduct of its own proceedings, for examination of applicants, for registration of professional engineers and engineers-in-training, for continuing education requirements, for conducting disciplinary proceedings to include investigating complaints to the board and for governing the practice of engineering all that it deems appropriate.

(c) Members of the board are subject to the provisions of chapter 14 of title 36. The board consists of five (5) persons, who are appointed by the governor, and must have the qualifications required by section 5-8-4. Each member of the board shall receive a certificate of his or her appointment from the governor and shall file with the secretary of state his or her written oath or affirmation for the faithful discharge of his or her official duty. Appointments to the board are in the manner and for a period of time that the term of each member expires at a different time. On the expiration of the term of any member, the governor shall in the manner previously provided appoint for a term of five (5) years a registered professional engineer having the qualifications required in section 5-8-4. A member may be reappointed to succeed him or herself, but shall not serve more than two (2) full consecutive terms. Each member may hold office until the expiration of the term for which appointed or until a successor has been appointed and has qualified.

(1) The board shall designate, and establish, and administer a system of registration by discipline ~~not later than December 31, 1994~~ and shall subsequently administer that registration system.

1 (2) That registration system provides, at a minimum, for the registration of:

2 (i) Civil engineers;

3 (ii) Chemical engineers;

4 (iii) Electrical engineers; and

5 (iv) Mechanical engineers.

6 (3) The board may establish additional classifications by rule and regulation.

7 (4) Classification of disciplines shall conform to the standards established by the  
8 NCEES. Nothing in this section is construed to limit the registration of a qualified applicant to  
9 only one discipline.

10 (e) The board shall annually provide a written report to the director of the department of  
11 business regulation presenting a summary of all fees collected, a list of all individuals registered,  
12 a summary of all disciplinary actions taken, and the disposition of all complaints made to the  
13 board. After reviewing the board's report, the director submits a copy of the report with his or her  
14 comments on the performance of the board, its compliance with this chapter and the director's  
15 recommendations, to the governor, the general assembly, and the board.

16 **5-8-24. Corporate, partnership and sole proprietorship practice.** -- (a) The practice or  
17 offer to practice engineering as defined by this chapter by a corporation, partnership, or sole  
18 proprietorship, subsequently referred to as the "firm", through individuals is permitted; provided,  
19 that the individuals: (1) are in direct control of the practice; (2) exercise personal supervision of  
20 all personnel who act in behalf of the firm in professional and technical matters; and (3) are  
21 registered under the provisions of this chapter; and provided, further, that the firm has been issued  
22 a certificate of authorization by the board of engineers.

23 (b) (1) ~~Within one year after enactment of this chapter every~~ Every firm must obtain a  
24 certificate of authorization from the board and those individuals in direct control of the practice  
25 and who exercise direct supervision of all personnel who act in behalf of the firm in professional  
26 and technical matters must be registered with the board. The certificate of authorization ~~is~~ shall be  
27 issued by the board upon satisfaction of the provisions of this chapter and the payment of a fee  
28 not to exceed one hundred twenty-five dollars (\$125). This fee is waived if the firm consists of  
29 only one person who is the person in responsible charge.

30 (2) Every firm desiring a certificate of authorization must file with the board an  
31 application for a certificate of authorization on a form to be provided by the board. A separate  
32 form provided by the board ~~is to~~ shall be filed with each renewal of the certificate of  
33 authorization and within thirty (30) days of the time any information previously filed with the  
34 board has changed, is no longer true or valid, or has been revised for any reason. If, in its



1 judgment, the information contained on the application and renewal form is satisfactory and  
2 complete, the board will issue a certificate of authorization for the firm to practice engineering in  
3 this state.

4 (3) No firm that has been granted a certificate of authorization by the board ~~is~~ shall be  
5 relieved of responsibility for modification or derivation of the certificate, unless the board has  
6 issued for the applicant a certificate of authorization or a letter indicating the eligibility of the  
7 applicant to receive the certificate. The firm applying shall supply the certificate or letter from the  
8 board with its application for incorporation or registration as a foreign corporation.

9 SECTION 6. Sections 58.1-4, 58.1-5, 58.1-9 and 58.1-13 of the General Laws in  
10 Chapter 5-8.1 entitled "Land Surveyors" are hereby amended to read as follows:

11 **5-8.1-4. Board of registration for professional land surveyors -- Authority, powers,**  
12 **and duties.** -- (a) The duty of the board of land surveyors is to administer the provisions of this  
13 chapter in regards to the regulation of professional land surveying and the registration of  
14 professional land surveyors.

15 (b) ~~(4)~~ The board of land surveyors may establish any rules and regulations for the  
16 conduct of its own proceedings, for examination of applicants, for registration of professional  
17 land surveyors and surveyors in training, for continuing education requirements, and for  
18 governing the practice of land surveying, that it deems appropriate.

19 ~~(2) Upon passage of this chapter the rules and regulations in effect prior to passage~~  
20 ~~remain in effect until adoption of new rules and regulations.~~

21 (c) The board of professional land surveyors shall hold examinations for qualified  
22 individuals applying for registration as professional land surveyors or for certification as  
23 surveyors-in-training at least once a year.

24 (d) The board of land surveyors issues certificates of registration to individuals who have  
25 qualified to practice professional land surveying under the provisions of this chapter.

26 (e) The board of professional land surveyors has the power to suspend, refuse to renew,  
27 or revoke certificates of registration in accordance with the provisions of this chapter. In all  
28 disciplinary proceedings brought pursuant to this chapter, the board has the power to administer  
29 oaths, to summon witnesses and to compel the production of documents in accordance with  
30 procedures applicable in the superior court. Upon failure of any person to appear to produce  
31 documents in accordance with the board's order, the board may apply to a court of any  
32 jurisdiction to enforce compliance with the order.

33 (f) The board of professional land surveyors is authorized in the name of the state to  
34 apply for relief by injunction in the established manner provided in cases of civil procedure,

1 without bond, to enforce the provisions of this chapter, or to restrain any violations of this  
2 chapter. In those proceedings, it is not necessary to allege or prove, either that an adequate  
3 remedy at law does not exist or that substantial or irreparable damage would result from the  
4 continued violation of this chapter. The members of the board are not personally liable under this  
5 proceeding.

6 (g) No action or other legal proceedings for damages shall be instituted against the board  
7 or against any board member or employee of the board for any act done in good faith and in the  
8 intended performance of any power granted under this chapter or for any neglect or default in the  
9 performance or exercise in good faith of that duty or power.

10 (h) The board is empowered to collect any fees and charges prescribed in this chapter  
11 and to apply the fees and charges to the cost of fulfilling the requirements and responsibilities of  
12 this chapter. From the proceeds of any fees collected pursuant to the provisions of this chapter,  
13 there is created a restricted receipts account. The board receives no funds from the state. The  
14 board shares proportionately with the board of registration of professional land surveyors the  
15 expenses of operating the two boards.

16 (i) The board shall annually provide a written report to the director of the department of  
17 business regulation. This report is present forth a summary of all fees collected, a list of all  
18 individuals registered, a summary of all disciplinary actions taken, and the disposition of all  
19 complaints made to the board.

20 **5-8.1-5. Board of registration for professional land surveyors -- Membership,**  
21 **appointments, terms, and vacancies.** -- (a) The board of land surveyors consists of five (5)  
22 professional land surveyors only one of whom may also be a professional engineer and all of  
23 whom are registered in the state. Each member of the board must be a qualified elector of this  
24 state for three (3) years prior to appointment. Each member been engaged in the lawful practice  
25 of land surveying for at least seven (7) years and shall have been in responsible charge of  
26 surveying work for at least five (5) years.

27 (b) Each member of the board is appointed by the governor, ~~within sixty (60) days of the~~  
28 ~~enactment of this chapter;~~ for staggered terms, to serve a term of five (5) years or until his or her  
29 successor is appointed and qualified; ~~however, in the original appointments under this section:~~

- 30 ~~-(1) One member is appointed for a period of one year,~~  
31 ~~-(2) One member is appointed for a period of two (2) years,~~  
32 ~~-(3) One member is appointed for a period of three (3) years,~~  
33 ~~-(4) One member is appointed for a period of four (4) years and~~  
34 ~~-(5) One member is appointed for a period of five (5) years.~~

1 (c) No member of the board of land surveyors shall be associated in the practice of  
2 surveying either individually or as a member of a firm, partnership or corporation, with any other  
3 member of the board.

4 (d) Vacancies in the membership of the board of land surveyors are filled for any  
5 unexpired terms by appointment of the governor.

6 (e) A member appointed for a full term is not eligible for more than two (2) consecutive  
7 terms.

8 (f) The governor may remove any member of the board of land surveyors for  
9 misconduct, incompetency, neglect of duty, or for any sufficient cause, in the manner prescribed  
10 by law for removal of state officials.

11 (g) Each member of the board of land surveyors receives a certificate of his or her  
12 appointment from the governor and files with the secretary of state his or her written oath or  
13 affirmation for the faithful discharge of his or her official duties.

14 (h) Within thirty (30) days of the appointment of the board, the director or his or her  
15 designee shall summon the members of the board to organize and elect a chairperson, vice-  
16 chairperson and secretary from the appointed members.

17 **5-8.1-9. Board of registration for professional land surveyors -- Application and**  
18 **qualification for registration.** -- (1) Application for registration as a professional land surveyor  
19 or certification as a surveyor-in-training is made, in writing, on a form prescribed and furnished  
20 by the board of land surveyors. The application:

21 (i) Contains statements made under oath,

22 (ii) Shows the applicant's education,

23 (iii) Contains a detailed summary of the applicant's technical and professional  
24 experience, and

25 (iv) Designates references as described in this section.

26 (2) The fee established in section 5-8.1-11 must accompany each application. Failure to  
27 include this fee will result in the application being returned to the applicant without consideration  
28 by the board.

29 (b) To be eligible for registration as a professional land surveyor, an applicant must be of  
30 good character and reputation. Additionally, the applicant must submit five (5) references with  
31 his or her application, three (3) of whom are registered professional land surveyors having  
32 personal knowledge of his or her land surveying experience. No person seeking his or her initial  
33 registration as a professional land surveyor is granted the certificate without first completing a  
34 surveyor-in-training program as prescribed and approved by the board.

1 (c) (1) To be eligible for certification as a surveyor-in-training, an applicant must be of  
2 good character and reputation and additionally must submit three (3) character references one of  
3 which must be from a professional land surveyor.

4 (2) One of the following is considered as minimum evidence to the board that the  
5 applicant is qualified for registration as a professional land surveyor or for certification as a land  
6 surveyor in training, respectively:

7 (i) Graduation from a four (4) year accredited program, experience and examination. A  
8 graduate of a land surveying curriculum of four (4) years or more approved by the board, as being  
9 of satisfactory standing is admitted to an eight (8) hour written examination in the fundamentals  
10 of land surveying. Upon passing that examination the applicant is granted a surveyor in training  
11 certificate in this state providing the applicant is qualified. Additionally, upon obtaining a specific  
12 record of a minimum of three (3) years of experience, after graduation, of combined office and  
13 field experience of a grade and character which indicates to the board that the applicant may be  
14 competent to practice land surveying, the applicant may be admitted to a six (6) hour written  
15 examination in the principles and practice of land surveying plus an additional two (2) hour  
16 written Rhode Island legal portion. Upon passing that examination, the applicant is granted a  
17 certificate of registration to practice land surveying in this state, provided the applicant is  
18 qualified.

19 (ii) Graduation from a four (4) year non-accredited program, experience and  
20 examination. A graduate of land surveying or related curriculum of four (4) years or more other  
21 than those approved by the board as being of satisfactory standing may be admitted to an eight (8)  
22 hour written examination in the fundamentals of land surveying. Upon passing that examination  
23 the applicant is granted a surveyor in training certificate in the state, provided the applicant is  
24 qualified. Additionally upon obtaining a specific record of a minimum of five (5) years of  
25 experience, after graduation, of combined office and field experience satisfactory to the board in  
26 land surveying, of which a minimum of three (3) years has been under the supervision of a  
27 registered professional land surveyor, which indicates to the board that the applicant may be  
28 competent to practice land surveying, the applicant may be admitted to a six (6) hour written  
29 examination in the principles and practice of land surveying plus an additional two (2) hour  
30 written Rhode Island legal portion. Upon passing that examination, the applicant is granted a  
31 certificate of registration to practice land surveying in this state, provided the applicant is  
32 qualified.

33 (iii) Graduation from a two (2) year accredited program experience, and examination. A  
34 graduate of a land surveying or related curriculum of satisfactory standing, of two (2) years or

1 more approved by the board, who has obtained an associates degree, and upon obtaining a  
2 minimum of two (2) years experience, after graduation, satisfactory to the board, may be admitted  
3 to an eight (8) hour written examination in the fundamentals of land surveying. Upon passing that  
4 examination the applicant is granted a surveying-in-training certificate in the state, provided the  
5 applicant is qualified. Upon obtaining a specific record of a minimum of an additional five (5)  
6 years of experience, of combined office and field experience satisfactory to the board in land  
7 surveying, of which a minimum of three (3) years has been under the supervision of a registered  
8 professional land surveyor, which indicates to the board that the applicant may be competent to  
9 practice land surveying, the applicant may be admitted to a six (6) hour written examination in  
10 the principles and practice of land surveying plus an additional two (2) hour written Rhode Island  
11 legal portion. Upon passing that examination, the applicant is granted a certificate of registration  
12 to practice land surveying in this state, provided the applicant is qualified.

13 (iv) Graduation from a two (2) year nonaccredited program, experience and examination.  
14 A graduate of a land surveying or related curriculum of two (2) years or more, other than one  
15 approved by the board, who has obtained an associates degree, and upon obtaining a minimum of  
16 two (2) years experience, after graduation, satisfactory to the board may be admitted to an eight  
17 (8) hour written examination in the fundamentals of land surveying. Upon passing that  
18 examination the applicant is granted a surveying-in-training certificate in the state, provided the  
19 applicant is otherwise qualified. Upon obtaining a specific record of a minimum of an additional  
20 eight (8) years of experience, of combined office and field experience satisfactory to the board in  
21 land surveying, of which a minimum of three (3) years has been under the supervision of a  
22 registered professional land surveyor, which indicates to the board that the applicant may be  
23 competent to practice land surveying, the applicant may be admitted to a six (6) hour written  
24 examination in the principles and practice of land surveying plus an additional two (2) hour  
25 written Rhode Island legal portion. Upon passing that examination, the applicant is granted a  
26 certificate of registration to practice land surveying in this state, provided the applicant is  
27 qualified.

28 (v) Experience and examination. ~~(A) A person having acquired at least twelve (12) years~~  
29 ~~of active office and/or field experience in land surveying, at least six (6) years of which~~  
30 ~~experience has been under the direct supervision of a registered professional land surveyor, and~~  
31 ~~with that experience being of a grade and character which indicates to the board that the applicant~~  
32 ~~may be competent to practice land surveying, may be admitted to an eight (8) hour written~~  
33 ~~examination in the fundamentals of land surveying. Upon passing that examination the applicant~~  
34 ~~is granted a surveyor in training certificate in the state, provided that the applicant is qualified~~

~~and may admitted to a second six (6) hour written examination plus an additional two (2) hour written Rhode Island legal portion. Upon passing that examination, the applicant is granted a certificate of registration to practice land surveying in this state provided the applicant is qualified. This subsection expires at midnight, June 30, 2002.~~

(B) In certain instances in which an applicant presents an experience of unusually high quality, the board, at its complete discretion, may allow an applicant, having acquired six (6) years of active office and field experience in land surveying, which experience has been under the direct supervision of a professional land surveyor, to be admitted to an eight (8) hour written examination in the fundamentals of land surveying. Upon passing that examination, the applicant is granted a surveyor-in-training certificate in the state, provided the applicant is qualified.

(vi) Surveying teaching. Teaching of advanced land surveying subjects in a college or university offering an approved land surveying curriculum may be considered as land surveying experience satisfactory to the board.

(vii) Registration by comity or endorsement. A person holding a current certificate of registration to engage in the practice of land surveying, on the basis of comparable written examinations, issued to him or her by a proper authority of a state, territory, or possession of the United States, the District of Columbia, or any foreign country who, in the opinion of the board, meets the requirements of this chapter, based upon verified evidence, may, upon application be registered, only if they have passed the two (2) hour written Rhode Island legal portion.

(d) (1) The passing grade on all examinations offered by the land surveyors is not less than seventy percent (70%). An applicant failing any examination may apply for re-examination upon payment of the appropriate fees. An applicant who scores less than fifty percent (50%) on any examination may not apply for re-examination for at least one year.

(2) An applicant who fails any of the exams three (3) times must be interviewed by the board, before any further application can be acted upon. It is the applicant's responsibility to show the board that he or she will be successful if allowed to take the exam again.

**5-8.1-13. Board of registration for professional land surveyors -- Permitted practices. --** (a) Exemption clause. - This chapter is not construed to prevent or to affect:

(1) Employees and subordinates. The work of an employee or subordinate of a person holding a certificate of registration under this chapter; provided, that the work does not include final land surveying work or decisions and is done under the direct supervision of, or checked by, a person holding a certificate of registration issued under this chapter.

(2) Federal employees. The practice by officers and employees of the government of the United States while engaged within this state in the practice of land surveying for the government

1 on property owned by the federal government; provided, that no right to practice land surveying  
2 accrues to those persons as to any other land surveying work. The right to registration after  
3 government employment is not granted except under the provisions prescribed under section 5-  
4 8.1-11.

5 (3) Other professions. The practice of engineering, architecture, or landscape  
6 architecture.

7 (b) Corporate, partnership and sole proprietorship practice. - (1) The practice or offer to  
8 practice land surveying as defined by this chapter by a corporation, partnership, or sole  
9 proprietorship, subsequently referred to as the "firm", through individuals is permitted; provided,  
10 that the individuals are in direct control of that practice; exercise personal supervision of all  
11 personnel who act in behalf of the firm in professional and technical matters; and, are registered  
12 under the provisions of this chapter; and provided, further, that the firm has been issued a  
13 certificate of authorization by the board of land surveyors.

14 (2) ~~Within one year after enactment of this chapter every~~ Every firm must obtain a  
15 certificate of authorization from the board and those individuals in direct control of the practice  
16 and who exercise direct supervision of all personnel who act in behalf of the firm in professional  
17 and technical matters must be registered with the board. The certificate of authorization is issued  
18 by the board upon satisfaction of the provisions of this chapter and the payment of an annual fee  
19 not to exceed fifty dollars (\$50.00).

20 (3) It is the intent of the board of registration to establish that the professional land  
21 surveyor is responsible for land surveying services.

22 (4) Every firm desiring a certificate of authorization must file with the board an  
23 application for the certificate on a form provided by the board. A separate form provided by the  
24 board is to be filed with each renewal of the certificate of authorization and within thirty (30)  
25 days of the time any information previously filed with the board has changed, is no longer true or  
26 valid, or has been revised for any reason. If in its judgement, the information contained on the  
27 application and renewal form is satisfactory and complete, the board issues a certificate of  
28 authorization for the firm to practice land surveying in this state.

29 (5) No firm that has been granted a certificate of authorization by the board of land  
30 surveyors is relieved of responsibility for the conduct or acts of its agents, employees, officers, or  
31 partners because of its compliance with the provisions of this section. No individual practicing  
32 land surveying under the provisions of this chapter is relieved of responsibility for land surveying  
33 services performed by reason of his or her employment or other relationship with a firm holding a  
34 certificate of authorization as subsequently described.

(6) A land surveyor may not, for the purposes of this section, be designated as being in responsible charge on more than two (2) certificates of authorization.

(7) Certificates of authorization are renewed as previously provided for certificates of registration in section 5-8.1-11.

(8) Corporations organized under the provisions of chapter 5.1 of title 7 entitled "Professional Service Corporations" shall submit a copy of their articles of incorporation in order to obtain a certificate of authorization from the board of land surveyors.

~~(9) Corporations other than those organized under chapter 5.1 of title 7, partnerships and sole proprietorships practicing in this state prior to the date of the enactment of this chapter shall fully comply with the provisions of this section within one year of the date of that enactment.~~

~~(10)~~ (9) Effective one year from July 1, 1990, the The secretary of state shall not issue a certificate of incorporation to any applicant, or a registration as a foreign corporation to any firm, which includes among the objectives for which it is being established any of the words "surveyor", "surveying" or any modification or derivation of those words, unless the board of land surveyors has issued for the applicant a certificate of authorization or a letter indicating the eligibility of the applicant to receive the certificate. The firm applying shall supply the certificate or letter from the board with its application for incorporation or registration as a foreign corporation.

(c) Land surveyor previously registered. Each land surveyor holding a certificate of registration and each land surveyor-in-training under the laws of this state as previously in effect is deemed registered as a land surveyor or land surveyor-in-training as appropriate under this chapter.

(d) This section does not exempt the political subdivisions of the state, such as county, city, or town, or legally constituted boards, districts, or commissions, from obtaining a certificate of authorization from the board of registration when applicable.

SECTION 7. Sections 5-10-3 and 5-10-8 of the General Laws in Chapter 5-10 entitled "Barbers, Hairdressers, Cosmeticians, Manicurists and Estheticians" are hereby amended to read as follows:

**5-10-3. Board of barbering and hairdressing -- Appointments -- Organization -- Removal of members.** -- (a) The governor appoints seven (7) members to a board of hairdressing who are appointed for a term of four (4) years and until their successors are appointed and qualified. The governor appoints one public member, three (3) licensed cosmetologists, and three (3) licensed barbers. ~~However, for the initial board appointments the three hairdressing members of the current board of hairdressing and the three (3) barber members of the current board of~~



~~barbering are automatically appointed to the board of barbering and hairdressing to fulfill their unexpired terms.~~ To be eligible for appointment to the board, the appointee shall have been a licensed barber or hairdresser and cosmetician, continuously and actively engaged in that practice for at least five (5) years, immediately preceding his or her appointment, and not be connected, either directly or indirectly with any school of barbering, hairdressing, and cosmetic therapy as defined in section 5-10-1(16), or any establishment dealing in barbering, cosmetic, or hairdressing supplies.

(b) Any member of the board appointed by the governor may be removed by the governor for cause and any vacancy occurring in the membership of the board by that removal is filled by the governor by the appointment of a qualified person to serve for the unexpired term.

(c) The division shall keep a record of all proceedings of the board, issue all notices, attest all records, and perform any other duties that are required by the board.

(d) The department is authorized to employ a chief field inspector appointed by the governor and to assist the division in the proper administration of this chapter.

**5-10-8. Issuance of licenses -- Qualifications of applicants.** -- ~~(a)~~ The division ~~issues~~ shall issue licenses to persons engaged in or desiring to engage in the practice of barbering, hairdressing, and cosmetic therapy and/or manicuring, or esthetics and for instructing in any approved school of barbering or hairdressing and cosmetic therapy, and/or manicuring, or esthetics provided that no license ~~is~~ shall be issued to any person under this chapter unless the applicant for the license:

- (1) Is at least eighteen (18) years of age;
- (2) Is a citizen of the United States of America or has legal entry into the country;
- (3) Is of good moral character;
- (4) Is a high school graduate or holds the equivalent;
- (5) Has satisfactorily completed the course of instruction in an approved school of barbering, hairdressing and cosmetic therapy, and/or manicuring or esthetics;
- (6) Has satisfactorily passed a written and a practical examination approved by the division to determine the fitness of the applicant to receive a license; and
- (7) Has complied with section 5-10-10 and any other qualifications that the division prescribes by regulation.

(b) Notwithstanding the provision of subsection (a)(4), on and after July 1, 1997, an applicant seeking licensure as a barber must be a high school graduate or hold the equivalent.

SECTION 8. Section 5-20-35 of the General Laws in Chapter 5-20 entitled "Plumbers and Irrigators" is hereby amended to read as follows:

1           **5-20-35. Persons and acts exempt -- Issuance of licenses in special cases. --** The  
2 provisions of this chapter do not apply to the installation of automatic sprinkler systems or other  
3 fire protection appliances in this state and do not apply to employees of public utilities (publicly  
4 or privately owned). ~~; provided, that any resident of Rhode Island not licensed, as provided in this~~  
5 ~~chapter, desiring a license as a master plumber or journeyman plumber who on or before~~  
6 ~~August 14, 1966, presents to the department of labor and training of the state reasonably~~  
7 ~~satisfactory evidence, in writing, that he or she was actively engaged in the business of plumbing~~  
8 ~~as a master plumber or working as a journeyman plumber for a master plumber in any city or~~  
9 ~~town for five (5) years prior to May 16, 1966, and that he or she is at the time of presenting that~~  
10 ~~evidence to the department of labor and training operating in any city or town as a master~~  
11 ~~plumber or working as journeyman plumber, shall, upon payment of a fee of five dollars~~  
12 ~~(\$5.00) in the case of a master plumber or one dollar (\$1.00) in the case of a journeyman~~  
13 ~~plumber, have issued to him or her by the department of labor and training a certificate of license~~  
14 ~~as a master plumber or a journeyman plumber without an additional application, fee, or other~~  
15 ~~condition precedent.~~ Farms, golf courses, and nurseries performing irrigation work on their  
16 premises only, shall not be required to be licensed under the chapter.

17           SECTION 9. Section 520.5-12 of the General Laws in Chapter 5-20.5 entitled "Real  
18 Estate Brokers and Salespersons" is hereby amended to read as follows:

19           **5-20.5-12. Commission -- Creation -- Composition -- Appointment, terms, and**  
20 **compensation of members -- Officers -- Deputy directors -- Seal. --** (a) (1) Within the  
21 department of business regulation, there is created the Rhode Island real estate commission,  
22 subsequently referred to as "commission", to consist of nine (9) persons at least one from each  
23 county to be appointed by the governor, each of whom has been a citizen of this state for at least  
24 ten (10) years prior to the date of appointment, three (3) of whom have been engaged as a  
25 licensed broker in this state for at least ten (10) years prior to the date of appointment, four (4) of  
26 whom are members of the general public, at least one of whom has substantial academic  
27 experience in real estate and at least one who has been active in citizen groups concerned with  
28 real estate practices and activities. Two (2) members appointed for one year; two (2) members  
29 shall be appointed for two (2) years; one member for three (3) years; one member for four (4)  
30 years; and one member for five (5) years; beginning on December 31, 1973. Successors of all  
31 members ~~are~~ shall be appointed by the governor for terms of five (5) years each and until their  
32 successors are appointed and qualify by subscribing to the constitutional oath of office, which  
33 shall be filed with the secretary of state. Members to fill vacancies are appointed for the  
34 unexpired term. No member shall be appointed to succeed himself or herself for more than one

1 full term. There are two (2) ex-officio members of the commission and they are the attorney  
2 general or his or her designee and the director of the department or his or her designee. All ex-  
3 officio members have full voting powers and serve without compensation. Upon qualification of  
4 the members appointed, the commission shall organize by selecting from its members a  
5 chairperson.

6 (2) The commission shall adopt~~s~~ reasonable rules and regulations to carry out its  
7 purposes. The division of professional regulation with the assistance of the commission shall  
8 implement a recertification program ~~on or before January 1, 1982~~ and establish any reasonable  
9 rules and regulations that are appropriate for that program to insure that education and practice  
10 requirements of license holders meet the public interest.

11 (b) The director shall employ~~s~~ a deputy director and any other employees that he or she  
12 deems necessary and proper to discharge the duties imposed by this chapter, and shall determin~~e~~  
13 and prescribe~~s~~ their duties and fix~~es~~ their compensation, subject to the general laws of the state.

14 (c) Each member of the commission shall receive~~s~~ as compensation for each day actually  
15 spent on his or her official duties the sum of twenty-five dollars (\$25.00) and his or her actual and  
16 necessary expenses incurred in the performance of his or her official duties. This compensation  
17 ~~(is)~~ shall not to exceed twelve hundred dollars (\$1,200) annually.

18 (d) The commission shall adopt a seal of any design that it prescribes. Copies of all  
19 records and papers in the office of the commission, duly certified and authenticated by its seal,  
20 shall be received in evidence in all courts with like effect as the original. All records of the  
21 commission are open to public inspection under any reasonable rules and regulations that it  
22 prescribes.

23 (e) The commission ~~has~~ shall have a policy-making role in the preparation and  
24 composition of the examinations to be administered by the division of professional regulation.  
25 Subsequent to the administration of the examination, the commission shall review~~s~~ the  
26 examinations to evaluate their effectiveness. The commission shall supervise~~s~~ the operations of  
27 the division in an advisory capacity in promulgating any policy that is necessary to improve the  
28 operations of the division in their areas of expertise. The promulgation of that policy is subject to  
29 the approval of the director of the department.

30 SECTION 10. Section 5-23-2 of the General Laws in Chapter 5-23 entitled "Sunday  
31 Business" is hereby amended to read as follows:

32 **5-23-2. Licenses for Sunday and holiday business.** -- (a) The city or town council of  
33 any city or town shall grant licenses for the sale by retail establishments at any places in that town  
34 or city designated in those licenses, on the first day of the week, Sunday, and on holidays

enumerated in section 5-23-1. However, no license shall be issued on December 25 of any year or on Thanksgiving day, except to:

(1) Pharmacies licensed under chapter ~~19 of this title [repealed]~~ [19.1 of this title](#) with a licensed pharmacist who is employed by the pharmacy and available on the premises to provide pharmaceutical services during all hours of the pharmacy's operation on those days;

(2) Retail establishments which principally sell food products as defined in section 44-18-30(9) and which employ fewer than six (6) employees per shift at any one location;

(3) Retail establishments principally engaged in the sale of cut flowers, floral products, plants, shrubs, trees, fertilizers, seeds, bulbs, and garden accessories;

(4) Retail establishments principally engaged in the sale and/or rental of video cassette tapes; and

(5) Retail establishments principally engaged in the preparation and/or sale of bakery products.

(b) Retail establishments licensed pursuant to this section may be permitted to open for business on Sundays between the hours of 12:00 noon and 6:00 P.M., except that pharmacies licensed under chapter ~~19 of this title [repealed]~~ [19.1 of this title](#) and retail establishments which principally sell food products as defined in section 44-18-30(9), and retail establishments engaged in the sale of pools and pool supplies for the period beginning on March 1st and ending on November 30, may be open during their normal working hours. Retail establishments licensed pursuant to this section may be permitted to open for business during holidays on their normal business working hours. The city of Newport and the towns of Westerly, Cumberland and Glocester each may, by ordinance, authorize the retail establishments within their respective jurisdictions which are licensed pursuant to this section to remain open for business on Sundays between the hours of 9:00 A.M. and 10:00 P.M. or any portion of those hours.

(c) The town of New Shoreham may, by ordinance, authorize the retail establishments within its jurisdiction which are licensed pursuant to this section to remain open for business on Sundays between the hours set by the ordinance.

(d) Retail establishments licensed pursuant to this section shall be exempt from the provisions of ~~chapter 40 of title 11, entitled "Sunday Laws", and~~ chapter 1 of title 25, entitled "Holidays and Days of Special Observance", and those establishments may sell any and all items sold in the ordinary course of business with the exception of alcoholic beverages.

(e) All retail establishments may sell any and all items sold in the ordinary course of business with the exception of alcoholic beverages after obtaining a license on those Sundays between Thanksgiving day and Christmas between the hours of 10:00 A.M. and 7:00 P.M.

1 (f) Retail establishments engaged in the sale of cut flowers, floral products, plants,  
2 shrubs, trees, fertilizer, seeds, bulbs and gardening accessories, metal goods, locks, tools, and  
3 cutlery including any concession operated by or on the premises of a larger establishment, shall  
4 be licensed, prior to the sale of those products, in accordance with this section; provided, that the  
5 hours of operation on Sundays or holidays shall be between the hours of 9:00 A.M. and 6:00 P.M.

6 (g) Retail establishments engaged primarily in the sale and/or rental of video cassette  
7 tapes shall be licensed in accordance with this section; provided, that the hours of operation on  
8 Sundays and holidays may be between the hours of 10:00 A.M. and 10:00 P.M.

9 (h) All employees engaged in work during Sundays or holidays pursuant to the  
10 provisions of this section shall receive from their employer no less than time and a half for the  
11 work so performed and shall be guaranteed at least a minimum of four (4) hours employment;  
12 except those employees referred to in section 28-12-4.3(a)(4), provided that the work performed  
13 by the employee is strictly voluntary and refusal to work for any retail establishment on a Sunday  
14 or holiday is not a ground for discrimination, dismissal, or discharge or any other penalty upon  
15 the employee. The town council may fix and cause to be paid into the town treasury for each  
16 license issued pursuant to this section a fee not to exceed the sum of one hundred dollars (\$100)  
17 and may fix the time or times when the license granted terminates; provided, that the town  
18 council shall not charge a licensing fee to any charitable, benevolent, educational, philanthropic,  
19 humane, patriotic, social service, civic, fraternal, police, fire, labor, or religious organization  
20 which is not operated for profit.

21 (i) Retail establishments engaged principally in the preparation and/or sale of bakery  
22 products and pharmacies shall be licensed prior to the sale of those products in accordance with  
23 this section; provided, that the time and one half and voluntary work provisions do not apply.

24 (j) Each city or town council shall fix, limit and specify those rules, regulations, and  
25 conditions relating to the granting, holding and exercising those licenses as it deems necessary or  
26 advisable and as are not inconsistent with law, and may suspend or revoke any license by it  
27 granted for more than two (2) violations of those rules, regulations, and conditions, during a  
28 calendar year.

29 (k) Retail establishments engaged in the sale of bait and recreational fishing products  
30 shall be licensed prior to the sale of those products in accordance with this section; provided, that  
31 the hours of operation on Sundays and holidays shall be between the hours of 5:00 A.M. and 8:00  
32 P.M. or any portion of those hours.

33 SECTION 11. Section 5-25-3 of the General Laws in Chapter 5-25 entitled "Veterinary  
34 Practice" is hereby amended to read as follows:

1           **5-25-3. Board -- Composition -- Appointment and terms of members.** -- The governor  
2 shall appoint a board of veterinary medicine. The board shall be composed of six (6) members  
3 whose terms of office shall extend for three (3) years and until a successor is appointed. Five (5)  
4 members of the board shall be veterinarians licensed in the state one of which whose practice  
5 shall include the treatment of equine or large animals and one member shall be a public member.  
6 No member shall serve more than two (2) consecutive three (3) year terms. Former board  
7 members are eligible for reappointment no earlier than three (3) years following the expiration of  
8 their last term. ~~The governor shall appoint one member for a term of one year; two (2) for a term~~  
9 ~~of two (2) years; two (2) for a term of three (3) years; and one public member for a three (3) year~~  
10 ~~term. Initial appointments to the board shall take effect as of the date of appointment, however,~~  
11 ~~the initial terms shall be calculated as though the date of appointment had been July 1, 1986.~~  
12 Appointments ~~made subsequently~~ shall be for three (3) year terms. Terms shall begin on the first  
13 day of July of the year in which they are appointed and expire on the last day of June of the last  
14 year of their appointment. Any vacancy on the board caused other than by expiration of term shall  
15 be filled in accordance with the provisions of this section. The governor may remove any member  
16 of the board for cause.

17           SECTION 12. Sections 5-29-6, 5-29-8 and 5-29-34 of the General Laws in Chapter 5-29  
18 entitled "Podiatrists" are hereby amended to read as follows:

19           **5-29-6. Qualifications of applicants.** – (a) All persons subsequently desiring to  
20 commence the practice of podiatry in this state shall apply to the division of professional  
21 regulation for a license. Applicants for examination shall present to the division at least thirty (30)  
22 days before the commencement of the examination at which he or she is to be examined a written  
23 application on a form or forms provided by the division, together with satisfactory proof that the  
24 applicant is more than eighteen (18) years of age, is of good moral character, has obtained a  
25 certificate showing that the applicant before entering a school or college of podiatric medicine  
26 and surgery had obtained an academic education consisting of at least three (3) years of study at a  
27 duly recognized college or university. The applicant shall provide evidence of satisfactory  
28 completion of a course of study in podiatric medicine approved and accredited by the council on  
29 podiatric medical education of the American podiatric medical association.

30           (b) The applicant shall provide evidence that the degree doctor of podiatric medicine was  
31 conferred upon applicant from the same college as was his or her course of study.

32           (c) In addition to the ~~above~~ requirements in subsections (a) and (b) of this section the  
33 applicant shall provide evidence of satisfactory completion of a minimum one year residency  
34 program as defined, recognized, and accredited by the council on podiatric medical education of

the American podiatric medical association, and the program must have also been accredited by that body at the time of residency participation.

**5-29-8. Conduct of examination -- Issuance of license -- Filing of papers.** -- (a) All applicants are required to take an examination with respect to theory as well as a practical examination. Any applicant who has fulfilled all requirements other than completion of residency is permitted to take the theoretical examination, but no applicant is permitted to take the practical examination until he or she has satisfactorily passed the theoretical examination and has completed his or her residency as ~~above~~ provided [in section 5-29-6](#).

(b) The application and examination papers shall be deposited in the files of the division and they shall be prima facie evidence of all matters contained in them. All licenses shall be signed by the director of health and shall be attested by his or her seal.

**5-29-34. Penalty for violations generally -- Evidence of unauthorized practice.** -- Any person who practices or attempts to practice podiatry in this state, without being licensed by and registered with the board, or without registering and obtaining annually a certificate of registration, as provided in this chapter, or who shall violate [any of the provisions of this chapter, the penalty for the violation](#) of which is not by law provided, and any person, firm or corporation owning or carrying on a podiatry business and in that business employing or permitting any person to practice podiatry in this state, without being licensed and obtaining an annual certificate as stated in this chapter, is guilty of a felony and upon conviction, is fined not less than two thousand dollars (\$2,000) nor more than five thousand dollars (\$5,000) or imprisoned for not more than two (2) years, either or both, in the discretion of the court; and in no case where any provision of this chapter has been violated is the person violating that provision entitled to receive compensation for service rendered; and the opening or maintaining of a podiatrist's office, displaying of a podiatrist's sign or door plate, or the advertising in the public prints or by cards, circulars, posters, of a readiness to practice podiatry in this state by that person, firm, or corporation is evidence of that violation.

SECTION 13. Section 5-31.1-21 of the General Laws in Chapter 5-31.1 entitled "Dentists and Dental Hygienists" is hereby amended to read as follows:

**5-31.1-21. Annual registration.** -- (a) On or before the first day of May in each year the board mails an application for annual registration to every person to whom a license to practice dentistry or dental hygiene in this state has been granted by the constituted licensing authority in the state. Every licensed person who intends to engage in the practice of his or her profession during the ensuing year registers his or her license by filing with the board that application executed together with any registration form and fee that is established by regulation by the



1 director on or before the first day of June in each year. Upon receipt of that application and fee  
2 the board issues a registration certificate effective July 1 and expiring the following June 30, and  
3 that registration certificate renders its holder a registered practitioner of dentistry or dental  
4 hygiene for that registration period.

5 (b) The registration certificate of all dentists and dental hygienists whose renewals  
6 accompanied by the prescribed fee are not filed on or before the first day of July automatically  
7 expire. The board may in its discretion and upon the payment by the dentist or dental hygienist of  
8 the current registration fee plus an additional fee of sixty-two dollars and fifty cents (\$62.50)  
9 reinstate any certificate expired under the provisions of this section. ~~All unexpended monies in~~  
10 ~~the account of the board of dentistry are transferred to the new board of dentistry as created by~~  
11 ~~this section as of June 2, 1988.~~

12 (c) Dentists and dental hygienists not intending to practice in this state may request on an  
13 annual basis to be placed on inactive status. Those requests must be made, in writing, to the  
14 dental administrator and must be accompanied by a fee of sixty-two dollars and fifty cents  
15 (\$62.50) for dentists and thirty-one dollars and twenty-five cents (\$31.25) for dental hygienists.  
16 Persons on inactive status may be reinstated by paying the current annual registration fee and  
17 must meet any requirements established by this chapter and as are further prescribed by the rules  
18 and regulations.

19 SECTION 14. Section 5-34.2-2 of the General Laws in Chapter 5-34.2 entitled "Nurse  
20 Anesthetists" is hereby amended to read as follows:

21 **5-34.2-2. Definitions.** -- (a) "Board" means the board of nurse registration and nurse  
22 education established in section 5-34-4.

23 (b) "Certified registered nurse anesthetist" (CRNA) means a registered nurse who has  
24 successfully met the requirements stated in this chapter.

25 (c) "Practice of certified registered nurse anesthesia" means providing certain health care  
26 services under the supervision of anesthesiologists, licensed physicians or licensed dentists, in  
27 accordance with section 5-31.1-1~~(14)~~ [\(16\)](#), which requires substantial specialized knowledge,  
28 judgment and skill related to the administration of anesthesia, including preoperative and  
29 postoperative assessment of patients; administering anesthetics; monitoring patients during  
30 anesthesia; management of fluid in intravenous therapy and management of respiratory care.

31 SECTION 15. Sections 5-35-1 and 5-35-2.1 of the General Laws in Chapter 5-35 entitled  
32 "Optometrists" are hereby amended to read as follows:

33 **5-35-1. "Optometry" and "optician" defined.** -- (a) "Optometry" is defined as the  
34 profession whose practitioners are engaged in the art and science of the evaluation of vision and



1 the examination of vision and the examination and refraction of the human eye which includes:  
2 the employment of any objective or subjective means for the examination of the human eye or its  
3 appendages; the measurement of the powers or range of human vision or the determination of the  
4 accommodative and refractive powers of the human eye or the scope of its functions in general  
5 and the adaptation of lenses, prisms, and/or frames for the aid of these; the prescribing, directing  
6 the use of or administering ocular exercises, visual training, vision training, or orthopedics, and  
7 the use of any optical device in connection with these; the prescribing of contact lenses for, or the  
8 fitting or adaptation of contact lenses to the human eye; the examination or diagnosis of the  
9 human eye to ascertain the presence of abnormal conditions or functions; and the topical  
10 application of drugs to the eye, to wit, mydriatics, miotics, and the use of topical anesthetics;  
11 provided, that no optometrist licensed in this state treats by the use of these drugs or attempts to  
12 perform any surgery and ~~is~~ [these drugs are](#) used only for the purpose of detecting any diseased or  
13 pathological condition of the eye, or the effects of any disease or pathological condition of the  
14 eye; provided, further, that with respect to presently licensed optometrists, only presently licensed  
15 optometrists who: (1) have satisfactorily completed a course in pharmacology, as it applies to  
16 optometry, at an institution accredited by a regional or professional accreditation organization  
17 which is recognized by the national commission on accreditation, with particular emphasis on the  
18 topical application of drugs to the eye for the purposes of detecting any diseased or pathological  
19 condition of the eye; or the effects of any disease or pathological condition of the eye, approved  
20 by the board of examiners in optometry and the chief of pharmacy of the department of health;  
21 and (2) have successfully completed an examination given by the board of examiners in  
22 optometry in conjunction with the chief of pharmacy of the department of health, ~~is~~ [shall be](#)  
23 permitted to apply drugs topically to the eye for the purpose of detecting any diseased or  
24 pathological condition of the eye, or the effects of any disease or pathological condition of the  
25 eye. The chief of pharmacy consults and advises the board of examiners in optometry with  
26 respect to that portion of the examination dealing with pharmacology.

27 (b) An "optician" is defined as a person who neither practices nor professes to practice  
28 optometry but who may grind ophthalmic lenses, fit spectacles and eyeglasses and may sell  
29 spectacles and eyeglasses or lenses on prescription from either a licensed physician or licensed  
30 optometrist, nor may an optician fit, sell, replace, or dispense contact lenses.

31 **5-35-2.1. Advisory committee for opticianry.** -- There is created an advisory committee  
32 for opticianry, to consist of five (5) members, four (4) of whom are opticians licensed as opticians  
33 under the provisions of this chapter, who are residents of the state and have practiced as opticians  
34 for a period of at least five (5) years who are appointed by the director of health, and one lay

1 person who is from the public appointed by the governor. The members of the advisory  
2 committee are appointed for terms of three (3) years ~~except that the initial committee is appointed~~  
3 ~~as follows: On July 1, 1970 one member is appointed for a term expiring June 30, 1971; one~~  
4 ~~member is appointed for a term expiring June 30, 1973; two (2) members are appointed for a term~~  
5 ~~expiring June 30, 1986.~~ The sole duty of the advisory committee for opticianry is to advise the  
6 director of health, the administrator of the division of professional regulation and the board of  
7 examiners for optometry on all matters pertaining to the licensing and regulation of opticianry in  
8 this state; provided, that in any matter relating to opticianry alone, the committee has exclusive  
9 jurisdiction and its ruling is binding upon the division of professional regulation; and in any  
10 matter relating to optometry the division of professional regulation has exclusive jurisdiction and  
11 its rulings are binding.

12 SECTION 16. Section 5-37-2 of the General Laws in Chapter 5-37 entitled "Board of  
13 Medical Licensure and Discipline" is hereby amended to read as follows:

14 **5-37-2. License to practice -- Qualifications of applicants -- Fee -- Reexamination. --**

15 (a) (1) Authority to practice allopathic or osteopathic medicine under this chapter is by a license  
16 issued by the director of health to any reputable physician who intends to practice allopathic or  
17 osteopathic medicine in this state, and who meets the requirements for licensure established in  
18 this chapter and regulations established by the board or by the director. Applicants for licensure  
19 shall present satisfactory evidence of graduation from a medical school or school of osteopathic  
20 medicine approved by the board and in good standing, shall meet post graduate training  
21 requirements and any other requirements that the board or director by regulation establishes, and  
22 shall pass in a satisfactory manner any examination that the board may require. Any physician  
23 applying for licensure pays an application fee of four hundred thirty-seven dollars and fifty cents  
24 (\$437.50) and that fee shall in no case be returned. Applicants requiring reexamination shall  
25 submit a fee of four hundred thirty-seven dollars and fifty cents (\$437.50) for each reexamination.

26 (2) A license to practice allopathic medicine is issued to persons who have graduated  
27 from a school of medicine, possess a degree of doctor of medicine (or meet the requirements of  
28 subsection (b)), and meet the requirements for licensure.

29 (3) A license to practice osteopathic medicine is issued to persons who have graduated  
30 from a school of osteopathic medicine and possess a degree of doctor of osteopathy and otherwise  
31 meet the requirements for licensure. A license to practice osteopathic medicine confers upon the  
32 holder the right to practice osteopathic medicine in all its branches as taught and practiced in  
33 accredited colleges of osteopathic medicine. The holder of that license is subject to the same  
34 duties and liabilities and entitled to the same rights and privileges which may be imposed by law

1 or governmental regulation upon physicians of any school of medicine.

2 (b) (1) Qualification of Certain Other Applicants for License. - Notwithstanding any  
3 other provisions of this section an individual, who at the time of his or her enrollment in a  
4 medical school outside the United States is a citizen of the United States, is eligible to apply for a  
5 certificate pursuant to this section if he or she has satisfied the following requirements: (i) has  
6 studied medicine in a medical school located outside the United States which is recognized by the  
7 World Health Organization; (ii) has completed all of the formal requirements of the foreign  
8 medical school except internship and/or social service; (iii) has attained a score satisfactory to a  
9 medical school approved by the liaison committee on medical education on a qualifying  
10 examination acceptable to the state board for medicine, and has satisfactorily completed one  
11 academic year of supervised clinical training under the direction of any United States medical  
12 school; (iv) has completed the post-graduate hospital training required by the board of applicants  
13 for licensure; and (v) has passed the examination required by the board of all applicants for  
14 licensure.

15 (2) Satisfaction of the requirements of subdivision (b)(1) is in lieu of the completion of  
16 any foreign internship and/or social service requirements, and no such requirements are a  
17 condition of licensure as a physician in this state.

18 (3) Satisfaction of the requirements of subdivision (b)(1) is in lieu of certification by the  
19 educational council for foreign medical graduates, and this certification is not a condition of  
20 licensure as a physician in this state.

21 (4) No hospital licensed by this state, or operated by the state or a political subdivision of  
22 the state, or which receives state financial assistance, directly or indirectly, requires an individual,  
23 who at the time of his or her enrollment in a medical school outside the United States is a citizen  
24 of the United States, to satisfy any requirements other than those contained in subdivisions  
25 (b)(1)(i), (b)(1)(ii), and (b)(1)(iii) prior to commencing an internship or residency.

26 (5) A document granted by a medical school located outside the United States which is  
27 recognized by the World Health Organization issued after the completion of all the formal  
28 requirements of that foreign medical school except internship and/or social service, upon  
29 certification by the medical school in which this training was received of satisfactory completion  
30 by the person to whom this document was issued of the requirements in subdivision (b)(1)(iii), is  
31 deemed the equivalent of a degree of doctor of medicine for purposes of licensure and practice as  
32 a physician in this state.

33 ~~(6) No funds appropriated by the general assembly to any school or college of medicine~~  
34 ~~shall be disbursed until the director of health has certified that this school or college has~~

~~established, and will maintain until December 31, 1989, a clinical training program as contemplated by subdivision (b)(1)(iii), to accommodate residents of this state deemed qualified by that school or college of medicine consistent with that school's or college's educational resources.~~

SECTION 17. Section 5-37.6-3 of the General Laws in Chapter 5-37.6 entitled "Pain Assessment Act" is hereby amended to read as follows:

**5-37.6-3. Definitions.** -- As used in this chapter, the following terms shall have the following meanings:

(1) "Assessment of pain" means the act of assessing an unpleasant sensation occurring in varying degrees of severity as a consequence of injury, disease, or emotional disorder;

(2) "Director" means the director of the department of health;

(3) "Health care facilities" is defined in the same manner as in section ~~23-17-2(5)~~ [23-17-2\(6\)](#);

(4) "Health care provider" means any person licensed by this state to provide or lawfully providing health care services, including, but not limited to, a physician, dentist, optometrist, nurse, podiatrist, physical therapist, nurse practitioner or physician's assistant;

(5) "Person" means any individual, trust or estate, partnership, limited liability corporation, corporation (including associations, joint stock companies, and insurance companies), state, or political subdivision or instrumentality of a state;

(6) "Regular basis" means a procedure done on a customary, usual, normal, orderly, even, or symmetrical schedule.

SECTION 18. Section 5-40-3 of the General Laws in Chapter 5-40 entitled "Physical Therapists" is hereby amended to read as follows:

**5-40-3. Board of physical therapy -- Composition -- Appointment, terms, oath and removal of members. [Effective January 1, 2004.]** -- (a) ~~In~~ [Annually in](#) the month of June, ~~1983, and annually thereafter,~~ the director of health with the approval of the governor, appoints the appropriate number of persons to serve on the board for terms of three (3) years and until his or her successor has been appointed and qualified. The board shall consist of seven (7) members appointed by the director of the department of health with the approval of the governor. Four (4) members shall be licensed physical therapists; one member shall be a licensed physical therapist assistant; one member shall be a physician licensed to practice medicine in this state; and one member shall be a consumer.

(b) No member shall serve for more than two (2) successive terms. The director of health may remove any member from the board for neglect of any duty required by law or for any

1 incompetency, unprofessional or dishonorable conduct. Vacancies created by voluntary  
2 resignation or removal by the director of health are filled in the same manner as the original  
3 appointment is made for the remainder of the term not exceeding the original two-term limitation.

4 (c) Before beginning a term, each member of the board takes the oath prescribed by law  
5 for state officers which is filed with the secretary of state.

6 SECTION 19. Section 5-40.1-11 of the General Laws in Chapter 5-40.1 entitled  
7 "Occupational Therapy" is hereby repealed.

8 ~~5-40.1-11. [Obsolete.]~~

9 SECTION 20. Section 5-44-4 of the General Laws in Chapter 5-44 entitled  
10 "Psychologists" is hereby amended to read as follows:

11 **5-44-4. Board of psychology -- Appointment, terms, oath, and removal of members.**

12 -- (a) The director of health, with the approval of the governor, appoints five (5) electors as  
13 members of the board. One member of the board is representative of the public, and four (4) are  
14 psychologists. At least one member of the board is an academic psychologist and at least one is a  
15 licensed psychologist and each of them shall have been engaged in their profession for at least  
16 five (5) years. All psychologist appointees to the board have the qualifications prescribed in  
17 section 5-44-9(1), (2), and (3).

18 (b) ~~In~~ Annually in the month of June, ~~1970, and annually thereafter,~~ the director of  
19 health, with the approval of the governor, appoints person(s) to serve on the board for a term of  
20 three (3) years and each member serves until his or her successor has been appointed and  
21 qualified.

22 (c) The director of health may remove any member from the board for neglect of any  
23 duty required by law, or for incompetence, or unprofessional or dishonorable conduct. Vacancies  
24 are filled in the same manner as the original appointment was made, for the remainder of the  
25 term. Before beginning his or her term, each member of the board takes and subscribes the oath  
26 prescribed by law for state officers which oath is filed with the secretary of state.

27 SECTION 21. Sections 5-45-1, 5-45-3 and 5-45-10 of the General Laws in Chapter 5-45  
28 entitled "Nursing Home Administrators" are hereby amended to read as follows:

29 **5-45-1. Board of examiners -- Creation -- Composition -- Appointment, terms, oath,**  
30 **and removal of members -- Meetings. --**

31 (a) Within the department of health, there is a board of  
32 examiners for nursing home administrators. The board is appointed by the director of health with  
33 the approval of the governor, and consists of seven (7) persons who are certified electors of this  
34 state.

(1) Three (3) members of the board are persons licensed as nursing home administrators

pursuant to the provisions of this chapter.

(2) Two (2) members of the board are representatives from senior citizen groups.

(3) ~~On June 1, 1979, two~~ Two (2) additional qualified members are appointed. One is a nurse who is licensed in the state, is a graduate of an accredited school of nursing, and has been actively engaged in nursing service for at least two (2) years immediately preceding appointment or reappointment. The other member is a physician licensed to practice medicine in this state, who has been actively engaged in the practice of medicine for at least two (2) years immediately preceding appointment or reappointment. The physician and nurse members of the board are representative of those persons of the profession concerned with the care and treatment of chronically ill or infirm elderly patients.

(4) A majority of the board members may not be representative of a single profession or category of institution, and members not representative of institutions may not have a direct financial interest in any nursing home. Licensed nursing home administrators are considered representatives of institutions for the purpose of this section.

(b) Members are appointed to a term of three (3) years. No member shall serve more than two terms. The director of health, with the approval of the governor, appoints to vacancies, as they occur, a qualified person to serve on the board for the remainder of the term and until his or her successor is appointed and qualified.

(c) The director of health may remove, after a hearing and with the approval of the governor, any member of the board for neglect of any duty required by law or for any incompetency, unprofessional or dishonorable conduct. Vacancies are filled in the same manner as the original appointment was made for the remainder of the term. Before beginning his or her term of office, each member takes the oath prescribed by law for state officers, a record of which is filed with the secretary of state.

(d) The director appoints a chairperson. No member shall serve as chairperson for more than three (3) years.

(e) Four (4) members of the board constitute a quorum.

(f) The members of the board serve without compensation.

(g) Meetings are called by the director of health, or his or her authorized designee, or by a majority of the members of the board.

(h) The administrator of professional regulation of the department of health as provided by chapter 26 of this title, as amended, serves as administrative agent of the board.

**5-45-3. Board of examiners -- Functions.** -- (a) It is the function of the board to:

(1) Conduct examinations as required by the department and to act in an advisory

1 capacity to the department in all matters pertaining to the licensing of nursing home  
2 administrators;

3 (2) Develop and apply appropriate techniques, including examinations and  
4 investigations, for determining whether an individual meets those standards, subject to the  
5 approval of the director;

6 (3) Recommend to the department the issuance of licenses and registrations to  
7 individuals determined, after application of those techniques, to meet those standards; and to  
8 recommend to the director the revocation or suspension of licenses or registrations previously  
9 issued in any case where the individual holding that license or registration is determined  
10 substantially to have failed to conform to the requirements of those standards; and

11 (4) Adopt, ~~on or before January 1, 1995,~~ with the approval of the director of health, rules  
12 and regulations governing a mandatory program of continuing education for nursing home  
13 administrators.

14 (b) Programs for continuing education for nursing facility administrators may be  
15 presented by:

16 (1) The Rhode Island health care association;

17 (2) The Rhode Island association of facilities for the aging;

18 (3) The American college of health care administrators;

19 (4) The alliance for better nursing home care;

20 (5) Nationally recognized associations of the groups listed in (1) -- (4);

21 (6) Any accredited college or university; or

22 (7) Any organizations authorized and approved by the department.

23 **5-45-10. Renewal of licenses -- Continuing education.** -- (a) Every holder of a nursing  
24 home administrator's license shall renew it every two (2) years by applying to the department on  
25 forms provided by that agency.

26 (b) Each renewal application is accompanied by the fee of one hundred fifty dollars  
27 (\$150).

28 (c) ~~Beginning January 1, 1996, proof~~ [Proof](#) of satisfactory completion of a minimum of  
29 forty (40) clock hours of continuing education every two (2) years must be submitted with the  
30 renewal application.

31 (d) Renewals are granted as a matter of course, unless the agency finds the applicant has  
32 acted or failed to act in a manner or under circumstances that would constitute grounds for  
33 suspension or revocation of a license.

34 SECTION 22. Section 548-14 of the General Laws in Chapter 548 entitled "Speech



1 Pathology and Audiology" is hereby repealed.

2 ~~5-48-14. [Obsolete.]~~

3 SECTION 23. Sections 5-49-2, 5-49-6 and 5-49-7 of the General Laws in Chapter 5-49  
4 entitled "Hearing Aid Dealers and Fitters" are hereby amended to read as follows:

5 **5-49-2. License required to sell or fit hearing aids. --** (a) No person shall engage in the  
6 dispensing, selling, fitting of hearing aids, or display a sign, or in any other way advertise or  
7 represent himself or herself as a person who practices the fitting and sale of hearing aids ~~after~~  
8 ~~August 1, 1973~~, unless he or she holds an unsuspended, unrevoked license issued by the  
9 department as provided in this chapter.

10 (b) The license shall be conspicuously posted in his or her office or place of business.  
11 Duplicate licenses are issued by the department to valid license holders operating more than one  
12 office without additional payment.

13 (c) A license under this chapter confers upon the holder the right to select, fit, and sell  
14 hearing aids.

15 (d) Nothing in this chapter prohibits a corporation, partnership, trust, association, or  
16 other organization maintaining an established business address, from selling or offering for sale  
17 hearing aids at retail without a license; provided, that it employs only properly licensed natural  
18 persons in the direct sale and fitting of those products.

19 (e) Those corporations, partnerships, trusts, associations, or other organizations shall file  
20 annually with the board a list of all licensed hearing aid dealers and fitters directly or indirectly  
21 employed by it.

22 (f) Those organizations shall also file with the board a statement, on a form approved by  
23 the board, that they submit themselves to the rules and regulations of the department and the  
24 provisions of this chapter which the department deems applicable to them.

25 **5-49-6. Issuance of licenses and certificates of indorsement. --** (a) The department  
26 registers each applicant without discrimination who passes an examination as provided in section  
27 5-49-7, ~~and upon~~ upon the applicant's payment of twenty-five dollars (\$25.00) per annum for  
28 each year of the term of license, the department shall ~~issue~~ to the applicant a license signed by  
29 the department. The total fee for the entire term of licensure is paid prior to the issuance of the  
30 license.

31 (1) Whenever the board determines that another state or jurisdiction has requirements  
32 equivalent to or higher than those in effect pursuant to this chapter, and that this state or  
33 jurisdiction has a program equivalent to or stricter than the program for determining whether  
34 applicants pursuant to this chapter are qualified to dispense and fit hearing aids, the department



1 may issue certificates of indorsement to applicants who hold current, unsuspended, and  
2 unrevoked certificates or licenses to fit and sell hearing aids in that other state or jurisdiction.

3 (2) No applicant for certificate of indorsement is required to submit to or undergo a  
4 qualifying examination, etc., other than the payment of fees, pursuant to section 5-49-11 of this  
5 section.

6 (3) The holder of a certificate of indorsement is registered in the same manner as a  
7 licensee. The fee for an initial certificate of indorsement is the same as the fee for an initial  
8 license. Fees, grounds for renewal, and procedures for the suspension and revocation of  
9 certificates of indorsement are the same as for renewal, suspension, and revocation of a license.

10 **5-49-7. License by examination.** -- (a) Applicants ~~who do not meet the experience~~  
11 ~~qualification of former section 5-49-5 on July 1, 1973,~~ may obtain a license by successfully  
12 passing a qualifying examination, provided the applicant:

13 (1) Is at least twenty-one (21) years of age;

14 (2) Is of good moral character;

15 (3) Has an education equivalent to a four-year course in an accredited high school; and

16 (4) Is free of contagious or infectious disease.

17 (b) Applicants for license by examination appear at a time, place, and before any persons  
18 that the department designates, to be examined by means of written and practical tests in order to  
19 demonstrate that he or she is qualified to practice the fitting and sale of hearing aids. The  
20 examination administered as directed by the board is not conducted in a manner that requires  
21 college training in order to pass. Nothing in this examination implies that the applicant possesses  
22 the degree of medical competence normally expected of physicians.

23 (c) The department gives examinations as required.

24 SECTION 24. Section 5-49-5 of the General Laws in Chapter 5-49 entitled "Hearing Aid  
25 Dealers and Fitters" is hereby repealed.

26 ~~**5-49-5. [Obsolete.]**~~

27 SECTION 25. Sections 5-52-10 and 5-52-13 of the General Laws in Chapter 5-52  
28 entitled "Travel Agencies" are hereby amended to read as follows:

29 **5-52-10. Revocation of license for breach of fiduciary relationship.** -- If any person  
30 recovers any amount in settlement of a claim or toward satisfaction of a judgment against a  
31 licensed travel agency or travel agent involving the breach of a fiduciary relationship between the  
32 customer and a travel agency or travel agent, the license of that travel agency or travel agent is  
33 automatically revoked and this travel agency or travel agent is not eligible to receive a new  
34 license until they have repaid [the customer](#) in full. A discharge of bankruptcy or receivership does

1 not relieve a person from the penalties of this section.

2 **5-52-13. Regulations promulgated by department.** -- The department of business  
3 regulation shall make other administrative regulations and guidelines which they deem necessary  
4 to remove fraud and deception under those [regulations and guidelines](#) covered by this chapter,  
5 and for the examination and determination of the qualification of applicants as provided in  
6 sections 5-52-4.2 and 5-52-4.3. Those regulations and guidelines are established pursuant to  
7 chapter 35 of title 42 relating to administrative procedures.

8 SECTION 26. Section 5-56-3 of the General Laws in Chapter 5-56 entitled "Installers of  
9 Individual Sewage Disposal Systems" is hereby repealed.

10 ~~**5-56-3. [Obsolete.]**~~--

11 SECTION 27. Sections 5-63.2-13 and 5-63.2-17 of the General Laws in Chapter 5-63.2  
12 entitled "Mental Health Counselors and Marriage and Family Therapists" are hereby amended to  
13 read as follows:

14 **5-63.2-13. Licensure application.** -- (a) Each person desiring to obtain a license as a  
15 practicing marriage and family therapist or clinical mental health counselor makes application to  
16 the board upon the form and in the manner that the board prescribes and furnishes satisfactory  
17 evidence to the board that she or he:

18 (1) Is of good moral character;

19 (2) Has not engaged or is not engaged in any practice or conduct which would be a  
20 ground for refusing to issue a license under section 5-63.2-21 of this chapter;

21 (3) Is qualified for licensure pursuant to the requirements of this chapter, or is currently  
22 certified by the Rhode Island department of health as a mental health counselor or a marriage and  
23 family therapist. The transition from certification to licensure does not require an additional fee  
24 payment.

25 ~~(b) Applications before January 1, 1998. — Any person who applied on or before January~~  
26 ~~1, 1998, is issued a license by the board if she or he meets the qualifications stated in subsections~~  
27 ~~(a)(1), (2), and (3) of this section and provides evidence to the board that she or he meets~~  
28 ~~educational and experience qualifications as follows:~~

29 ~~—(1) Education requirements: an appropriate graduate degree, as defined by the board,~~  
30 ~~from a regionally accredited institution recognized at the time of granting the degree.~~

31 ~~—(2) Experience requirements: at least five (5) years of clinical experience in the practice~~  
32 ~~of marriage and family therapy or mental health counseling, and membership in or certification~~  
33 ~~by an appropriate professional organization, as defined by the board.~~

34 ~~(b)(c) Applications after January 1, 1998. — Any person who applies to the board after~~

1 ~~January 1, 1998 is~~ shall be issued a license by the board if she or he meets the qualifications  
2 stated in subsections (a)(1), (2), and (3) of this section and provides satisfactory evidence to the  
3 board that she or he:

4 (1) Meets educational experience qualifications as follows:

5 (i) Educational requirements: a master's degree or certificate in advanced graduate  
6 studies or a doctoral degree in marriage and family therapy or mental health counseling from a  
7 recognized educational institution, or a graduate degree in an allied field from a recognized  
8 educational institution and graduate level course work which is equivalent to a master's degree in  
9 marriage and family therapy or mental health counseling, as determined by the board.

10 (ii) Experience requirements: successful completion of two (2) calendar years of work  
11 experience in marriage and family therapy or mental health counseling under qualified  
12 supervision following receipt of a qualifying degree.

13 (2) Passes an examination administered by the board.

14 **5-63.2-17. Expiration and renewal of license.** -- (a) Every clinical mental health  
15 counselor and marriage and family therapist who desires to continue licensure as a licensed  
16 clinical mental health counselor and licensed marriage and family therapist presents satisfactory  
17 evidence to the board and approved by rule or regulation of the board that the licensed clinical  
18 mental health counselor and licensed marriage and family therapist has completed a prescribed  
19 course of continuing education. The license of every person licensed under the provisions of this  
20 chapter expires on the first day of July of the next even year following the date of his or her  
21 license; ~~provided, that no license expires prior to July 1, 1998.~~ On or before the first day of May  
22 in each even year, ~~commencing in the year 1998,~~ the administrator mails an application for  
23 renewal of license to every person to whom a license is issued or renewed during the current year,  
24 and every licensed person who desires to renew his or her license files with the division the  
25 renewal application executed, and this application includes verification of prescribed continuing  
26 education requirements, together with two hundred fifty dollars (\$250) on or before the first day  
27 of June in each even year. Upon receipt of the application and payment of the fee, the accuracy of  
28 the application is verified and the administrator of professional regulation grants a renewal  
29 license effective July 1st and expiring twenty-four (24) months later.

30 (b) Any person who allows his or her license to lapse, by failing to renew it on or before  
31 June 1st in each year, as provided in this section, is reinstated by the administrator of professional  
32 regulation on payment of the current renewal fee plus an additional fee of fifty dollars (\$50.00);  
33 and verification of prescribed continuing education requirements. Any person using the title  
34 "clinical mental health counselor" and/or "marriage and family therapist" during the time his or

her license has lapsed is subject to the penalties provided for violation of this chapter; provided, that if a person has allowed his or her licensure to lapse for four (4) years or more, he or she is reinstated at the discretion of the board.

SECTION 28. Section 5-70-19 of the General Laws in Chapter 5-70 entitled "Telecommunications" is hereby amended to read as follows:

**5-70-19. Local laws -- Codes. --** (a) Immediately upon enactment of this chapter, no local government subdivision within this state enacts any ordinance or promulgates any rules or regulations relating to the licensing of telecommunications systems businesses or other individuals required to obtain a license under this chapter.

(b) ~~Sixty (60) days after enactment of this chapter, any~~ Any provision of any legislation or rules or regulations of any local government subdivision within the state requiring the licensing of a telecommunications systems business or requiring that other individuals employed by or associated with a telecommunications systems business obtain licenses are no longer effective.

(c) The provisions of this chapter are not intended to and do not prevent the legally constituted authority of any local governmental subdivision within the state by legislation, rules or regulations, and within the police power of that local government subdivision, from requiring telecommunications systems businesses to register their names, addresses, and license certificate number with the local governmental subdivision within which they operate. No fee may be charged nor may any application be required by any local governmental subdivision for that registration.

(d) Although this chapter pre-empts local governmental subdivisions from enacting any licensing legislation or promulgating licensing rules or regulations applicable to telecommunications systems businesses, local governmental authorities may by legislation or reasonable rules or regulations require telecommunications systems users in their jurisdiction to obtain a permit for the permanent installation of system components at the time of installation and fix a nominal fee for those permits. The fees are equivalent to those assessed for the installation and inspection of other systems permanently installed within a building or structure.

SECTION 29. Sections 11-37.1-3, 11-37.1-13 and 11-37.1-14 of the General Laws in Chapter 11-37.1 entitled "Sexual Offender Registration and Community Notification" are hereby amended to read as follows:

**11-37.1-3. Registration required -- Persons covered. --** (a) Any person who, in this or any other jurisdiction: (1) has been convicted of a criminal offense against a victim who is a minor, (2) has been convicted of a sexually violent offense, (3) has been determined to be a sexually violent predator, (4) has committed an aggravated offense as defined in section 11-37.1-

2, or (5) is a recidivist, as defined in section 11-37.1-4, shall be required to register his or her current address with the local law enforcement agency having jurisdiction over the city or town in which the person having the duty to register resides for the time period specified in section 11-37.1-4.

(b) Any person who is: (1) a nonresident worker who has committed an offense that is subject to registration in the state of his or her residence and who is employed or carrying on a vocation in Rhode Island as defined in section 11-37.1-2(g), or (2) a nonresident student as defined by section ~~11-37.1-2(f)~~ 11-37.1-2(m) who has committed an offense that is subject to registration in the state of his or her residence and who is attending an educational institution in Rhode Island, shall be required to register his or her current address and the address of his or her place of employment or school attended with the local law enforcement agency having jurisdiction over the city or town in which the nonresident worker or student is employed or attending school.

(c) Any person having a duty to register as a sex offender in subsection (a) of this section who is enrolled at, employed at or carrying on a vocation at an institution of higher education shall have an additional duty to register the information described in subsection (a) of this section with the local law enforcement agency in the city or town where the primary campus of the institution of higher education at which the person is enrolled, employed or carrying on a vocation who is located for the period of time they are enrolled at, employed at or carrying on a vocation at the institution of higher education.

**11-37.1-13. Notification procedures for tiers two (2) and three (3).** -- If after review of the evidence pertaining to a person required to register according to the criteria set forth in section 11-37.1-12, the board is satisfied that risk of re-offense by the person required to register is either moderate or high, the sex offender community notification unit of the parole board shall notify the person, in writing, by letter or other documentation:

(1) That community notification will be made not less than ten (10) business days from the date of the letter or other document evidencing an intent to promulgate a community notice in accordance with section ~~11-37.1-12(e)(2)(ii) or (iii)~~ 11-37.1-12(b), together with the level, form and nature that the notification will take;

(2) That unless an application for review of the action is filed within the time specified by the letter or other documentation, which in any case shall not be less than ten (10) business days, by the adult offender subject to community notification, with the criminal calendar judge of the superior court for the county in which the adult offender who is the subject of notification resides or intends to reside upon release, or by the juvenile offender subject to community

1 notification over whom the family court exercises jurisdiction, with the clerk of the family court  
2 for the county in which the juvenile offender resides or intends to reside upon release, whose  
3 name shall be specified in the letter or other document, requesting a review of the determination  
4 to promulgate a community notification, that notification will take place;

5 (3) That should the person subject to community notification, file an application for  
6 review on or before the date specified by the letter or other documentation, that no community  
7 notification will take place, unless and until affirmed by the court or, if reversed, until the time  
8 that the attorney general or his or her designee provides for a notification in accord with the  
9 reasons specified for the reversal by the court;

10 (4) That the person has a right to be represented by counsel of their own choosing or by  
11 an attorney appointed by the court, if the court determines that he or she cannot afford counsel;  
12 and

13 (5) That the filing of an application for review may be accomplished, in the absence of  
14 counsel, by delivering a letter objecting to the notification and/or its level, form or nature,  
15 together with a copy of the letter or other documentation describing the proposed community  
16 notification, addressed to the judge described in the communication to the clerk of the superior  
17 court in the county in which the adult offender resides or intends to reside upon release, or in the  
18 case of juvenile offenders over whom the family court exercises jurisdiction, addressed to the  
19 judge described in the communication to the clerk of the family court in the county in which the  
20 juvenile offender resides or intends to reside upon release.

21 **11-37.1-14. Preliminary proceedings on objection to community notification --**  
22 **Procedures.** -- Upon receipt of a request from a person subject to community notification under  
23 section ~~11-37.1-12(e)(2)(ii) or (iii)~~ [11-37.1-12\(b\)](#), the superior court, or the family court of the  
24 county in which the person resides or intends to reside upon release, shall:

- 25 (1) Set a date for hearing and decision on the matter;
- 26 (2) Provide notice of the date for the hearing to both the applicant or his or her counsel  
27 and to the attorney general;
- 28 (3) Appoint counsel for the applicant if he or she cannot afford one; and
- 29 (4) Direct that the attorney general promptly provide copies of all papers, documents and  
30 other materials which formed the basis for the determination of the level and manner of  
31 community notification be provided to the court and the applicant or his or her counsel.

32 SECTION 30. Section 15-21-2 of the General Laws in Chapter 15-21 entitled "Child  
33 Support Lien Act" is hereby amended to read as follows:

34 **15-21-2. Creation of lien.** -- (a) A child support obligation or reimbursement order

1 which is enforceable by the department of administration, division of taxation, child support  
2 enforcement, in accordance with Title IV Part D of the Social Security Act, 42 U.S.C. section 651  
3 et seq., and which is unpaid in whole or in part shall, as of the date on which it was due, be a lien  
4 in favor of the obligee or assignee in an amount sufficient to satisfy unpaid child support, whether  
5 the amount due is a fixed sum or is accruing periodically. Once a child support lien arises, the lien  
6 shall incorporate any unpaid child support which may accrue in the future and shall not terminate  
7 except as provided in section ~~15-21-4(f)~~ [15-21-4\(g\)](#). The lien shall encumber all tangible and  
8 intangible property, whether real or personal, and rights to property, whether legal or equitable,  
9 belonging to the obligor including, but not limited to, the obligor's interest in any jointly held  
10 property. An interest in personal property acquired by the obligor after the child support lien  
11 arises shall be subject to the lien. Without limiting the forgoing, "property" as used in this chapter  
12 shall also include insurance and workers' compensation payments.

13 (b) In any case where a lien arises in jointly held property, a non-obligor joint party  
14 whose interest appears of record or is otherwise known to the department shall receive notice of  
15 intent to lien and may request an administrative hearing with the department to contest the scope  
16 of the property interests of the lien or may seek judicial review by motion to the family court.  
17 Service of the notice shall be made by first class mail.

18 [See section 12-1-15 of the General Laws.]

19 SECTION 31. Section 15-22-5 of the General Laws in Chapter 15-22 entitled "Exchange  
20 of Information in Support of Child Support Collection" is hereby amended to read as follows:

21 **15-22-5. Disclosure of personal data prohibited -- Petition for disclosure -- Motion to**  
22 **seal court files -- Determination of harm -- Limited disclosure.** -- (a) A person or agency,  
23 including the IV-D agency, seeking personal data which the IV-D agency is prohibited from  
24 disclosing because of a history of domestic violence but which could otherwise be disclosed  
25 pursuant to section ~~15-22-2(a)~~ [15-22-1\(a\)](#), or which the Federal Parent Locator Service  
26 established pursuant to title IV, part D of the Social Security Act is prohibited from disclosing  
27 because the secretary of the federal department of health and human services has been notified  
28 that there is reasonable evidence of a history of domestic violence, may file a petition with the  
29 family court to request disclosure of the personal data. The petition shall specify the purposes for  
30 which the personal data is required. When a petition is filed under this section, or when the court  
31 receives notice from the IV-D agency through a motion to seal the file or otherwise, that the IV-D  
32 agency has been notified of a history of domestic violence pursuant to section 15-22-4, the court  
33 shall determine whether disclosure of personal data could be harmful to the parent or child before  
34 releasing the data to any other person or agency. The parent may provide the information in

1 writing and shall not be required to appear in person to contest the release of information. The  
2 court shall also notify the IV-D agency of any petition to disclose files pursuant to this section,  
3 and the IV-D agency shall provide the court with any reasonable evidence of a history of  
4 domestic violence when it has been provided to the IV-D agency pursuant to section 15-22-4. The  
5 court may also request information directly from the Federal Parent Locator Service, from the IV-  
6 D agency of another state, and from any other source.

7 (b) (1) In determining whether disclosure of personal data meets the definition of a  
8 history of domestic violence and could be harmful to the parent or child, the court shall consider  
9 any relevant information provided by the parent or child, any information provided by the IV-D  
10 agency or by the IV-D agency of another state, any evidence provided by the person seeking the  
11 personal data, whether the address of the parent or child has been impounded, and any other  
12 relevant evidence, including information contained in the records of the statewide domestic  
13 violence record keeping system. Documentary evidence transmitted to the court by facsimile,  
14 telecopier, or other means that do not provide an original writing may not be excluded from  
15 evidence on an objection based on the means of transmission. The court may permit a party or  
16 witness to be deposed or to testify by telephone, audiovisual means, or other electronic means.

17 (2) The court shall not enter an order to disclose personal data without reviewing all of  
18 the information that has been provided to the court and shall not draw an adverse inference from  
19 the failure of the parent to appear in person to contest disclosure of information.

20 (3) The court may, upon motion by any party, or the division of taxation, child support  
21 enforcement, or on its own, enter an order:

22 (i) Sealing the file and prohibiting any disclosure of confidential information by the court  
23 or its agents;

24 (ii) Obliterating location information contained in the court file;

25 (iii) Permitting disclosure by the court or its agents to a specific person or persons;

26 (iv) Prohibiting disclosure by the court or its agents to a specific person or persons; or

27 (v) Removing any restrictions on disclosure by the court and its agents.

28 (4) An order permitting disclosure of personal data may specify the purposes for which  
29 the data may be used and may prohibit a person to whom the data is disclosed from making  
30 further disclosures to any other person. The court shall notify the IV-D agency of any order  
31 entered pursuant to this section. Any person or agency who violates an order issued pursuant to  
32 this section may be held in contempt of court and subject to the penalties provided in section 15-  
33 22-4(c)(2).

34 (5) The court may disclose location information about a parent for the limited purpose of



1 notifying the parent of a proceeding under this section or of any other proceeding in the probate  
2 and family court, provided that the information shall not be disclosed to another party unless the  
3 court issues an order pursuant to this section permitting the disclosure.

4 SECTION 32. Sections 17-20-4 and 17-20-6.1 of the General Laws in Chapter 17-20  
5 entitled "Mail Ballots" are hereby amended to read as follows:

6 **17-20-4. Exemption from registration.** -- Any member of the armed forces or of the  
7 merchant marine of the United States in active service, any person absent from the state in the  
8 performance of "services intimately connected with military operations", as defined in section ~~17-~~  
9 ~~20-3(e)~~ 17-20-3(d), and any person employed outside of the United States, as defined in section  
10 ~~17-20-3(d)~~ 17-20-3(c) who, except for registration, would be a qualified elector of this state, shall  
11 be exempt during the period of his or her service or employment and for two (2) years thereafter  
12 from the registration requirements of the Constitution of this state.

13 **17-20-6.1. Alternative methods of voting by citizens covered by the Uniformed and**  
14 **Overseas Citizens Absentee Voting Act (UOCAVA).** -- (a) It is the intent and purpose that the  
15 provisions set forth in this section are designed to facilitate the federal mandate of the Uniformed  
16 and Overseas Citizens Absentee Voting Act (UOCAVA), 42 U.S.C. 1973ff et seq.

17 (b) The Federal Post Card Application (FPCA) may be used as a request for an absentee  
18 ballot by:

19 (1) A member of the armed forces who is absent from the state by reason of being in  
20 active service;

21 (2) Any person absent from the state in performance of "services intimately connected  
22 with military operations" as defined in section ~~17-20-3(e)~~ 17-20-3(d); and

23 (3) Any person who is employed outside of the United States as defined in section ~~17-~~  
24 ~~20-3(d)~~ 17-20-3(c).

25 (c) The single FPCA card shall permit the person to request an absentee ballot for each  
26 primary and election through the next two (2) regularly scheduled general elections for federal  
27 office in which the voter is eligible to vote.

28 (d) The FPCA card must be received by the local board of canvassers where the person  
29 last maintains his/her residence for voting purposes within the time frame for applying for  
30 absentee ballots as set forth in this title.

31 (e) If the FPCA, when used in accordance with this section, is sent by the voter through  
32 electronic transmission, it must be sent to the secretary of state and it must be received by the  
33 secretary of state by the deadline for applying for absentee ballots as set forth in this title. The  
34 secretary of state shall then forward the FPCA to the appropriate local authority who shall

1 immediately certify and return the FPCA to the secretary of state with the notation that the  
2 corresponding ballots shall be sent by mail and electronic transmission. The secretary of state  
3 shall transmit ballots only to the facsimile number provided by the Federal Voter Assistance  
4 Program. The ballots sent by electronic transmission shall be returned to the state board by  
5 electronic transmission. These ballots will be counted at the state board in accordance with rules  
6 and regulations promulgated by the state board.

7 (f) The voter's signature on the FPCA does not need to be witnessed or notarized, when  
8 the FPCA is submitted as provided in this section.

9 (g) If a voter is casting a mail ballot received through the use of the FPCA card as  
10 provided in this section, the voter's signature does not need to be witnessed or notarized on the  
11 certifying envelope used for the return of the voted mail ballot.

12 SECTION 33. Section 28-33-47 of the General Laws in Chapter 28-33 entitled "Workers'  
13 Compensation - Benefits" is hereby amended to read as follows:

14 **28-33-47. Reinstatement of injured worker.** -- (a) A worker who has sustained a  
15 compensable injury shall be reinstated by the worker's employer to the worker's former position  
16 of employment upon written demand for reinstatement, if the position exists and is available and  
17 the worker is not disabled from performing the duties of the position with reasonable  
18 accommodation made by the employer in the manner in which the work is to be performed. A  
19 workers' former position is "available" even if that position has been filled by a replacement  
20 while the injured worker was absent as a result of the worker's compensable injury. If the former  
21 position is not available, the worker shall be reinstated in any other existing position that is vacant  
22 and suitable. A certificate by the treating physician that the physician approves the worker's  
23 return to the worker's regular employment or other suitable employment shall be prima facie  
24 evidence that the worker is able to perform the duties.

25 (b) The right of reinstatement shall be subject to the provisions for seniority rights and  
26 other employment restrictions contained in a valid collective bargaining agreement between the  
27 employer and a representative of the employer's employees, and nothing shall exempt any  
28 employer from or excuse full compliance with any applicable provisions of the Americans with  
29 Disabilities Act, 42 U.S.C. section 12101 et seq., and chapter 87 of title 42.

30 (c) Notwithstanding subsection (a) of this section:

31 (1) The right to reinstatement to the worker's former position under this section  
32 terminates upon any of the following:

33 (i) A medical determination by the treating physician, impartial medical examiner, or  
34 comprehensive independent health care review team that the worker cannot, at maximum medical

1 improvement, return to the former position of employment or any other existing position with the  
2 same employer that is vacant and suitable;

3 (ii) The approval by the workers' compensation court of a vocational rehabilitation  
4 program for the worker to train the worker for alternative employment with another employer;

5 (iii) The worker's acceptance of suitable employment with another employer after  
6 reaching maximum medical improvement;

7 (iv) The worker's refusal of a bona fide offer from the employer of light duty  
8 employment or suitable alternative employment, prior to reaching maximum medical  
9 improvement;

10 (v) The expiration of ten (10) days from the date that the worker is notified by the insurer  
11 or self-insured employer by mail at the address to which the weekly compensation benefits are  
12 mailed that the worker's treating physician has released the worker for employment unless the  
13 worker requests reinstatement within that time period;

14 (vi) The expiration of thirty (30) days after the employee reaches maximum medical  
15 improvement or concludes or ceases to participate in an approved program of rehabilitation, or  
16 one year from the date of injury, whichever is sooner, provided, in the event a petition to establish  
17 liability for an injury is filed, but not decided within one year of the date of injury, within twenty-  
18 one (21) days from the first finding of liability. Notwithstanding the foregoing, where the  
19 employee is participating in an approved program of rehabilitation specifically designed to  
20 provide the employee with the ability to perform a job for which he or she would be eligible  
21 under subsection (a) of this section, the right of reinstatement shall terminate when the employee  
22 concludes or ceases to participate in the program or eighteen (18) months from the date of injury,  
23 whichever is sooner;

24 (vii) Except where otherwise provided under a collective bargaining agreement, the  
25 approval by the court of a settlement pursuant to chapters 29 -- 38 of this title.

26 (2) The right to reinstatement under this section does not apply to:

27 (i) A worker hired on a temporary basis;

28 (ii) A worker employed in a seasonal occupation;

29 (iii) A worker who works out of a hiring hall operating pursuant to a collective  
30 bargaining agreement;

31 (iv) A worker whose employer employs nine (9) or fewer workers at the time of the  
32 worker's injury;

33 (v) A worker who is on a probationary period of less than ninety-one (91) days.

34 (d) Any violation of this section is deemed an unlawful employment practice. If the

1 employee applies for reinstatement under this section and the employer in violation of this section  
2 refuses to reinstate the employee, the workers' compensation court is authorized to order  
3 reinstatement and award back pay and the cost of fringe benefits lost during the period as  
4 appropriate. Determinations of reinstatement disputes shall be rendered by the workers'  
5 compensation court in accordance with this section and chapters 29 -- 38 of this title, and the  
6 rules of practice of the workers' compensation court.

7 (e) When an employee is entitled to reinstatement under this section, but the position to  
8 which reinstatement is sought does not exist or is not available, the employee may file for  
9 unemployment benefits as if then laid off from that employment, and unemployment benefits  
10 shall be calculated pursuant to section ~~28-42-3(1)~~ 28-42-3(4); provided, that an employee cannot  
11 collect both workers' compensation indemnity benefits and unemployment benefits under this  
12 section.

13 (f) The education division of the department of labor and training shall provide  
14 information to employees who receive benefits under this title of the provisions of this section.

15 (g) Any requests for reinstatement determinations pending before the director prior to  
16 September 1, 2000, will remain at the department for resolution. Any requests after this date will  
17 be heard by the workers' compensation court.

18 SECTION 34. Section 36-7-4 of the General Laws in Chapter 36-7 entitled "Federal Old-  
19 Age and Survivors' Insurance" is hereby amended to read as follows:

20 **36-7-4. Application to state employees.** -- The provisions of this chapter, insofar as the  
21 provisions shall be applicable, shall apply in the case of employees in the agencies of the state as  
22 defined in section ~~36-7-2(1)(i) and (1)(ii)~~ 36-7-2(3).

23 SECTION 35. Sections 44-1-27 and 44-1-30 of the General Laws in Chapter 44-1  
24 entitled "State Tax Officials" are hereby amended to read as follows:

25 **44-1-27. Uncollectible checks.** -- Whenever any taxpayer liable for the payment of any  
26 tax, interest, penalty, or other charge imposed under the provisions of any law administered by  
27 the tax administrator presents or causes to be presented a check to the administrator or to his or  
28 her agent or representative in payment of the tax, interest, penalty, or charge, and the check is  
29 returned as uncollectible, the tax administrator shall charge a fee of ten percent (10%) of the face  
30 amount of the check, plus any protest fees, to the taxpayer to cover the costs of its collection,  
31 which fee is in addition to any interest and penalty charge imposed under the provisions of the  
32 law; provided, that the amount of the fee imposed ~~is not~~ shall not be less than ten dollars (\$10.00)  
33 nor exceed~~s~~ one hundred dollars (\$100); and provided, further, that the tax administrator shall not  
34 charge the fee unless the administrator or his or her agent or representative has notified ~~he~~

1 taxpayer by mail that the check was returned as uncollectible and makes demand in the notice that  
2 full payment of the amount of the check be made within ten (10) days of the date of the giving of  
3 the notice, and the taxpayer fails to make the payment within the period.

4 **44-1-30. Report by the tax administrator to the speaker of the house of**  
5 **representatives.** -- The tax administrator shall periodically report to the speaker of the house of  
6 representatives on the adequacy of the estate tax exemption, the marital deduction, and the  
7 orphan's deduction provided in chapter 22 of title 44 in light of changing economic conditions  
8 and on the trends in death taxation at both the federal and state levels. The reports are due, ~~first,~~  
9 on ~~January 31, 1985 and on~~ January 31st of each fifth (5th) year ~~thereafter~~ after 1985.

10 SECTION 36. Sections 44-3-1, 44-3-3, 44-3-4, 44-3-12, 44-3-15, 44-3-15.1, 44-3-16, 44-  
11 3-31.2, 44-3-32, and 44-3-47 of the General Laws in Chapter 44-3 entitled "Property Subject to  
12 Taxation" are hereby amended to read as follows:

13 **44-3-1. Real and personal property subject to taxation.** -- All real property in the state,  
14 and all personal property belonging to the inhabitants of the state, whether individuals, co-  
15 partnerships, or corporations, and all tangible personal property located in the state belonging to  
16 nonresidents, ~~are~~ shall be liable to taxation unless otherwise specially provided.

17 **44-3-3. Property exempt.** -- The following property is exempt from taxation:

- 18 (1) Property belonging to the state except as provided in section 44-4-4.1;  
19 (2) Lands ceded or belonging to the United States;  
20 (3) Bonds and other securities issued and exempted from taxation by the government of  
21 the United States, or of this state;  
22 (4) Real estate, used exclusively for military purposes, owned by chartered or  
23 incorporated organizations approved by the adjutant general, and composed of members of the  
24 national guard, the naval militia, or the independent chartered military organizations;  
25 (5) Buildings for free public schools, buildings for religious worship, and the land upon  
26 which they stand and immediately surrounding them, to an extent not exceeding five (5) acres so  
27 far as the buildings and land are occupied and used exclusively for religious or educational  
28 purposes;  
29 (6) Dwellings houses and the land on which they stand, not exceeding one acre in size,  
30 or the minimum lot size for zone in which the dwelling house is located, whichever is the greater,  
31 owned by or held in trust for any religious organization and actually used by its officiating clergy,  
32 to an amount not exceeding one hundred fifty thousand dollars (\$150,000) for each house and  
33 land owned and used except in Bristol where the property previously described in this subdivision  
34 is exempt to an amount not exceeding five hundred thousand dollars (\$500,000) provided also,

1 dwelling houses and the land on which they stand in Bristol, not exceeding one acre in size, or the  
2 minimum lot size for zone in which the dwelling house is located, whichever is the greater,  
3 owned by or held in trust for any religious organization and actually used as a convent or nunnery  
4 by its religious order, to an amount not exceeding five hundred thousand dollars (\$500,000) for  
5 each house and land owned and used;

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  
8 purposes;

9 (8) Buildings and personal estate owned by any corporation used for a school, academy,  
10 or seminary of learning, and of any incorporated public charitable institution, and the land upon  
11 which the buildings stand and immediately surrounding them to an extent not exceeding one acre,  
12 so far as they are used exclusively for educational purposes, but no property or estate whatever is  
13 hereafter exempt from taxation in any case where any part of its income or profits or of the  
14 business carried on there is divided among its owners or stockholders;

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

19 (10) Property especially exempt by charter unless the exemption has been waived in  
20 whole or in part;

21 (11) Lots of land used exclusively for burial grounds;

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

26 (13) Real or personal estate belonging to or held in trust for the benefit of incorporated  
27 organizations of veterans of any war in which the United States has been engaged, the parent  
28 body of which has been incorporated by act of congress, to the extent of two hundred and fifty  
29 thousand dollars (\$250,000) if actually used and occupied by the association; provided, that the  
30 city council of the city of Cranston may by ordinance exempt the real or personal estate as  
31 previously described in this subdivision located within the city of Cranston to the extent of five  
32 hundred thousand dollars (\$500,000);

33 (14) Property, real and personal, held for or by the fraternal corporation, association, or  
34 body created to build and maintain a building or buildings for its meetings or the meetings of the

1 general assembly of its members, or subordinate bodies of the fraternity, and for the  
2 accommodation of other fraternal bodies or associations, the entire net income of which real and  
3 personal property is exclusively applied or to be used to build, furnish, and maintain an asylum or  
4 asylums, a home or homes, a school or schools, for the free education or relief of the members of  
5 the fraternity, or the relief, support, and care of worthy and indigent members of the fraternity,  
6 their wives, widows, or orphans, and any fund given or held for the purpose of public education,  
7 almshouses, and the land and buildings used in connection therewith;

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

10 (16) The estate of any person who in the judgment of the assessors is unable from  
11 infirmity or poverty to pay the tax, providing however, that in the town of Burrillville the tax  
12 shall constitute a lien for five (5) years on the property where the owner is entitled to the  
13 exemption. At the expiration of five (5) years, the lien shall be abated in full. Provided further, if  
14 the property is sold or conveyed or if debt secured by the property is refinanced during the five  
15 (5) year period, the lien immediately becomes due and payable; any person claiming the  
16 exemption aggrieved by an adverse decision of an assessor shall appeal the decision first to the  
17 local board of tax review, and ~~thereafter~~ then according to the provisions of section 44-5-26;

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

21 (18) Improvements made to any real property to provide a shelter and fallout protection  
22 from nuclear radiation, to the amount of one thousand five hundred dollars (\$1,500); provided,  
23 that the improvements meet applicable standards for shelter construction established from time to  
24 time by the Rhode Island defense civil preparedness agency. The improvements are deemed to  
25 comply with the provisions of any building code or ordinance with respect to the materials or the  
26 methods of construction used and any shelter or its establishment is deemed to comply with the  
27 provisions of any zoning code or ordinance;

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

30 (20) Manufacturer's inventory.

31 (i) For the purposes of sections 44-4-10, 44-5-3, 44-5-20, and 44-5-38, a person is  
32 deemed to be a manufacturer within a city or town within this state if that person uses any  
33 premises, room, or place in it primarily for the purpose of transforming raw materials into a  
34 finished product for trade through any or all of the following operations: adapting, altering,

1 finishing, making, and ornamenting; ~~provided, that public~~ Public utilities, nonregulated power  
2 producers, commencing commercial operation, selling electricity at retail or taking title to  
3 generating facilities on or after July 1, 1997, building and construction contractors, warehousing  
4 operations including distribution bases or outlets of out-of-state manufacturers, fabricating  
5 processes incidental to warehousing or distribution of raw materials such as alteration of stock for  
6 the convenience of a customer, are excluded from this definition.

7 (ii) For the purposes of sections 44-3-3, 44-4-10, and 44-5-38, the term "manufacturer's  
8 inventory" or any similar term means and includes the manufacturer's raw materials, the  
9 manufacturer's work in process, and finished products manufactured by the manufacturer in this  
10 state, and not sold, leased, or traded by the manufacturer or its title or right to possession  
11 divested, provided, that the term does not include any finished products held by the manufacturer  
12 in any retail store or other similar selling place operated by the manufacturer whether or not the  
13 retail establishment is located in the same building in which the manufacturer operates the  
14 manufacturing plant.

15 (iii) For the purpose of section 44-11-2, a manufacturer is a person whose principal  
16 business in this state consists of transforming raw materials into a finished product for trade  
17 through any or all of the operations described in paragraph (i) of this subdivision. A person will  
18 be deemed to be principally engaged if the gross receipts which that person derived from the  
19 manufacturing operations in this state during the calendar year or fiscal year mentioned in section  
20 44-11-1 amounted to more than fifty percent (50%) of the total gross receipts which that person  
21 derived from all the business activities in which that person engaged in this state during the  
22 taxable year. For the purpose of computing the percentage, gross receipts derived by a  
23 manufacturer from the sale, lease, or rental of finished products manufactured by the  
24 manufacturer in this state, even though the manufacturer's store or other selling place may be at a  
25 different location from the location of the manufacturer's manufacturing plant in this state, are  
26 deemed to have been derived from manufacturing.

27 (iv) Within the meaning of the preceding paragraphs of this subdivision, the term  
28 "manufacturer" also includes persons who are principally engaged in any of the general activities  
29 coded and listed as establishments engaged in manufacturing in the standard industrial  
30 classification manual prepared by the technical committee on industrial classification, office of  
31 statistical standards, executive office of the president, United States bureau of the budget, as  
32 revised from time to time, but eliminating as manufacturers those persons, who, because of their  
33 limited type of manufacturing activities, are classified in the manual as falling within the trade  
34 rather than an industrial classification of manufacturers. Among those thus eliminated, and



1 accordingly also excluded as manufacturers within the meaning of this paragraph, are persons  
2 primarily engaged in selling, to the general public, products produced on the premises from which  
3 they are sold, such as neighborhood bakeries, candy stores, ice cream parlors, shade shops, and  
4 custom tailors, except, however, that a person who manufactures bakery products for sale  
5 primarily for home delivery, or through one or more nonbaking retail outlets, and whether or not  
6 retail outlets are operated by person, is a manufacturer within the meaning of this paragraph.

7 (v) The term "person" means and includes, as appropriate, a person, partnership, or  
8 corporation.

9 (vi) The department of administration shall provide to the local assessors any assistance  
10 that is necessary in determining the proper application of the definitions in this subdivision.

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

24 (22) New manufacturing machinery and equipment acquired or used by a manufacturer  
25 and purchased after December 31, 1974. Manufacturing machinery and equipment is defined:

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

30 (ii) As that machinery and equipment which is partially used in the actual manufacture or  
31 conversion of raw materials or goods in process of manufacture by a manufacturer as defined in  
32 subdivision (20) of this section, and machinery, fixtures, and equipment used by a manufacturer  
33 for research and development or for quality assurance of its manufactured products, to the extent  
34 to which the machinery and equipment is used for the manufacturing processes, research and

1 development or quality assurance. In the instances where machinery and equipment is used in  
2 both manufacturing and/or research, and development, and/or quality assurance activities and  
3 nonmanufacturing activities, the assessment on machinery and equipment is prorated by applying  
4 the percentage of usage of the equipment for the manufacturing, research, and development and  
5 quality assurance activity to the value of the machinery and equipment for purposes of taxation,  
6 and the portion of the value used for manufacturing, research, and development, and quality  
7 assurance is exempt from taxation. The burden of demonstrating this percentage usage of  
8 machinery and equipment for manufacturing and for research, and development and/or quality  
9 assurance of its manufactured products rests with the manufacturer; and

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

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

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

31 (25) Subject to authorization by formal action of the council of any city or town, any real  
32 or personal property owned by, held in trust for, or leased to an organization incorporated under  
33 chapter 6 of title 7, as amended, or an organization meeting the definition of "charitable trust" set  
34 out in section 18-9-4, as amended, or an organization incorporated under the not for profits

1 statutes of another state or the District of Columbia, the purpose of which is the conserving of  
2 open space, as that term is defined in chapter 36 of title 45, as amended, provided the property is  
3 used exclusively for the purposes of the organization;

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

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

19 (28) Real and personal property of the Providence performing arts center, a non-business  
20 corporation; ~~as of December 31, 1986;~~

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

23 (30) Real and personal property of the Travelers Aid Society of Rhode Island, a  
24 nonprofit corporation, the Union Mall Real Estate Corporation, and any limited partnership or  
25 limited liability company which is formed in connection with, or to facilitate the acquisition of,  
26 the Providence YMCA Building.

27 **44-3-4. Veterans' exemptions.** -- (a) (1) The property of each person who served in the  
28 military or naval service of the United States in the war of the rebellion, the Spanish-American  
29 war, the insurrection in the Philippines, the China-relief expedition, or World War I, and the  
30 property of each person who served in the military or naval service of the United States in World  
31 War II at any time during the period beginning December 7, 1941, and ending on December 31,  
32 1946, and the property of each person who served in the military or naval services of the United  
33 States in the Korean conflict at any time during the period beginning June 27, 1950 and ending  
34 January 31, 1955 or in the Vietnam conflict at any time during the period beginning February 28,

1 1961 and ending May 7, 1975 or who actually served in the Grenada or Lebanon conflicts of  
2 1983-1984, or the Persian Gulf Conflict, the Haitian conflict, the Somalian conflict, and the  
3 Bosnian conflict, at any time during the period beginning August 2, 1990 and ending May 1,  
4 1994, or in any conflict or undeclared war for which a campaign ribbon or expeditionary medal  
5 was earned, and who was honorably discharged from the service, or who was discharged under  
6 conditions other than dishonorable, or who, if not discharged, served honorably, or [the property](#)  
7 of the unmarried widow or widower of that person, is exempted from taxation to the amount of  
8 one thousand dollars (\$1,000), except in:

- 9 (i) Burrillville, where the exemption is four thousand dollars (\$4,000);
- 10 (ii) Cumberland, where the town council may, by ordinance, provide for an exemption of  
11 a maximum of eleven thousand two hundred fifty dollars (\$11,250);
- 12 (iii) Cranston, where the exemption shall not exceed three thousand dollars (\$3,000);
- 13 (iv) Jamestown, where the town council may, by ordinance, provide for an exemption  
14 not exceeding five thousand dollars (\$5,000);
- 15 (v) Lincoln, where the exemption shall not exceed four thousand dollars (\$4,000); and  
16 where the town council may also provide for a real estate tax exemption not exceeding four  
17 thousand dollars (\$4,000) for those honorably discharged active duty veterans who served in  
18 operation desert storm.
- 19 (vi) Newport, where the exemption is four thousand dollars (\$4,000);
- 20 (vii) New Shoreham, where the town council may, by ordinance, provide for an  
21 exemption of a maximum of thirty-six thousand four hundred fifty dollars (\$36,450);
- 22 (viii) North Kingstown, where the exemption shall be ten thousand dollars (\$10,000);
- 23 (ix) North Providence, where the town council may, by ordinance, provide for an  
24 exemption of a maximum of five thousand dollars (\$5,000);
- 25 (x) Smithfield, where the exemption is four thousand dollars (\$4,000);
- 26 (xi) Warren, where the exemption shall not exceed five thousand five hundred dollars  
27 (\$5,500);
- 28 (xii) Westerly, where the town council may, by ordinance, provide an exemption of the  
29 total value of the veterans' real and personal property to a maximum of twenty thousand dollars  
30 (\$20,000);
- 31 (xiii) Barrington, where the town council may, by ordinance, provide for an exemption  
32 of six thousand dollars (\$6,000) for real property; and
- 33 (xiv) Exeter, where the exemption is five thousand dollars (\$5,000);
- 34 (2) The exemption is applied to the property in the municipality where the person resides

1 and if there is not sufficient property to exhaust the exemption, the person may claim the balance  
2 in any other city or town where the person may own property; provided, that the exemption is not  
3 allowed in favor of any person who is not a legal resident of the state, or unless the person  
4 entitled to the exemption has presented to the assessors, on or before the last day on which sworn  
5 statements may be filed with the assessors for the year for which exemption is claimed, evidence  
6 that he or she is entitled, which evidence shall stand so long as his or her legal residence remains  
7 unchanged; ~~and, provided, further, that the~~ The exemption provided for in this subdivision to the  
8 extent that it applies in any city or town, ~~is~~ shall be applied in full to the total value of the person's  
9 real and tangible personal property located in the city or town; and, provided, further, that there is  
10 an additional exemption from taxation in the amount of one thousand dollars (\$1,000), except in:  
11 (i) Central Falls, where the city council may, by ordinance, provide for an exemption of  
12 a maximum of five thousand dollars (\$5,000);  
13 (ii) Cranston, where the exemption shall not exceed three thousand dollars (\$3,000);  
14 (iii) Cumberland, where the town council may, by ordinance, provide for an exemption  
15 of a maximum of twenty-two thousand five hundred dollars (\$22,500);  
16 (iv) Lincoln, where the exemption shall not exceed four thousand dollars (\$4,000);  
17 (v) Newport, where the exemption is four thousand dollars (\$4,000);  
18 (vi) New Shoreham, where the town council may, by ordinance, provide for an  
19 exemption of a maximum of thirty-six thousand four hundred fifty dollars (\$36,450);  
20 (vii) North Providence, where the town council may, by ordinance, provide for an  
21 exemption of a maximum of five thousand dollars (\$5,000);  
22 (viii) Smithfield, where the exemption is four thousand dollars (\$4,000); and  
23 (ix) Warren, where the exemption shall not exceed eleven thousand dollars (\$11,000);  
24 (x) Barrington, where the town council may, by ordinance, provide for an exemption of  
25 six thousand dollars (\$6,000) for real property; of the property of every honorably discharged  
26 veteran of World War I or World War II, Korean or Vietnam, Grenada or Lebanon conflicts, the  
27 Persian Gulf Conflict, the Haitian conflict, the Somalian conflict and the Bosnian conflict at any  
28 time during the period beginning August 2, 1990 and ending May 1, 1994, or in any conflict or  
29 undeclared war for which a campaign ribbon or expeditionary medal was earned, who is  
30 determined by the ~~veterans administration~~ Veterans Administration of the United States of  
31 America to be totally disabled through service connected disability and who presents to the  
32 assessors a certificate from the veterans administration that the person is totally disabled, which  
33 certificate remains effectual so long as the total disability continues.  
34 (3) Provided, that:

1 (i) Burrillville may exempt real property of the totally disabled persons in the amount of  
2 six thousand dollars (\$6,000);

3 (ii) Cumberland town council may, by ordinance, provide for an exemption of a  
4 maximum of twenty-two thousand five hundred dollars (\$22,500);

5 (iii) Little Compton may, by ordinance, exempt real property of each of the totally  
6 disabled persons in the amount of six thousand dollars (\$6,000);

7 (iv) Middletown may exempt the real property of each of the totally disabled persons in  
8 the amount of five thousand dollars (\$5,000);

9 (v) New Shoreham town council may, by ordinance, provide for an exemption of a  
10 maximum of thirty-six thousand four hundred fifty dollars (\$36,450);

11 (vi) North Providence town council may, by ordinance, provide for an exemption of a  
12 maximum of five thousand dollars (\$5,000);

13 (vii) Tiverton town council may, by ordinance, exempt real property of each of the  
14 totally disabled persons in the amount of five thousand dollars (\$5,000), subject to voters'  
15 approval at the financial town meeting; and

16 (viii) West Warwick town council may exempt the real property of each of the totally  
17 disabled persons in an amount of up to ten thousand dollars (\$10,000); and

18 (ix) Westerly town council may, by ordinance, provide for an exemption on the total  
19 value of real and personal property to a maximum of twenty-three thousand dollars (\$23,000).

20 (4) There is an additional exemption from taxation in the town of Warren where its town  
21 council may, by ordinance, provide for an exemption not exceeding eight thousand two hundred  
22 fifty dollars (\$8,250), of the property of every honorably discharged veteran of World War I or  
23 World War II, or Vietnam, Grenada or Lebanon conflicts, the Persian Gulf Conflict, the Haitian  
24 conflict, the Somalian conflict and the Bosnian conflict, at any time during the period beginning  
25 August 2, 1990 and ending May 1, 1994, or in any conflict or undeclared war for which a  
26 campaign ribbon or expeditionary medal was earned, who is determined by the veterans'  
27 administration of the United States of America to be partially disabled through a service  
28 connected disability and who presents to the assessors a certificate that he is partially disabled,  
29 which certificate remains effectual so long as the partial disability continues. Provided, however,  
30 that the:

31 (i) Barrington town council may exempt real property of each of the above named  
32 persons in the amount of three thousand dollars (\$3,000);

33 (ii) Warwick city council may, by ordinance, exempt real property of each of the above  
34 named persons and to any person who served in any capacity in the military or naval service

1 during the period of time of the Persian Gulf conflict, whether or not the person served in the  
2 geographical location of the conflict, in the amount of two thousand dollars (\$2,000).

3 (5) There is an additional exemption from taxation in the town of Lincoln for the  
4 property of each person who actually served in the military or naval service of the United States  
5 in the Persian Gulf Conflict and who was honorably discharged from the service, or who was  
6 discharged under conditions other than dishonorable, or who, if not discharged, served honorably,  
7 or of the unmarried widow or widower of that person, is exempted from taxation to the amount of  
8 four thousand dollars (\$4,000).

9 (b) In addition to the exemption provided in subsection (a), there is a ten thousand dollar  
10 (\$10,000) exemption from local taxation on real property for any veteran and the unmarried  
11 widow or widower of a deceased veteran of the military or naval service of the United States who  
12 is determined, under applicable federal law by the veterans administration of the United States, to  
13 be totally disabled through service connected disability and who by reason of the disability has  
14 received assistance in acquiring "specially adopted housing" under laws administered by the  
15 veterans' administration provided, that the real estate is occupied as his or her domicile, by the  
16 person and provided further that if the property is designed for occupancy by more than one  
17 family then only that value of so much of the house as is occupied by the person as his or her  
18 domicile is exempted, and provided, further, that satisfactory evidence of receipt of the assistance  
19 is furnished to the assessors except in:

20 (1) Cranston, where the exemption shall not exceed thirty thousand dollars (\$30,000);

21 (2) Cumberland, where the town council may provide for an exemption not to exceed  
22 seven thousand five hundred dollars (\$7,500);

23 (3) Newport, where the exemption is ten thousand dollars (\$10,000) or ten percent (10%)  
24 of assessed valuation, whichever is greater;

25 (4) New Shoreham, where the town council may, by ordinance, provide for an  
26 exemption of a maximum of thirty-six thousand four hundred fifty dollars (\$36,450);

27 (5) North Providence, where the town council may, by ordinance, provide for an  
28 exemption not to exceed twelve thousand five hundred dollars (\$12,500);

29 (6) Westerly, where the town council may, by ordinance, provide for an exemption of a  
30 maximum of twenty-three thousand dollars (\$23,000); and

31 (7) Lincoln, where the town council may, by ordinance, provide for an exemption of a  
32 maximum of eleven thousand dollars (\$11,000).

33 (c) In addition to the previously provided exemptions, any veteran of the military or  
34 naval service of the United States who is determined, under applicable federal law by the

1 veterans' administration of the United States to be totally disabled through service connected  
2 disability may, by ordinance, passed in the city or town where the veteran's property is assessed  
3 receive a ten thousand dollar (\$10,000) exemption from local taxation on his or her property  
4 whether real or personal and if the veteran owns real property may be exempt from taxation by  
5 any fire and/or lighting district; provided, however, that in the town of North Kingstown the  
6 amount of the exemption shall be eleven thousand dollars (\$11,000) commencing with the  
7 December 31, 2002 assessment.

8 (d) In determining whether or not a person is the widow or widower of a veteran for the  
9 purposes of this section, the remarriage of the widow or widower shall not bar the furnishing of  
10 the benefits of the section if the remarriage is void, has been terminated by death, or has been  
11 annulled or dissolved by a court of competent jurisdiction.

12 (e) In addition to the previously provided exemptions, there may by ordinance passed in  
13 the city or town where the person's property is assessed be an additional fifteen thousand dollars  
14 (\$15,000) exemption from local taxation on real and personal property for any veteran of military  
15 or naval service of the United States or the unmarried widow or widower of person who has been  
16 or shall be classified as, or determined to be, a prisoner of war by the veterans' administration of  
17 the United States, except in Westerly, where the town council may, by ordinance, provide for an  
18 exemption of a maximum of thirty-four thousand five hundred dollars (\$34,500).

19 (f) Cities and towns granting exemptions under this section shall use the eligibility dates  
20 specified in this section.

21 (g) The several cities and towns not previously authorized to provide an exemption for  
22 those veterans who actually served in the Persian Gulf Conflict may provide that exemption in the  
23 amount authorized in this section for veterans of other recognized conflicts.

24 (h) The town council of Bristol may, by ordinance, provide for an exemption for any  
25 veteran and the unmarried widow or widower of a deceased veteran of military or naval service of  
26 the United States who is determined, under applicable federal law by the veterans' administration  
27 of the United States to be partially disabled through service connected disability.

28 (i) In addition to the previously provided exemption, any veteran who is discharged from  
29 the military or naval service of the United States under conditions other than dishonorable, or an  
30 officer who is honorably separated from military or naval service, who is determined, under  
31 applicable federal law by the veterans administration of the United States to be totally and  
32 permanently disabled through a service connected disability, who owns a specially adapted  
33 homestead, which has been acquired or modified with the assistance of a special adaptive housing  
34 grant from the Veteran's Administration and that meets Veteran's Administration and Americans



1 with disability act guidelines from adaptive housing or which has been acquired or modified,  
2 using proceeds from the sale of any previous homestead, which was acquired with the assistance  
3 of a special adaptive housing grant from the veteran's administration, the person or the person's  
4 surviving spouse is exempt from all taxation on the homestead.

5 **44-3-12. ~~Exemption of persons visually impaired.~~ Visually impaired person --**

6 **Exemption.** -- (a) The property of each person who has permanent impairment of both eyes of  
7 the following status: central visual acuity of twenty-two hundred (20/200) or less in the better  
8 eye, with corrective glasses, or central visual acuity of more than twenty-two hundred (20/200) if  
9 there is a field defect in which the peripheral field has contracted to the extent that the widest  
10 diameter of visual field subtends an angular distance no greater than twenty (20) degrees ~~(20°)~~  
11 the better eye, shall be exempted from taxation to the amount of six thousand dollars (\$6,000),  
12 except for the ~~town~~ towns of:

13 Tiverton ; which exemption shall be seven thousand five hundred dollars (\$7,500);; and

14 ~~except for the town of~~

15 Warren ; which exemption shall be up to twenty-two thousand five hundred dollars

16 (\$22,500);; and ~~except for the town of~~

17 Barrington ; which exemption shall be sixteen thousand dollars (\$16,000) for real  
18 property, which exemption shall apply to the property in the municipality where the person  
19 resides, and if there is not sufficient property to exhaust the exemption, the person may proclaim  
20 the balance in any city or town where he or she may own property; and ~~except for the town of~~

21 Westerly ; which may provide, by ordinance, an exemption on the total value of real and  
22 personal property not to exceed thirteen thousand eight hundred dollars (\$13,800);; ~~provided~~

23 ~~further, that the~~ The city or town council of any city or town may by ordinance increase the  
24 exemption within the city or town to an amount not to exceed twenty-two thousand five hundred  
25 dollars (\$22,500);; ~~and further provided, however, that the~~ The exemption shall not be allowed in  
26 favor of any person who is not a legal resident of the state, or unless the person entitled to the  
27 exemption shall have presented to the assessors, on or before the last day on which sworn  
28 statements may be filed with the assessors for the year for which exemption is claimed, due  
29 evidence that he or she is so entitled, which evidence shall stand so long as his or her legal  
30 residence remains unchanged;; ~~and, provided, further, that the~~ The exemption ~~herein~~

31 in this section, to the extent that it shall apply to any city or town, shall be applied in full to the  
32 total value of the person's real and tangible personal property located in the city or town and shall  
33 be applied to intangible personal property only to the extent that there is not sufficient real  
34 property or tangible personal property to exhaust the exemption. This exemption shall be in

1 addition to any other exemption provided by law except as provided in section 44-3-25.

2 (b) In each city or town that has not increased the exemption provided by subsection (a)  
3 of this section above the minimum of six thousand dollars (\$6,000), except for the towns of:

4 Tiverton ; which exemption shall be seven thousand five hundred dollars (\$7,500); and  
5 ~~except for the town of~~

6 Barrington ; which exemption shall be sixteen thousand dollars (\$16,000) for real  
7 property, the exemption shall increase automatically each year by the same percentage as the  
8 percentage increase in the total amount of taxes levied by the city or town.

9 The automatic increase shall not apply to cities or towns that have increased the  
10 exemption provided by subsection (a) of this section above the minimum of six thousand dollars  
11 (\$6,000), except for the towns of:

12 Tiverton ; which exemption shall be seven thousand five hundred dollars (\$7,500); and  
13 ~~except for the town of~~

14 Barrington ; which exemption shall be sixteen thousand dollars (\$16,000) for real  
15 property; ~~provided, that if~~

16 If the application of the automatic increase to an exemption of six thousand dollars  
17 (\$6,000) on a continuous basis from December 31, 1987, to any subsequent assessment date  
18 would result in a higher exemption than the exemption enacted by the city or town council, then  
19 the amount provided by the automatic increase applies.

20 **44-3-15. Persons who are totally disabled.** – The city or town councils of the various  
21 cities and towns may provide by ordinance for the freezing of the rate and valuation of taxes on  
22 the real and personal property located therein of any head of a household who is one hundred  
23 percent (100%) disabled and unable to work as of the date of the disability; provided, however,  
24 that in the town of Hopkinton, the determination of disability must have been made by the social  
25 security administration or the veterans' administration, the applicant must meet income  
26 requirements established by ordinance which may be amended from time to time and may include  
27 the aggregate income of the applicant and all other persons residing with him or her and, upon  
28 attaining the age of sixty-five (65), the person who is totally disabled is no longer entitled to this  
29 tax freeze; provided, however, that the freeze of rate and valuation on real property shall apply  
30 only to single family dwellings in which the person who is disabled resides; and provided,  
31 further, that the exemption shall not be allowed unless the person entitled ~~thereto~~ to the freeze of  
32 rate and valuation shall have presented to the assessors, on or before the last day on which sworn  
33 statements may be filed with the assessors for the year for which the ~~foregoing~~ freeze of rate and  
34 valuation is claimed, due evidence that he or she is so entitled, which evidence shall stand so long

as his or her legal residence remains unchanged. The ~~foregoing~~ freeze of rate and valuation as provided for in this section is in addition to any other exemption provided by law.

**44-3-15.1. Freezing of tax rates for persons who are totally disabled, Hopkinton. --**

(a) Notwithstanding the provisions of section 44-3-15, the town council of the town of Hopkinton may by ordinance provide for the freezing of the rate and valuation of taxes on the real and personal property located therein to any head of a household who is one hundred percent (100%) disabled and unable to work as of the date of the disability. The applicant must be determined by the social security administration or veterans' administration to be totally disabled, and the applicant must be under the age of sixty-five (65) years; and the applicant must meet income guidelines to be established and set forth within the ordinance, and which may be changed from time to time by amendment of the ordinance. The "income" guidelines may pertain to income of every nature and description, and may include the aggregate income of the applicant and all other persons residing with him or her; provided, however, that the freeze of rate and valuation on real property shall apply only to single family dwellings in which the person who is disabled resides; and provided, further, that the exemption shall not be allowed unless the person entitled ~~thereto~~ to the exemption shall have presented to the assessors, on or before the last day on which sworn statements may be filed with the assessors for the year for which the ~~foregoing~~ exemption is claimed, due evidence that he or she is so entitled, which evidence must be resubmitted annually for each year during which the applicant desires the "freeze" to continue.

(b) Upon attaining the age of sixty-five (65) years, the person who is totally disabled is no longer entitled to the ~~tax~~ freeze of rate and valuation provided for in this section. The ~~foregoing~~ freeze of rate and valuation as provided for in this section shall be in addition to any other exemption provided by law, and provided further, that the real estate shall not be taken from the tax rolls and shall be subject to the bonded indebtedness of the city or town.

**44-3-16. Freeze of tax rate and valuation for the elderly. --**

(a) The city or town councils of the various cities and towns except the towns of West Warwick, Exeter, Coventry and Bristol may provide, by ordinance, for the freezing of the rate and valuation of taxes on real property located therein to any person who is sixty-five (65) years or older or to any person who is totally and permanently disabled regardless of age and who does not have income from all sources in excess of four thousand dollars (\$4,000) per year, or in the case of the town of Johnston to any person who is sixty-five (65) years or older or to any person who is totally and permanently disabled regardless of age and who does not have income from all sources in excess of six thousand dollars (\$6,000) per year, and a total income of seventy-two hundred dollars (\$7,200) for two (2) or more persons living in that dwelling, or in the case of the city of Cranston

1 to any person who is sixty-five (65) years or older or to any person who is totally and  
2 permanently disabled regardless of age and who does not have income from all sources in excess  
3 of sixteen thousand two hundred dollars (\$16,200) per year, or a lesser figure as determined by  
4 the city council of the city of Cranston and a total income of eighteen thousand four hundred  
5 dollars (\$18,400), or a lesser figure as determined by the city council of the city of Cranston, for  
6 two (2) or more persons living in that dwelling; provided, that the freeze of rate and valuation on  
7 real property applies only to owner occupied single or two (2) family dwellings in which the  
8 person resides; and provided, further, that the exemption is not allowed unless the person entitled  
9 to ~~it~~ the exemption has presented to the assessors, on or before the last day on which sworn  
10 statements may be filed with the assessors for the year for which the ~~tax~~ freeze of rate and  
11 valuation is claimed, or for taxes assessed December 31, 2002, the deadline is April 15, 2003,  
12 evidence that he or she is entitled, which evidence shall stand as long as his or her legal residence  
13 remains unchanged. The exemptions shall be in addition to any other exemption provided by law,  
14 and provided, further, that the real estate is not taken from the tax rolls and is subject to the  
15 bonded indebtedness of the city or town.

16 (b) (1) The town council of the town of West Warwick may provide, by ordinance, for a  
17 schedule of exemptions from the assessed valuation on real property located there for any person  
18 who is sixty-five (65) years or older or to any person who is totally and permanently disabled  
19 regardless of age, which exemption schedule is based upon gross annual income from all sources  
20 as follows:

21 (i) An exemption of \$20,000 for those having a gross annual income from all sources of  
22 \$0 to \$15,000;

23 (ii) An exemption of \$15,000 for those having a gross annual income from all sources of  
24 \$15,001 to \$20,000;

25 (iii) An exemption of \$12,500 for those having a gross annual income from all sources of  
26 \$20,001 to \$25,000;

27 (iv) An exemption of \$10,000 for those having a gross annual income from all sources of  
28 \$25,001 to \$30,000;

29 (v) An exemption of \$5,000 for those having a gross annual income from all sources of  
30 \$30,001 to \$35,000.

31 (2) Provided, that the exemption schedule applies only to single family dwellings in  
32 which the person resides; provided, further, that the person acquired the property for actual  
33 consideration paid or inherited the property; provided, further, that the person has resided in the  
34 town of West Warwick for a period of three (3) years ending with the date of assessment for the

1 year for which exemption is claimed; and provided, further, that the exemption is not allowed  
2 unless the person entitled to ~~it~~ [the exemption](#) has presented to the assessors, on or before the last  
3 day on which sworn statements may be filed with the tax assessor for the year for which the  
4 exemption is claimed, evidence that he or she is entitled, which evidence shall stand as long as his  
5 or her residence remains unchanged. In the case of married persons, the age requirement will be  
6 met as soon as either the husband or wife reaches the age of sixty-five (65) years and in the event  
7 the husband passes away, a widow sixty-two (62) years of age to sixty-five (65) years of age is  
8 allowed the exemption as long as she remains unmarried.

9 (3) Those persons granted tax relief under ~~chapter~~ [Chapter](#) 255 of the Public Laws of  
10 1972 have the option of retaining their current tax freeze or abandoning it to seek relief under this  
11 subsection.

12 (c) The town council of the town of Coventry may, by ordinance, exempt from taxation  
13 the real property and/or mobile homes situated in the town which is owned and occupied as the  
14 principal residence, by any one or more persons sixty-five (65) years of age or over or by one  
15 who is totally and permanently disabled, regardless of age, domiciled in the town of Coventry,  
16 upon terms and conditions that may be established by the town council in the ordinance. The  
17 exemption is for taxes assessed December 31, 1975 and subsequent years. Any ordinance adopted  
18 by the town council pursuant to the provisions of this subsection and subsections (d) and (e) may  
19 be amended at any time and from time to time by the town council or any successor town council.

20 (d) The town council of the town of Coventry may, by ordinance, exempt from taxation  
21 the real property situated in the town, owned and occupied by any person, who is a veteran as  
22 defined in section 44-3-4, totally and permanently disabled or over the age of sixty-five (65)  
23 years, which exemption is in an amount not exceeding nine thousand dollars (\$9,000) of  
24 valuation, retroactive to real property assessed on December 31, 1978, and which exemption is in  
25 addition to any and all other exemptions from taxation to which the person may be entitled. The  
26 exemption is applied uniformly, and without regard to ability to pay, provided, that only one  
27 exemption is granted to co-tenants, joint tenants, and tenants by the entirety, even though all of  
28 the co-tenants, joint tenants, and tenants by the entirety are veterans, totally and permanently  
29 disabled, or sixty-five (65) years of age or over. The exemption applies to a life tenant who has  
30 the obligation for the payment of the tax on the real property.

31 (e) The town council of the town of Coventry is authorized in the ordinance or  
32 ordinances to provide that any person who obtains an exemption pursuant to the ordinance to  
33 which the person is not entitled by the filing or making of any false statement or the proffering of  
34 any document or other writing known by the person to have been altered, forged, or to contain

1 any false or untrue information is liable to the town of Coventry for an amount equal to double  
2 the amount of reduction in taxes resulting from the exemption, which amount is recoverable by  
3 the town in a civil action.

4 (f) The town council of the town of Exeter may provide, by ordinance, for the freezing of  
5 the rate and valuation of taxes on real property located in the town to any qualified person who is  
6 sixty-five (65) years or older regardless of income, or to any person who is totally and  
7 permanently disabled regardless of age, and income, provided, that the freeze of rate and  
8 valuation on real property applies only to single family dwellings in which the person resides; and  
9 provided, further, that the person acquired the property for actual consideration paid or inherited  
10 the property; ~~and provided, further, that the~~ The exemption ~~is~~ shall not ~~be~~ allowed unless the  
11 person entitled to ~~the exemption~~ the exemption has resided in the town of Exeter for ten (10) years or more in  
12 the same dwelling house owned by him or her, or in a dwelling house of equal or less value,  
13 which is a constituent part of his or her real property; and provided that the qualified person has  
14 presented to the assessors, on or before the last day on which sworn statements may be filed with  
15 the assessors for the year for which the exemption is claimed, evidence that he or she is entitled,  
16 which evidence shall stand as long as his or her legal residence remains unchanged. The  
17 stabilization of resulting tax assessments shall be subject to reasonable definitions, terms and  
18 conditions as may otherwise be prescribed by ordinance. The exemption is in addition to any  
19 other exemption provided by law, and provided, further, that the real estate is not taken from the  
20 tax rolls and is subject to the bonded indebtedness of the town.

21 (g) (1) (i) The town council of the town of Bristol may provide, by ordinance, for the  
22 freezing of the rate and valuation of taxes on real property located there to any person who is  
23 sixty-five (65) years or older, or if not sixty-five (65) or older, the taxpayer's spouse who is  
24 domiciled with him or her, is sixty-five (65) or older; who is fifty (50) years or older and who is  
25 the widow or widower of a taxpayer who, prior to death, had qualified for, and was entitled to  
26 relief under this subsection and who was domiciled with the decedent taxpayer on the date of  
27 death or to any person who is totally and permanently disabled regardless of age. The taxpayer  
28 shall reside in the town of Bristol for one year prior to filing the claim for relief.

29 (ii) To qualify for relief, the taxpayer shall have "adjusted gross income", as the term is  
30 defined for federal income tax purposes, for the preceding calendar year of less than ten thousand  
31 dollars (\$10,000).

32 (2) The tax is calculated by fixing the tax at the tax rate as levied on the real property  
33 during the year in which the taxpayer became age sixty-four (64) or totally and permanently  
34 disabled regardless of age. The rate remains regardless of the taxpayer's age, date of application,

1 or date of qualification.

2 (3) The taxpayer shall apply annually for tax relief on a form prepared by the tax  
3 assessor. The application shall be filed between January 1 and May 15 for any year in which  
4 benefits are claimed. The taxpayer shall file any supplemental information necessary to satisfy the  
5 claim. Upon approval, the tax relief shall take effect in the next forthcoming tax roll.

6 (4) The owner of the property or a tenant for life or for a term of years who meets the  
7 qualifications previously enumerated is entitled to pay the tax levied on the property for the first  
8 year in which the claim for tax relief is filed and approved. For each subsequent year the taxpayer  
9 shall meet the qualifications hereafter enumerated, the taxpayer shall be entitled to continue to  
10 pay the tax or the lesser amount as is levied.

11 (h) The town council of the town of Tiverton may, by ordinance, exempt from taxation  
12 the real property and/or mobile homes situated in the town which is owned and occupied as the  
13 principal residence by any one or more persons sixty-five (65) years of age or over by one who is  
14 totally and permanently disabled, regardless of age, domiciled in the town of Tiverton, upon  
15 terms and conditions as may be established by the town council in the ordinance.

16 (i) (1) The town of Tiverton may provide, by ordinance, for a schedule of exemptions  
17 from the assessed valuation on real property located there for any person who is sixty-five (65)  
18 years or older, which exemption schedule is based upon annual adjusted gross income as defined  
19 for federal income tax purposes as follows:

20 (i) An exemption of twenty thousand dollars (\$20,000) for those having an adjusted  
21 gross income of zero (0) to thirteen thousand dollars (\$13,000);

22 (ii) An exemption of fifteen thousand dollars (\$15,000) for those having an annual  
23 adjusted income of thirteen thousand one dollars (\$13,001) to sixteen thousand dollars (\$16,000);

24 (iii) An exemption of ten thousand dollars (\$10,000) for those having an annual adjusted  
25 income of sixteen thousand one dollars (\$16,001) to twenty thousand dollars (\$20,000);

26 (2) Provided, that the exemption schedule applies only to single family dwellings in  
27 which the person resides; provided, further, that the person acquired the property for actual  
28 consideration paid or inherited the property; provided, further, that the person has resided in the  
29 town of Tiverton for a period of three (3) years ending with the date of assessment for the year for  
30 which exemption is claimed; and provided, further, that the exemption is not allowed unless the  
31 person entitled to ~~it~~ [the exemption](#) has presented to the assessors, on or before the last day on  
32 which sworn statements may be filed with the tax assessor for the year for which the exemption is  
33 claimed, due evidence that he or she is so entitled, which evidence shall stand as long as his or  
34 her residence remains unchanged.



1 (3) In the case of married persons, the age requirement will be met as soon as either the  
2 husband or wife reaches the age of sixty-five (65) years, and in the event the husband passes  
3 away, a widow sixty-two (62) years of age to sixty-five (65) years of age is allowed the  
4 exemption as long as she remains unmarried.

5 (j) The city council of the city of Warwick may provide, by ordinance, for the freezing of  
6 the tax rate and valuation of real property for persons seventy (70) years of age or older who  
7 reside in owner occupied single family homes where the income from all sources does not exceed  
8 seven thousand five hundred dollars (\$7,500) for a single person and does not exceed fifteen  
9 thousand dollars (\$15,000) for married couples; provided, that persons seeking relief shall apply  
10 for an exemption to the tax assessor no later than March 15 of each year.

11 (k) The town council of the town of East Greenwich may provide, by ordinance, and  
12 upon such terms and conditions as it deems reasonable, for the freezing of both the tax rate  
13 attributable to education and the valuation of taxes on real property located in the town of any  
14 person who is sixty-five (65) years or older or of any person who is totally and permanently  
15 disabled regardless of age; provided, that the freeze of rate and valuation on real property applies  
16 only to single or two (2) family dwellings in which the person resides; and provided, further, that  
17 the person acquired the property for actual consideration paid or inherited the property; and  
18 provided, further, that the exemption is not allowed unless the person entitled to ~~#~~ [the exemption](#)  
19 has presented to the tax assessor, on or before the last day on which sworn statements may be  
20 filed with the assessor for the year for which the exemption is claimed, evidence that he or she is  
21 entitled, which evidence shall stand as long as his or her legal residence remains unchanged. The  
22 exemption is in addition to any other exemption provided by law; and provided, further, that the  
23 real estate is not taken from the tax rolls and is subject to the bonded indebtedness of the town.

24 ~~44-3-31.2. Special property tax consideration for designated properties in~~  
25 ~~Providence. Special property tax consideration for designated properties -- Providence. --~~

26 (a) The city of Providence may by ordinance provide special tax consideration for designated  
27 properties on the landmark list as part of the mill restoration program and in the arts and  
28 entertainment district in the city of Providence.

29 (b) ~~Upon enactment [June 14, 2002] property~~ [Property](#) taxes levied on eligible properties  
30 as of December 31, 2000 shall reflect adapted tax considerations. Owners of eligible properties  
31 are required to begin renovations by December 31, 2005 in order to qualify for continued tax  
32 considerations. Properties that fail to meet this deadline will be required retroactively to pay the  
33 difference between their actual tax payments and what they would have paid if ineligible for the  
34 specified tax considerations.



1 (c) Eligible properties shall be taxable properties located on the landmark list approved  
2 by ordinance in the city of Providence and shall be eligible if certified by the city building  
3 inspector as in need of substantial rehabilitation.

4 (d) Tax benefits for eligible properties shall be transferable to new owners or tenants, but  
5 the life of the tax consideration shall not be extended.

6 (e) "Substantial rehabilitation" means rehabilitation that adheres to the applicable  
7 building and fire codes, extends to all occupiable floors of the building, and equals at least fifty  
8 percent (50%) of the current replacement value of the structure, as certified by the city building  
9 inspector.

10 (f) Nothing in this section shall be construed to diminish the authority of any body to  
11 review and approve the construction plans for overall appearance or historical preservation  
12 standards.

13 (g) During the period of eligibility, the city of Providence shall also be authorized to use  
14 special consideration in taxing tangible property located in businesses in eligible properties. For  
15 the ten (10) year period, the rate of thirty-three dollars and forty-four cents (\$33.44) shall be  
16 applied annually to tangible property value, as it is determined and may change from year to year.  
17 This consideration shall apply to all taxable businesses occupying eligible properties during the  
18 period of eligibility, regardless of when they first occupied the property.

19 **44-3-32. Tax exemption in the town of Portsmouth -- Elderly -- Income. --** (a) The  
20 town council of the town of Portsmouth may provide an ordinance for exemptions, partial or  
21 total, from taxation on parcels of real property located in the town which, as of the date of  
22 assessment, are owned and occupied wholly or partially as dwellings by persons who are citizens  
23 and residents of the town and who have attained the age of sixty-five (65) years. Each exemption  
24 is in the form of a credit against the taxes assessed on the real property. The amount of the credit  
25 with respect to each person is based on the annual income of that person. The maximum income  
26 for which each stated credit amount shall be allowed is set by the town council by resolution in  
27 January of each year provided that "income" includes the aggregate income of the person and all  
28 other persons residing with him or her; provided further, that "income" is computed on a calendar  
29 year basis and includes all income of every nature and description, whether or not taxable, and  
30 whether earned or unearned, and includes but is not limited to dividends, interest, gross rents,  
31 gains, gifts, pensions, all types of compensation, and social security and veterans' benefits. Only  
32 one exemption shall be allowed with respect to any one building; provided that the exemption  
33 shall be allowed for single or multiple family dwellings and other buildings so long as the person  
34 resides in the dwelling. The exemption shall not be allowed unless the person entitled to ~~it~~ [the](#)

1 [exemption](#) has presented to the tax assessor on or before June 1 of each year for which the  
2 exemption is sought an application for the exemption and due evidence that he or she is entitled  
3 to ~~it~~ [the exemption](#), including, for example but not by way of limitation, certified birth records,  
4 voter registration records, and statements of annual income sworn or affirmed by the applicant  
5 before a person qualified to administer oaths, such information to be kept confidential by the tax  
6 assessor.

7 (b) Each exemption terminates immediately:

8 (1) Upon the alienation of the real property;

9 (2) In the event the person ceases to occupy the real property as his or her dwelling; or

10 (3) Upon the death of the person.

11 **44-3-47. Economic development tax incentive program -- City of Cranston --**

12 **Exemptions.** -- The city council of the city of Cranston may, by ordinance, provide exemptions  
13 from assessed valuation for real and tangible personal property of property owners or businesses  
14 which create jobs in the city of Cranston and any property owners or businesses for any retrofit,  
15 expansion, or renovation of specifically permitted uses; ~~provided, that the~~ [The](#) exemption ~~is~~ [shall](#)  
16 [be](#) for a period of not more than ten (10) years.

17 SECTION 37. Sections 44-3-18 and 44-3-20.3 of the General Laws in Chapter 44-3  
18 entitled "Property Subject to Taxation" are hereby repealed.

19 ~~**44-3-18. Valuation of cogeneration and solar and/or wind energy systems.** -- (a) (1)~~

20 ~~For the purposes of this section:~~

21 ~~-(i) "Cogeneration system" means a facility which generates electricity and steam or other~~  
22 ~~useful forms of energy which are used for commercial, industrial, heating, or cooling purposes;~~  
23 ~~and not primarily engaged in the generation or sale of electric power, other than the power~~  
24 ~~generated at the cogeneration facility.~~

25 ~~-(ii) "Solar and/or wind energy equipment" means collectors, controls, energy storage~~  
26 ~~devices, pumps, heat exchangers, windmills, or other hardware or equipment necessary to the~~  
27 ~~process by which solar radiation or wind is received and converted into another form, such as~~  
28 ~~thermal, electrical, or chemical energy.~~

29 ~~-(iii) "Solar and/or wind energy system" means an arrangement or combination of solar~~  
30 ~~and/or wind energy equipment designed to provide heating, cooling, hot water, or mechanical,~~  
31 ~~chemical, or electrical energy by the collection and storage of solar and/or wind energy, including~~  
32 ~~insulated double glazing, or insulation to the extent that the materials exceed the energy~~  
33 ~~efficiency standards that may be required by law. Solar and/or wind energy systems do not~~  
34 ~~include pipes, controls, or other equipment which are part of the conventional heating, cooling, or~~

~~energy distribution system of a building.~~

~~(2) When components serve dual functions as parts of the building structure, as well as parts of the solar and/or wind energy equipment system, the components are considered solar and/or wind energy equipment in the amount that the cost of the components is increased to enable their use as parts of the solar and/or wind energy system.~~

~~(b) Cogeneration and solar and/or wind energy systems in an existing or newly constructed residential or nonresidential building are assessed at no more than the value of the conventional heating, cooling, or energy production capacity that would otherwise be necessary to install in the building.~~

~~(c) The provisions of this section shall expire and are hereby repealed July 1, 2000.~~

~~**44-3-20.3. Deferment of payment of tax for the elderly-- Jamestown. [Contingent Repeal -- See notes.]** The town council of the town of Jamestown is authorized to provide, by ordinance, that the payment of property taxes on all family dwellings located therein and owned and occupied for at least five (5) years prior to the passage of the ordinance by persons sixty five (65) years of age or over is deferred until the property is disposed of by reason of death of all the owners or by reason of transfer on conveyance; provided, that any deferred taxes constitute a lien against the real estate.~~

SECTION 38. Section 44-4-4.1 of the General Laws in Chapter 44-4 entitled "Situs and Ownership of Taxable Property" is hereby amended to read as follows:

**44-4-4.1. State property taxed to lessee or tenant.** -- Any property owned by the state, except land and piers but including any other real property, buildings, improvements, and tangible personal property attached to, contained in, or used in connection with the property, which is leased or rented for a term of ten (10) or more years, including any options to renew or extend the term, shall be taxed to the person, partnership, corporation, joint stock company, or association leasing or renting the property, who, for the purposes of taxation is deemed the owner of the property; but excluding:

(1) Property acquired by the state from the United States pursuant to ~~50 U.S.C. App. section 1622(g)~~ [49 U.S.C. section 47151 et seq.](#), and managed for it by the Rhode Island ~~port authority and~~ economic development corporation;

(2) State property which is leased by any corporation, association, or organization which is exempt from property taxation;

(3) State property which is leased for purposes of nonprofit public use or service;

(4) Portions of buildings which are owned by the state, the portions being of a size, shape, or other unique character which makes them impossible to measure or separate for

purposes of taxation; and

(5) State property leased for purposes which are necessary to the operation of an airport.

SECTION 39. Section 44-4.1-2 of the General Laws in Chapter 44-4.1 entitled "Historic Residence -- Tax Credit" is hereby amended to read as follows:

**44-4.1-2. Definitions.** -- As used in this chapter:

(1) "Certified maintenance or rehabilitation" means any maintenance or rehabilitation of a historic residence consistent with the character of that property or district as determined in accordance with commission guidelines.

(2) "Commission" means the Rhode Island historical preservation commission created pursuant to section 42-45-2.

(3) "Historic residence" means a historic residential property which is not of a character subject to federal depreciation allowance pursuant to 26 U.S.C. section 167 or 168 and which is:

(i) Listed individually in the state register of historic places; or

(ii) Located in a district listed in the state register of historic places and certified by the commission as contributing to the historic character of that district; or

(iii) Located in a local historic district zone as designated by a city or town under chapter 24.1 of title 45 and certified by the commission as contributing to the character of that historic district zone; or

(iv) Designated by a city or town as an individual structure subject to regulation by a local historic district commission under ~~section 45-24.1-1~~ [chapter 24.1 of title 45](#).

SECTION 40. Sections 44-5-5, 44-5-7, 44-5-11.1, 44-5-11.6, 44-5-13.2.5, 44-5-13.31, 44-5-20.02, 44-5-48, 44-5-50, 44-5-58 and 44-5-67.2 of the General Laws in Chapter 44-5 entitled "Levy and Assessment of Local Taxes" are hereby amended to read as follows:

**44-5-5. Determination of date on which taxes due -- Penalties on delinquencies.** --

The electors in a financial town meeting of any town qualified to vote on any proposition to impose a tax or for the expenditure of money, or the city council of a city, shall determine the date on which taxes are due and payable and the date on which they are subject to a penalty, unless otherwise provided by law, and all taxes remaining unpaid on the date specified shall carry until collected a penalty at a rate determined by the electors or city council. ~~provided, that if a state of fiscal emergency is deemed to exist by a vote of any city or town council, then the city or town council is authorized until July 1, 1992 to determine the delayed date on which taxes are due and payable and the date on which they are subject to a penalty, and may adopt a procedure to determine which persons assessed to pay the taxes are or have been adversely affected by the fiscal emergency.~~

1       **44-5-7. Provision for municipal installment payments.** -- (a)(1) Every city and town  
2 shall make provision for the payment in installments of any tax levied under the provisions of  
3 section 44-5-1 by adding to and making a part of the resolution ordering the assessment and the  
4 collection of the tax an option permitting persons assessed to pay their taxes in equal quarterly  
5 installments if they so desire, free of any charges, interest, penalties, or other assessments, the  
6 amounts and dates for payment of the installments to be specified in the resolution. ~~;~~ ~~provided,~~  
7 ~~that the~~ The city or town may provide that the option contained in the resolution does not apply to  
8 any tax levied in an amount not in excess of one hundred dollars (\$100) in which case the tax is  
9 payable in a single installment.

10       (2) As used in this section, "person assessed" includes:  
11       (i) the person named in the assessment, the record owner of the property assessed, and  
12 any attorney, property manager, or other person acting on behalf of the person assessed, or the  
13 record owner of the property assessed; and  
14       (ii) any mortgagee or other person having a lien or other security interest in the property  
15 assessed of any mortgage servicer, tax servicer, or agent of any such mortgagee or lienholder.

16       (b) If, prior to ~~{~~July 8, 1999~~}~~, a mortgagee, holder of a security interest, mortgage  
17 servicer, tax servicer, or agent; has been required by the tax collector of the city or town where  
18 the property is situated; to pay the tax levied under the provisions of section 44-5-1 in a single  
19 installment; the tax collector, city or town, mortgagee, holder, mortgage servicer, tax servicer, or  
20 agent will be deemed, with respect to the single installment payment, to have complied with  
21 applicable law.

22       (c) No tax collector of the city or town where the property assessed is situated shall  
23 impose or attempt to impose different requirements relating to payment of taxes based upon  
24 whether the person who actually pays the tax is:  
25       (i) the person named in the assessment, the record owner of the property assessed, and  
26 any attorney, property manager, or other person acting on behalf of the person assessed, or the  
27 record owner of the property assessed; or  
28       (ii) a mortgagee or other person having a lien or other security interest in the property  
29 assessed or any mortgage servicer, tax servicer or agent of any mortgagee or lienholder.

30       (d) ~~This section shall take effect [July 8, 1999] provided, that a~~ A person assessed as  
31 defined in ~~subsection (a)(ii)~~ paragraph (a)(2)(ii) may opt to continue to pay the tax assessed as of  
32 December 31, 1996, in a single installment if the tax collector of the city or town where the  
33 property assessed is situated required those persons to pay the tax levied under the provisions of  
34 section 44-5-1 in a single installment. ~~The first sentence of paragraph (d)~~ This subsection applies

1 notwithstanding that, prior to ~~July 8, 1999~~, the tax collector of the city or town where the  
2 property assessed is located ~~permits~~ permitted the person to pay the tax levied under the  
3 provisions of section 44-5-1 in installments, but only upon payment of a charge, interest, penalty,  
4 or other assessment.

5 (e) Compliance within this section is mandatory with respect to the tax assessed as of  
6 December 31, 1999, and thereafter.

7 (f) This law is not applicable to any city or town that, as of ~~July 8, 1999~~, ~~currently~~  
8 ~~offers~~ offered a discount in exchange for a single installment payment.

9 **44-5-11.1. Certification of businesses and employees engaged in revaluing property.**

10 -- (a) All persons, firms, associations, partnerships, and corporations engaged in the business of  
11 revaluing property for any town or city pursuant to the provisions of section ~~44-5-11~~ 44-5-11.6  
12 shall be certified by the department of administration.

13 (b) All employees of persons, firms, associations, partnerships, and corporations referred  
14 to in subsection (a) shall, prior to revaluing property for any town or city pursuant to the  
15 provisions of section ~~44-5-11~~ 44-5-11.6, be certified by the department of administration as  
16 qualified to perform the services.

17 (c) Each person, firm, association, partnership, or corporation referred to in subsection  
18 (a) shall, prior to revaluing property for any town or city pursuant to the provisions of section ~~44-~~  
19 ~~5-11~~ 44-5-11.6, disclose to the town or city council of that municipality, all standards to be used  
20 in conducting the revaluation and secure approval of the town or city council.

21 (d) (1) The director of administration shall promulgate rules and regulations as are  
22 necessary to carry out the purposes of this section.

23 (2) The rules and regulations shall include, but shall not be limited to, the following  
24 requirements:

25 (i) The person, firm, association, partnership, or corporation:

26 (A) Must demonstrate experience in the field of assessing, revaluation, and ad valorem  
27 appraising;

28 (B) Must list all officers engaged in the revaluation process in Rhode Island;

29 (C) Must list all project managers, field supervisors, reviewers, appraisers, and other  
30 personnel engaged in the revaluation process in Rhode Island;

31 (D) Must provide a list of the five (5) most recent revaluation projects performed within  
32 the preceding ten (10) years, including the municipality and state in which the work was  
33 performed as well as the project supervisor for each project;

34 (E) Must post a performance surety bond;

- 1 (F) Demonstrate financial solvency of the company;
- 2 (G) List all pending litigation, if any, to which the company is a party;
- 3 (ii) The rules and regulations shall require ad valorem appraisers to have either proper
- 4 designations from recognized professional organizations or written examinations by the licensing
- 5 agency.

6 **44-5-11.6. Assessment of valuations – Apportionment of levies.** -- (a) ~~Notwithstanding~~  
7 ~~the provisions of section 44-5-11, beginning on December 31, 2000, the~~ The assessors in the  
8 several towns and cities shall conduct an update as defined in this section or shall assess all  
9 valuations and apportion the levy of all taxes legally ordered under the rules and regulations, not  
10 repugnant to law, as the town meetings and city councils, respectively, shall from time to time  
11 prescribe; provided, that the update or valuation is performed in accordance with the following  
12 schedules:

13 (1)(i) For a transition period, for cities and towns who conducted or implemented a  
14 revaluation as of 1993 or in years later:

	Update	Revaluation
16 Lincoln	2000	2003
17 South Kingstown	2000	2003
18 Smithfield	2000	2003
19 West Warwick	2000	2003
20 Johnston	2000	2003
21 Burrillville	2000	2003
22 North Smithfield	2000	2003
23 Central Falls	2000	2003
24 North Kingstown	2000	2003
25 Jamestown	2000	2003
26 North Providence	2001	2004
27 Cumberland	2001	2004
28 Bristol	2004	2001
29 Charlestown	2001	2004
30 East Greenwich	2002	2005
31 Cranston	2002	2005
32 Barrington	2002	2005
33 Warwick	2003	2006
34 Warren	2003	2006

1	East Providence	2003	2006
2	(ii) <del>Provided that the</del> <u>The</u> reevaluation period for the town of New Shoreham shall be		
3	extended to 2003.		
4	(iii) The implementation date for this schedule is December 31st, of the stated year.		
5	(iv) Those cities and towns not listed in this schedule, shall continue the revaluation		
6	schedule pursuant to <u>former</u> section 44-5-11.		
7	<del>(b)</del> <u>(2)(i)</u> For the post transition period and in years thereafter:		
8		Update #1	Update #2
9	Woonsocket	2002	2005
10	Pawtucket	2002	2005
11	Portsmouth	2001	2004
12	Coventry	2001	2004
13	Providence	2003	2006
14	Foster	2002	2005
15	Middletown	2002	2005
16	Little Compton	2003	2006
17	Scituate	2003	2006
18	Westerly	2003	2006
19	West Greenwich	2004	2007
20	Glocester	2004	2007
21	Richmond	2004	2007
22	Bristol	2004	2007
23	Tiverton	2005	2008
24	Newport	2005	2008
25	New Shoreham	2006	2009
26	Narragansett	2005	2008
27	Exeter	2005	2008
28	Hopkinton	2005	2008
29	Lincoln	2006	2009
30	South Kingstown	2006	2009
31	Smithfield	2006	2009
32	West Warwick	2006	2009
33	Johnston	2006	2009
34	Burrillville	2006	2009



1	North Smithfield	2006	2009	2012
2	Central Falls	2006	2009	2012
3	North Kingstown	2006	2009	2012
4	Jamestown	2006	2009	2012
5	North Providence	2007	2010	2013
6	Cumberland	2007	2010	2013
7	Charlestown	2007	2010	2013
8	East Greenwich	2008	2011	2014
9	Cranston	2008	2011	2014
10	Barrington	2008	2011	2014
11	Warwick	2009	2012	2015
12	Warren	2009	2012	2015
13	East Providence	2009	2012	2015

14       (ii) The implementation date for ~~the~~ this schedule is December 31st of the stated year.  
15       Upon the completion of the update and revaluation according to this schedule, each city and town  
16       shall conduct a revaluation within nine (9) years of the date of the prior revaluation and shall  
17       conduct an update of real property every three (3) years from the last revaluation.

18       ~~(e) (b) No later than February 1, 1998, the~~ The director of the department of  
19       administration shall promulgate rules and regulations consistent with the provisions of this  
20       section to define the requirements for the updates which shall include, but not be limited to:

- 21           (1) An analysis of sales;
- 22           (2) A rebuilding of land value tables;
- 23           (3) A rebuilding of cost tables of all improvement items; and
- 24           (4) A rebuilding of depreciation schedules.

25       Upon completion of an update, each city or town shall provide for a hearing and/or  
26       appeal process for any aggrieved person to address any issue which arose during the update.

27       ~~(d) (c)~~ (c) The costs incurred by the towns and cities for the first update shall be borne by the  
28       state in an amount not to exceed twenty dollars (\$20.00) per parcel. The costs incurred by the  
29       towns and cities for the second update shall be borne eighty percent (80%) by the state (in an  
30       amount not to exceed sixteen dollars (\$16.00) per parcel) and twenty percent (20%) by the town  
31       or city and in the third update and thereafter, the state shall pay sixty percent (60%) of the update  
32       (not to exceed twelve dollars (\$12.00) per parcel) and the town or city shall pay forty percent  
33       (40%); ~~provided, that for~~ For the second update and in all updates thereafter, ~~that~~ the costs  
34       incurred by any city or town which is determined to be a distressed community pursuant to

1 section 45-13-12 shall be borne eighty percent (80%) by the state and twenty percent (20%) by  
2 the city or town for all updates required by this section.

3 ~~(d)~~ (d) The office of municipal affairs, after consultation with the league of cities and  
4 towns and the Rhode Island assessors' association, shall recommend adjustments to the costs  
5 formula described in subsection ~~(c)~~ (c) of this section based upon existing market conditions.

6 ~~(e)~~ (e) Any property, which is either exempt from the local property tax pursuant to  
7 section 44-3-3 or which pays a city or town an amount in lieu of taxes, is not required to have its  
8 values updated pursuant to this section, and the property is not eligible for the reimbursement  
9 provisions of subsection ~~(c)~~ (c) of this section. However, those properties which are exempt from  
10 taxation and are eligible for state appropriations in lieu of property tax under the provisions of  
11 section 45-13-5.1 are eligible for state reimbursement pursuant to subsection ~~(c)~~ (c) of this  
12 section, provided, that these properties were revalued as part of that city or town's most recent  
13 property revaluation.

14 ~~(f)~~ (f) No city or town is required to conduct an update pursuant to this section unless the  
15 state has appropriated sufficient funds to cover the state's costs as identified in subsection ~~(c)~~ (c)  
16 of this section.

17 ~~(g)~~ (g) Any city or town that fails to conduct an update or revaluation as required by this  
18 section or requests and receives an extension of the dates specified in this section shall receive the  
19 same amount of state aid under sections 45-13-1, 45-13-5.1, and 45-13-12 in the budget year for  
20 which the new values were to apply as the city or town received in-state aid in the previous  
21 budget year; provided, however, if the new year's entitlement is lower than the prior year's  
22 entitlement, the lower amount applies, except for the town of New Shoreham for the fiscal year  
23 2003.

24 ~~(h)~~ (h) Any bill or resolution to extend the dates for a city or town to conduct an update or  
25 revaluation must be approved by a two-thirds (2/3) majority of both houses of the general  
26 assembly.

27 **44-5-13.2.5. Exemption for residential improvements and alterations in the city of**

28 **Pawtucket.** -- (a) The tax assessor of the city of Pawtucket is authorized to grant an exemption  
29 from real property taxation equal to any increase in assessed valuation not exceeding fifteen  
30 thousand dollars (\$15,000) cumulatively resulting from alterations and improvements made to  
31 existing dwellings used for residential purposes, ~~and shall include~~ including mobile and  
32 manufactured homes. For the purpose of this section, "dwelling" has the meaning defined in  
33 section 45-24.3-5(10). "Mobile and Manufactured Home" has the meaning defined in section ~~31-~~  
34 ~~44-1(i)~~ 31-44-1(8). The exemption is granted for three (3) years commencing with the tax roll

1 assessed as of the assessment date which immediately follows the completion of the alterations  
2 and improvements or which next occurs eighteen (18) months after the date of issuance of the  
3 building permit for the alterations and improvements, whichever occurs first.

4 (b) In order to be eligible for exemption, the dwelling must be an existing residential  
5 dwelling and be at least five (5) years of age at the time of issuance of the building permit for the  
6 alterations and improvements, all real estate taxes and other assessments and fees assessed against  
7 the dwelling must be paid up to date, and the dwelling must meet all minimum housing building  
8 code and zoning requirements or the alterations and improvements must be that which will  
9 improve the dwelling to meet code requirements. The tax assessor shall require a certificate from  
10 the building inspector that the dwelling meets all minimum housing, building code and zoning  
11 requirements and regulations including the number of dwelling units allowed. The certificate  
12 from the building inspector shall be provided to the tax assessor at the time that the application  
13 for an exemption is filed.

14 (c) The exemption provided for in this section is allowed only for owner-occupied  
15 residential dwellings including up to five (5) units, including the owner-occupied unit, and  
16 include owner-occupied residential condominium units. The exemption is not allowed for any  
17 property used for professional or business use or other commercial or income-producing purposes  
18 other than owner-occupied dwellings of five (5) units or ~~less~~ fewer.

19 (d) Alterations and improvements which qualify for the exemption provided for in this  
20 section include the following:

21 (1) Installations of additional plumbing facilities, electrical fixtures or re-wiring of the  
22 electrical system, heating system, hot water system or the replacement of any of these items;

23 (2) Inside and outside painting or redecorating;

24 (3) Repairing, repointing or replacing existing masonry;

25 (4) Re-shingling of or installation of siding on exterior walls;

26 (5) Replacing or repairing roofs, gutters, downspouts;

27 (6) Weather stripping, insulating or replacing of existing windows and sashes;

28 (7) Adding a bedroom, bathroom, recreation room, fireplace or garages;

29 (8) Converting basement into amusement or rumpus room;

30 (9) Enclosing open porches or breezeways;

31 (10) New basement or incinerator;

32 (11) Adding new fences or stone walls;

33 (12) Repairing or replacing or adding porches, steps, sidewalks or driveways;

34 (13) Adding any built-ins, kitchen cabinets or closets;

1           (14) Any other improvement, alteration, or addition which the city council may provide  
2 for by ordinance which does not materially affect the character and use of the property and is of  
3 such a nature that the property retains its basic structural design and is improved to a condition  
4 comparable to similar structures and housing standards.

5           (e) An exemption will not be allowed if a building permit and/or zoning approval is  
6 granted after the alteration or improvement is made. The following are not deemed to be  
7 alterations and improvements which qualify for exemption under this section:

8           (1) Any increase in the number of dwelling units;

9           (2) The addition of recreational facilities including, but not limited to, swimming pool  
10 and/or pool cabana, a tennis court or basketball court;

11           (3) Any change in connection with, or enabling the operation of a business or profession  
12 from a residence;

13           (4) Any alteration or improvement which in the opinion of the tax assessor is of such a  
14 nature that the property does not retain its basic structural design or that the character and use of  
15 the property has changed;

16           (5) Any alteration or improvement made without a building permit issued by the building  
17 inspector.

18           (f) No person is entitled to any exemption under this section without first filing an  
19 application with the tax assessor on forms furnished by the tax assessor. The application requires  
20 information as to cost, construction, ownership, occupancy, use and any other information  
21 required by the tax assessor to determine compliance with the terms of this section. The tax  
22 assessor may require the applicant to provide receipts and other evidence of the cost of the  
23 alteration or improvement. The city council of the city of Pawtucket may, by ordinance, adopt  
24 rules and regulations not inconsistent with this section concerning the exemption provided for  
25 under this section, the manner and form of application for the exemption, the proof required for  
26 the dwelling to be considered "owner-occupied" and the determination by the tax assessor of the  
27 cost, valuation, and amount of exemption allowed for the alterations and improvements.  
28 Applications for exemption must be filed by December 31 of the year in which the alterations and  
29 improvements are completed and may be approved by the tax assessor prior to certification of the  
30 subsequent tax roll.

31           (g) Any exemption under this section terminates upon the conveyance of the subject  
32 property, except for a conveyance or transfer to a member of the immediate family of the owner  
33 without consideration. For the purposes of this section, "member of the immediate family of the  
34 owner" includes the owner's spouse, parents, children, grandchildren and brothers and sisters.

1 Any exemption terminates when this property subject to exemption is no longer owner-occupied  
2 for residential purposes or if the original conditions and qualifications for the granting of the  
3 exemption no longer exist. A person's residence for the purpose of this section is his or her fixed  
4 and established domicile. The tax assessor may challenge a person's residency based upon the  
5 criteria established in chapter 1 of title 17 relating to residency for voting purposes.

6 (h) Any person aggrieved by a decision of the tax assessor pursuant to this section has  
7 the right to an appeal pursuant to the terms of this chapter to the city of Pawtucket board of tax  
8 review.

9 (i) Notwithstanding the grant of an exemption under this section, the property is still  
10 subject to any general revaluation on a city-wide basis. An owner of an owner-occupied dwelling  
11 is allowed one exemption under this section during each revaluation period.

12 (j) No exemption is granted for alterations and improvements made pursuant to a  
13 building permit issued prior to December 31, 1995.

14 (k) An exemption shall not be allowed if a building permit and/or zoning approval is  
15 granted after the alteration or improvement is made.

16 **44-5-13.31. Reduction in assessed value of real estate upon removal of damaged**

17 **buildings -- Johnston. --** (a) Whenever a building is damaged as to require total reconstruction  
18 before it may be used for any purpose related to its use prior to and following the damage, ~~and~~  
19 ~~following which~~, the owner provides for complete demolition of the building with the material  
20 from demolition being removed from the parcel of real property on which the building was  
21 situated or used as fill on the parcel for purposes of grading, the parcel shall be assessed for  
22 purposes of property tax of the date the demolition, removal, and grading are completed to the  
23 satisfaction of the building inspector, and the assessment shall reflect a determination of the  
24 assessed value of the parcel, exclusive of the assessment value of the building so damaged,  
25 demolished, and removed.

26 (b) The adjusted assessment is applicable with respect to the parcel from the date  
27 demolition, removal, and grading are completed, as determined by the building inspector, until  
28 the thirty-first (31st) day of December next succeeding and the amount of property tax payable  
29 with respect to the parcel for the assessment year in which demolition, removal, and grading are  
30 completed is adjusted accordingly in the manner determined by the assessor.

31 (c) This section is not applicable in the event of natural disasters such as, but not limited  
32 to, erosion or demolition resulting from floods or hurricanes.

33 (d) This section applies only to assessments and taxes in the town of Johnston.

34 **44-5-20.02. Property tax classification in Central Falls -- List of ratable property. --**

1 (a) On or before June 1, ~~except in 1990, in which case the time is thirty (30) days after June 1,~~  
2 ~~1990,~~ the assessor in the city of Central Falls, after certification for classification, shall submit to  
3 the director of administration a list containing the true, full, and fair cash value of the ratable  
4 estate and motor vehicles and shall classify the property according to the following use:

5 (1) "Class 1" includes:

6 (i) Residential property which is property used or held for human habitation containing  
7 one or more dwelling units including rooming houses and mobile homes with facilities designed  
8 and used for living, sleeping, cooking, and eating on a non-transient basis. This property includes  
9 accessory land, buildings, or improvements incidental to the habitation and used exclusively by  
10 the residents of the property or their guests. This property does not include a hotel, motel,  
11 commercial or industrial property.

12 (ii) Open space including "Farm", "Forest", and "Open Space Land" as defined in  
13 accordance with section 44-27-2, as amended.

14 (2) "Class 2" includes:

15 (i) Personal property, previously subject to tax, includes all goods, chattels, and effects,  
16 wherever they may be, except those that are exempt from taxation by the laws of the United  
17 States or of this state, and

18 (ii) Every vehicle and trailer registered under chapter 3 of title 31, as amended.

19 (3) "Class 3" includes property used commercially or for industrial manufacturing.

20 (b) The city of Central Falls may, by resolution or ordinance adopted by the city council,  
21 provide for tax classification of property in the city of Central Falls to become effective in any  
22 year in which the assessment roll reflects a general revaluation of all taxable property in the city  
23 of Central Falls.

24 **44-5-48. Municipal revaluation -- Registration.** -- All persons, firms, partnerships,  
25 corporations, or other business entities seeking to perform a municipal revaluation as is described  
26 in section ~~44-5-11~~ [44-5-11.6](#) shall first register with the department of administration and shall  
27 conform to the rules and regulations promulgated by the director of the department in order to do  
28 business in this state.

29 **44-5-50. Contract for revaluation -- Certified copy.** -- Within ten (10) days after  
30 execution of a contract for revaluation as described in section ~~44-5-11~~ [44-5-11.6](#), the city or town  
31 clerk shall submit a duly authorized and certified copy of the contract to the department of  
32 administration.

33 **44-5-58. Property tax classification in North Providence -- Duties of assessor.** -- (a)  
34 The assessor of the town of North Providence on or before June 1 of each year, ~~except in 1995, in~~

~~which case the time is on or before July 1, 1995,~~ shall make a full and fair cash valuation of all the estate, real and personal, including motor vehicles and trailers, subject to taxation, and determine the assessed valuation of each property class.

(b) The assessor has the authority to apply different rates of taxation against class one, class two, class three and class four property to determine the tax due and payable on the property, provided, that the rate of taxation is uniform within each class.

**44-5-67.2. Property tax classification in Warwick -- Duties of assessor. --** The assessor of the city of Warwick on or before June 15 of each year shall make a full and fair cash valuation of all the estate, real and personal, including motor vehicles and trailers, subject to taxation, and determine the assessed valuation of each property class. The assessor has the authority to apply different rates of taxation to each class and to determine the tax due and payable on the property; provided, that the rates are pursuant to an annual tax resolution approved in the same manner as is provided for budget approval in the city charter; provided, further, that the rate of taxation is uniform within each class; ~~and provided, further, that for~~ For each year, class 1 property tax rates ~~are~~ shall not be less than seventy-five percent (75%) of class ~~two~~ (2) property tax rates.

SECTION 41. Chapter 44-6.1 of the General Laws entitled "Tax Amnesty" is hereby repealed in its entirety.

#### ~~CHAPTER 44-6.1~~

##### ~~Tax Amnesty~~

~~**44-6.1-1. Short title.** -- This chapter shall be known as the "Rhode Island tax amnesty act".~~

~~**44-6.1-2. Definitions.** -- As used in this chapter, the following terms have the meaning ascribed to them in this section, except when the context clearly indicates a different meaning:~~

~~(1) "Taxable period" means any period for which a tax return is required by law to be filed with the tax administrator and for which no return has been previously filed or for which an erroneous return has been filed.~~

~~(2) "Taxpayer" means any person, corporation, or other entity subject to any tax imposed by any law of the state of Rhode Island and payable to the state of Rhode Island and collected by the tax administrator.~~

~~**44-6.1-3. Establishment of tax amnesty.** -- (a) The tax administrator shall establish a tax amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to authorization by any law of the state of Rhode Island and collected by the tax administrator. Amnesty tax return forms shall be prepared by the tax administrator and shall provide for~~

1 ~~specification by the taxpayer of the tax and the taxable period for which amnesty is being sought~~  
2 ~~by the taxpayer.~~

3 ~~-(b) The amnesty program shall be conducted for a ninety (90) day period established by~~  
4 ~~the tax administrator in the state fiscal year 1986-1987. The amnesty program shall provide that~~  
5 ~~upon written application by any taxpayer and payment by the taxpayer of all taxes and interest~~  
6 ~~due from the taxpayer to the state of Rhode Island for any taxable period ending prior to April 1,~~  
7 ~~1986, the tax administrator shall not seek to collect any penalties which may be applicable and~~  
8 ~~shall not seek civil or criminal prosecution for any taxpayer for the taxable period for which~~  
9 ~~amnesty has been granted. Amnesty shall be granted only to those taxpayers applying for amnesty~~  
10 ~~return, or who have entered into an installment payment agreement for reasons of financial~~  
11 ~~hardship upon the terms and conditions set by the tax administrator. In the case of the failure of a~~  
12 ~~taxpayer to pay any installment at the time the installment payment is due under the agreement,~~  
13 ~~the agreement shall cease to be effective and the balance of the amounts required to be paid under~~  
14 ~~this agreement shall be due immediately. Failure to pay all amounts due to the state of Rhode~~  
15 ~~Island shall invalidate any amnesty granted pursuant to this chapter. Amnesty shall be granted for~~  
16 ~~only the taxable period specified in the application and only if all amnesty conditions are satisfied~~  
17 ~~by the taxpayer.~~

18 ~~-(c) Amnesty shall not be granted to taxpayers who are a party to any criminal~~  
19 ~~investigations or to any civil or criminal litigation which is pending in any court of the United~~  
20 ~~during the amnesty period, who have paid the tax and interest due upon filing the amnesty tax~~  
21 ~~States or the state of Rhode Island for nonpayment, delinquency, or fraud in relation to any state~~  
22 ~~tax imposed by any law of the state and collected by the tax administrator.~~

23 ~~**44-6.1-4. Interest under tax amnesty.** -- Notwithstanding any general or specific statute~~  
24 ~~to the contrary, interest on any taxes paid for periods covered under the amnesty provisions of~~  
25 ~~this chapter shall be computed at the rate of eleven and one-half percent (11.50%) annually from~~  
26 ~~due date to time of payment.~~

27 ~~**44-6.1-5. Amnesty provisions not applicable.** -- The provisions of section 44-6.1-3 shall~~  
28 ~~not apply to the underpayment of any tax imposed by any law for the state of Rhode Island,~~  
29 ~~payable to the state of Rhode Island for any taxable period to the extent that before the written~~  
30 ~~application for amnesty is filed:~~

31 ~~(1) The taxable period for which a written application for amnesty has been filed is~~  
32 ~~currently under audit by the tax administrator; or~~

33 ~~-(2) A notice of deficiency or bill with respect to the underpayment was mailed to the~~  
34 ~~taxpayer.~~



~~**44-6.1-6. Appropriation.** --- There is appropriated, out of any money in the treasury not otherwise appropriated for the fiscal year 1986-1987, the sum of one hundred thousand dollars (\$100,000) to the division of taxation to carry out the purposes of this chapter and the state controller is authorized and directed to draw his or her orders upon the general treasurer for the payment of the sum or so much of the sum as may be required from time to time upon receipt by him or her of properly authenticated vouchers.~~

~~**44-6.1-7. Implementation.** --- Notwithstanding any provision of law to the contrary, the tax administrator may do all things necessary in order to provide for the timely implementation of this chapter, including but not limited to procurement of printing and other services and expenditure of appropriated funds as provided for in section 44-6.1-6.~~

~~**44-6.1-8. Disposition of monies --- Rules and regulations.** --- (a) All monies collected pursuant to any tax imposed by the state of Rhode Island under the provisions of this chapter shall be accounted for separately and paid into the general fund.~~

~~--- (b) The tax administrator shall promulgate rules and regulations as are necessary to implement the provisions of this chapter.~~

SECTION 42 Sections 44-6.2-1, 44-6.2-2, 44-6.2-3, 44-6.2-4, 44-6.2-5, 44-6.2-6 and 44-6.2-7 of the General Laws in Chapter 44-6.2 entitled "Rhode Island Tax Amnesty Act" are hereby repealed.

~~**44-6.2-1. Short title.** --- This chapter shall be known as the "1996 Rhode Island tax amnesty act".~~

~~**44-6.2-2. Definitions.** --- As used in this chapter, the following terms have the meaning ascribed to them in this section, except when the context clearly indicates a different meaning:~~

~~--- (1) "Taxable period" means any period for which a tax return is required by law to be filed with the tax administrator.~~

~~--- (2) "Taxpayer" means any person, corporation, or other entity subject to any tax imposed by any law of the state of Rhode Island and payable to the state of Rhode Island and collected by the tax administrator.~~

~~**44-6.2-3. Establishment of tax amnesty.** --- (a) The tax administrator shall establish a tax amnesty program for all taxpayers owing any tax imposed by reason of or pursuant to authorization by any law of the state of Rhode Island and collected by the tax administrator. Amnesty tax return forms shall be prepared by the tax administrator and shall provide for specificity by the taxpayer of the tax and the taxable period for which amnesty is being sought by the taxpayer.~~

~~--- (b) The amnesty program shall be conducted for a seventy five (75) day period~~

1 ~~established by the tax administrator in the state fiscal year 1995-1996. The amnesty program shall~~  
2 ~~provide that upon written application by any taxpayer and payment by the taxpayer of all taxes~~  
3 ~~and interest due from the taxpayer to the state of Rhode Island for any taxable period ending prior~~  
4 ~~to December 31, 1995, the tax administrator shall not seek civil or criminal prosecution for any~~  
5 ~~taxpayer for the taxable period for which amnesty has been granted. Amnesty shall be granted~~  
6 ~~only to those taxpayers applying for amnesty during the amnesty period, which have paid the tax~~  
7 ~~and interest due upon filing the amnesty tax return, or who has entered into an installment~~  
8 ~~payment agreement for reasons of financial hardship upon the terms and conditions set by the tax~~  
9 ~~administrator. In the case of the failure of a taxpayer to pay any installment at the time the~~  
10 ~~installment payment is due under the agreement, the agreement shall cease to be effective and the~~  
11 ~~balance of the amounts required to be paid under this agreement shall be due immediately. Failure~~  
12 ~~to pay all amounts due to the state of Rhode Island shall invalidate any amnesty granted pursuant~~  
13 ~~to this chapter. Amnesty shall be granted for only the taxable period specified in the application~~  
14 ~~and only if all amnesty conditions are satisfied by the taxpayer.~~

15 ~~-(c) The provisions of this section shall include a taxable period for which a notice of~~  
16 ~~deficiency determination or bill has been sent to the taxpayer and/or a taxable period in which an~~  
17 ~~audit is completed but has not yet been billed.~~

18 ~~-(d) Amnesty shall not be granted to taxpayers who are a party to any criminal~~  
19 ~~investigation or to any civil or criminal litigation which is pending in any court of the United~~  
20 ~~States or the state of Rhode Island for fraud in relation to any state tax imposed by any law of the~~  
21 ~~state and collected by the tax administrator.~~

22 ~~**44-6.2-4. Interest under tax amnesty.** --- Notwithstanding any general or specific statute~~  
23 ~~to the contrary, interest on any taxes paid for periods covered under the amnesty provisions of~~  
24 ~~this chapter shall be computed at the rate of twelve percent (12%) annually from due to time of~~  
25 ~~payment.~~

26 ~~**44-6.2-5. Implementation.** --- Notwithstanding any provision of law to the contrary, the~~  
27 ~~tax administrator may do all things necessary in order to provide for the timely implementation of~~  
28 ~~this chapter, including but not limited to procurement of printing and other services and~~  
29 ~~expenditures of appropriated funds.~~

30 ~~**44-6.2-6. Disposition of monies -- Rules and regulations.** --- (a) All monies collected~~  
31 ~~pursuant to any tax imposed by the state of Rhode Island under the provisions of this chapter shall~~  
32 ~~be accounted for separately and paid into the general fund.~~

33 ~~-(b) The tax administrator shall promulgate rules and regulations as are necessary to~~  
34 ~~implement the provisions of this chapter.~~

~~**44-6.2-7. Analysis of amnesty program by tax administrator.** -- The tax administrator shall provide an analysis of the amnesty program to the chairpersons of the house finance committee and senate finance committee with copies to the members of the revenue estimating conference by September 1, 1996. The report shall include an analysis of revenues received by tax source, distinguishing between the tax collected and interest collected for each source. In addition, the report shall further delineate the amounts that are new revenues from that already included in the general revenue receivable taxes define The auditor general shall include review of the analysis as part of the activities involved in preparation of the combined annual financial report for fiscal year 1996.~~

SECTION 43. Section 44-7-11 of the General Laws in Chapter 44-7 entitled "Collection of Taxes Generally" is hereby amended to read as follows:

**44-7-11. Collectors to furnish statements of liens.** -- (a) The collector of taxes for any city, town, or fire district shall, on written application by any person, and within five (5) days thereafter, excluding Saturdays, Sundays, and holidays, furnish to the applicant a single certificate of all taxes and other assessments, including water rates and charges, which at the time constitute liens on the parcel of real estate specified in the application and are payable on account of the real estate. The certificate shall be itemized and shall show the amounts payable on account of all taxes and assessments, rates, fees and charges, so far as the amounts are fixed and ascertained, and if the amounts are not then ascertainable, it shall be expressed in the certificate. In addition, the tax certificate shall include: (1) a statement as to whether there are any tax sales scheduled which would affect the parcel of real estate noted in the certificate; and (2) a statement as to whether any of taxes or other assessments noted on the tax certificate as being paid in full were paid as the result of a sale held pursuant to the provisions of chapter 9 of this title within the twelve (12) month period immediately preceding issuance of the certificate. Any city or town officer or board doing any act toward establishing any tax assessment, lien, fees or charge upon any real estate in the city or town shall transmit a notice of that act to the collector of taxes. The collector of taxes shall charge not more than twelve dollars (\$12.00), except that for tax certificates issued by the tax collectors for the towns of Cumberland, Exeter, Smithfield, and Johnston the charge is twelve dollars (\$12.00) for each certificate so issued, and the charge for the issuance of tax certificates by the tax collector for the town of Barrington is twenty dollars (\$20.00) for each certificate so issued, and the money so received shall be paid into the city or town treasury. A certificate issued ~~on or after October 1, 1966,~~ under this section may be filed or recorded with the land evidence records of the city or town in which the real estate shall be situated within sixty (60) days after its date, and if filed or recorded shall operate to discharge the

1 parcel of real estate specified from the liens for all taxes, assessments or portions, rates, fees and  
2 charges which do not appear by the certificate to constitute liens, except the taxes, assessments or  
3 portions, rates, fees and charges which have accrued within one year immediately preceding the  
4 date of the certificate; provided, that they are noted in the certificate, and the taxes, assessments  
5 or portions, rates, and charges concerning which a statement has been filed or recorded in the land  
6 evidence records; provided, that a certificate issued under this section shall not affect the  
7 obligation of any person liable for the payment of any tax, assessment, rate, fee, or charge.

8 (b) The fee to be paid for filing the certificate with the registry of deeds is eight dollars  
9 (\$8.00).

10 (c) In the town of Barrington, the tax collector shall, upon application for any municipal  
11 lien certificate, include and attach to the certificate at no additional fee, as a separate motor  
12 vehicle excise tax certificate setting forth all motor vehicle excise taxes which at the time are due  
13 and payable to the town on account of any owner of any real estate referenced in the application.  
14 The closing agent presiding at the closing on any transfer of the real estate shall collect all sums  
15 due as set forth on the motor vehicle excise tax certificate and transmit the sums to the tax  
16 collector along with the forwarding address of the owner transferring the real estate.

17 (d) In the town of Warren, the tax collector shall, upon application for any municipal lien  
18 certificate, include and attach to the certificate at no additional fee, as a separate motor vehicle  
19 excise tax certificate setting forth all motor vehicle excise taxes which at the time are due and  
20 payable to the town on account of any owner of any real estate referenced in the application. The  
21 closing agent presiding at the closing on any transfer of the real estate shall collect all sums due  
22 as set forth on the motor vehicle excise tax certificate and transmit the sums to the tax collector  
23 along with the forwarding address of the owner transferring the real estate.

24 (e) In the town of Smithfield, the tax collector shall, upon application for any municipal  
25 lien certificate, include and attach the certificate at no additional fee, as a separate motor vehicle  
26 excise tax certificate setting forth all motor vehicle excise taxes which at the time are due and  
27 payable to the town on account of any owner of any real estate referenced in the application. The  
28 closing agent presiding at the closing on any transfer of the real estate shall collect the sums due  
29 as set forth on the motor vehicle excise tax certificate and transmit the sums to the tax collector  
30 along with the forwarding address of the owner transferring any real estate. This section does  
31 apply to refinancing transactions or to transfers of real estate within a family without  
32 consideration.

33 (f) The collector of taxes for any city, town, or fire district may, upon application for any  
34 municipal lien certificate, include and attach to the certificate at no additional fee, as a separate

1 motor vehicle excise tax certificate setting forth all motor vehicle excise taxes which at the time  
2 are due and payable to the town on account of any owner of any real estate referenced in the  
3 application. The closing agent presiding at the closing on any transfer of the real estate shall  
4 collect such sums due as set forth on the motor vehicle excise tax certificate and transmit the  
5 sums to the tax collector along with the forwarding address of the owner transferring any real  
6 estate. This section does apply to refinancing transactions or to transfers of real estate within a  
7 family without consideration.

8 (g) In the town of Scituate, the tax collector shall, upon application for any municipal  
9 lien certificate, include and attach to the certificate at no additional fee, as a separate motor  
10 vehicle excise tax certificate setting forth all motor vehicle excise taxes which at the time are due  
11 and payable to the town on account of any owner of any real estate referenced in the application.  
12 The closing agent presiding at the closing on any transfer of the real estate shall collect all sums  
13 due as set forth on the motor vehicle excise tax certificate and transmit the sums to the tax  
14 collector along with the forwarding address of the owner transferring the real estate.

15 SECTION 44. Sections 44-9-47, 44-9-48, 44-9-53, 44-9-54 and 44-9-55 of the General  
16 Laws in Chapter 44-9 entitled "Tax Sales" are hereby amended to read as follows:

17 **44-9-47. Definitions. --** As used in sections 44-9-47 -- 44-9-53, unless the context  
18 requires otherwise:

19 (1) "Goods" means goods as defined in section ~~6A-9-105(1)(h)~~ [6A-9-102\(a\)\(44\)](#).

20 (2) "Lien" means the lien to secure the payment of personal property taxes described in  
21 section 44-9-48.

22 (3) "Municipality" means any town or city of the state.

23 (4) "Proceeds" means proceeds as defined in section ~~6A-9-306(1)~~ [6A-9-102\(a\)\(64\)](#).

24 (5) "Purchase money security interest" means purchase money security interest as  
25 defined in section ~~6A-9-107~~ [6A-9-103](#).

26 (6) "Secured party" means a municipality.

27 (7) "Taxpayer" means a person with respect to whom personal property taxes have been  
28 levied by a municipality.

29 (8) "Tax collector" means the person receiving the tax list of a municipality and the  
30 warrant to collect the tax list.

31 **44-9-48. Lien -- Perfection -- Priority. --** If any personal property tax, other than a tax  
32 on a motor vehicle, due any municipality is not paid within the time limited by law following the  
33 assessment date for the tax, then the municipality shall have a lien, upon perfection, upon the  
34 goods situated in this state and owned by the taxpayer upon the date of perfection, or upon the

goods thereafter acquired by the taxpayer. The lien shall attach and become perfected at the time when a notice of lien is filed pursuant to the filing provisions of part ~~4~~ 5 of chapter 9 of title 6A, except that the signature of the taxpayer against whose property the lien is claimed shall not be required on the notice of lien. Except as hereinafter provided, upon perfection, the lien shall have priority over all subsequently perfected liens and security interests. The lien shall not attach to or be applicable to proceeds nor shall the municipality filing the notice of lien have the status of a lien creditor, as defined in section ~~6A-9-301(3)~~ 6A-9-102(a)(52).

**44-9-53. Rights and remedies of municipality and taxpayer.** -- A municipality which has filed a notice of tax lien and the taxpayer against whom the lien has been filed shall have the rights and remedies of a secured party and debtor, respectively, as provided for in chapter 9 of title 6A, except that the municipality shall not have the right to propose to retain any property in satisfaction of the obligation as provided in section ~~6A-9-505~~ 6A-9-620. In a proceeding to enforce the lien, the municipality shall observe the procedures applicable to a secured party under ~~sections 6A-9-501—6A-9-507~~ part 6 of chapter 9 of title 6A.

**44-9-54. Validity of liens.** -- Even though notice of a lien has been filed by a municipality, the lien is not valid:

(1) With respect to tangible personal property purchased at retail, as against a purchaser in the ordinary course of the seller's trade or business, unless at the time of the purchase the purchaser intends the purchase to, or knows the purchase will, hinder, evade, or defeat the collection of any tax under ~~sections 6A-9-501—6A-9-507~~ part 6 of chapter 9 of title 6A.

(2) With respect to a purchase money security interest, if the purchase money security interest would be prior to a conflicting security interest in the same collateral under section ~~6A-9-312~~ 6A-9-324.

**44-9-55. Discharge.** -- If any lien created under sections 44-9-47 -- 44-9-55 is discharged, then a certificate of discharge shall promptly be filed by the tax collector of the municipality which originally filed the notice of lien, or by the tax collector's successor, in the office of the secretary of state in the same manner as termination statements are filed under section ~~6A-9-404~~ 6A-9-513. The municipal officer who has filed the notice of lien shall file a notice of discharge of the lien in the manner provided in this section if: (1) the taxes for which the lien has been filed are fully paid together with all interest due on the taxes; or (2) a cash bond or surety company bond is furnished to the municipality conditioned upon the payment of the amount of the taxes together with interest due on the taxes, for which the notice of lien has been filed, within the effective period of the lien; or (3) a final judgment is rendered in favor of the taxpayer or others claiming an interest in the property subject to the lien determining that the tax

1 is not owed, or that the lien is not valid. If the judgment determines that the tax is partially owed,  
2 then the officer who filed the notice of lien or his or her successor shall within ten (10) days of  
3 the rendition of the final judgment of the court file an amended tax lien for the actual amount of  
4 tax found to be due by the court, which amended lien shall be effective as to the revised amount  
5 of the lien as of the date of the filing of the original notice of tax lien, and the officer or his or her  
6 successor at the time of the filing of the amended tax lien shall also file a discharge of the original  
7 tax lien.

8 SECTION 45. Sections 44-13-1, 44-13-4 and 44-13-13 of the General Laws in Chapter  
9 44-13 entitled "Public Service Corporation Tax" are hereby amended to read as follows:

10 **44-13-1. Domestic corporations subject to tax -- "Gross earnings" defined --**  
11 **Deductions.** -- (a) Every corporation enumerated in section 44-13-4, incorporated under the laws  
12 of this state, shall annually pay a tax or excise to the state for the privilege of existing as a  
13 corporation during any part of the preceding calendar year. The tax shall be in addition to any tax  
14 upon its real estate and tangible personal property locally or otherwise assessed and shall be  
15 measured by its gross earnings, determined as provided, for the preceding calendar year or for the  
16 portion of the year that the corporation has been incorporated and shall be computed at the rates  
17 prescribed in section 44-13-4; provided, that the Narragansett pier railroad company, a  
18 corporation incorporated under the laws of the state of Rhode Island, shall not be subject to any  
19 tax imposed by the provisions of this chapter in any year until and unless the net receipts of the  
20 railroad applicable to dividends or other form of distribution of corporate earnings shall in the  
21 year amount to a sum that is not less than four percent (4%) of the aggregate valuation of the  
22 property of the railroad as determined by the public utility administrator.

23 (b) "Gross earnings" includes all income of the same types as are classified as operating  
24 revenues by the public utilities control authority in the uniform systems of accounts prescribed by  
25 the authority for operations, whether or not the corporation is regulated by the public utilities  
26 control authority, except those subject to the Rhode Island business corporation tax, within the tax  
27 year and, with respect to each company, all income classified in the uniform systems of accounts  
28 as income from merchandising, jobbing, and contract work, income from nonutility operations  
29 and revenues from transfer, sale, or lease of tangible, intangible, or real property not devoted to  
30 utility operation, and receipts from the sale of residuals and other by-products obtained in  
31 connection with the production of gas, electricity, or steam. No deductions shall be allowed from  
32 the gross earnings for any commission, rebate, or other payment, except a refund resulting from  
33 an error or overcharge, and those specifically mentioned in section 44-13-5, and in the case of  
34 every corporation subject to tax under section 44-13-4(4), ~~fifty percent (50%) of all amounts paid~~

1 ~~during the period July 1, 1987 to June 30, 1988 and one hundred percent (100%) of~~ all amounts  
2 paid ~~during the period~~ after July 1, 1988 ~~and thereafter~~ by a corporation to another corporation for  
3 connecting fees, switching charges, and carrier access charges shall be included in the gross  
4 earnings of the company to which they are paid and shall be deducted from the gross earnings of  
5 the paying company.

6 **44-13-4. Rate of taxation. --** The tax imposed will be at the following rates:

7 (1) In the case of every corporation whose principal business is a steamboat or ferryboat  
8 business as a common carrier, every common carrier steam or electric railroad corporation, every  
9 street railway corporation, every common carrier dining, sleeping, chair, or parlor car  
10 corporation, every corporation whose principal business is selling and distributing water to the  
11 public, and every toll bridge corporation, one and one-fourth percent (1.25%) of its gross  
12 earnings;

13 (2) In the case of every corporation whose principal business is manufacturing, selling,  
14 distributing and/or transmitting currents of electricity to be used for light, heat, or motive power,  
15 four percent (4%) of its gross earnings, but deductions shall be made of gross earnings from the  
16 transmission or sale of electricity to other public utility corporations, nonregulated power  
17 producers, or municipal utilities for resale, whether within or without this state; provided, that the  
18 tax measured by the portion of the utility's gross earnings as is derived from the manufacture and  
19 sale of illuminating and heating gas and its by-products and the merchandising of gas appliances  
20 shall be computed at the rate of three percent (3%);

21 (3) In the case of every express corporation carrying on its business on steamboats,  
22 steam or electric railroads, or street railways and of every public service corporation whose  
23 principal business is that of a telegraph corporation, four percent (4%) of its gross earnings;

24 (4) In the case of every telecommunications corporation providing telecommunications  
25 service, ~~ten percent (10%) of its gross earnings; provided, that the rate shall be nine percent (9%)~~  
26 ~~effective July 1, 1985, eight percent (8%) effective July 1, 1986, seven percent (7%) effective~~  
27 ~~July 1, 1987, six percent (6%) effective July 1, 1988, and~~ five percent (5%) of its gross earnings.  
28 ~~effective July 1, 1997.~~ For purposes of this chapter, "telecommunications service" means the  
29 transmission of any interactive two way electromagnetic communications including voice, image,  
30 data, and other information, by means of wire, cable, including fiber optical cable, microwave,  
31 and radio wave, or any combinations of these media. This definition does not include value added  
32 nonvoice services in which computer processing applications are used to act on the form, content,  
33 code, and protocol of the information to be transmitted;

34 (5) In the case of every public service cable corporation, eight percent (8%) of its gross



1 earnings;

2 (6) In the case of every corporation whose principal business is manufacturing, selling  
3 and/or distributing to the public illuminating or heating gas, three percent (3%) of its gross  
4 earnings.

5 **44-13-13. Taxation of certain tangible personal property.** -- The lines, cables,  
6 conduits, ducts, pipes, machines and machinery, equipment, and other tangible personal property  
7 within this state of telegraph, cable, and telecommunications corporations and express  
8 corporations, used exclusively in the carrying on of the business of the corporation shall be  
9 exempt from local taxation; provided, that nothing in this section shall be construed to exempt  
10 any community antenna television system company (CATV) from local taxation; and provided,  
11 further,, that the tangible personal property of companies exempted from local taxation by the  
12 provisions of this section shall be subject to taxation in the following manner:

13 (1) Definitions. Whenever used in this section and in sections 44-13-13.1 and 44-13-  
14 13.2, unless the context otherwise requires:

15 (i) "Average assessment ratio" means the total assessed valuation as certified on tax rolls  
16 for the reference year divided by the full market value of the valuation as computed by the Rhode  
17 Island department of administration in accordance with section 16-7-21;

18 (ii) "Average property tax rate" means the statewide total property levy divided by the  
19 statewide total assessed valuation as certified on tax rolls for the most recent tax year;

20 (iii) "Company" means any telegraph, cable, telecommunications, or express company  
21 doing business within the state of Rhode Island;

22 (iv) "Department" means the department of administration;

23 (v) "Population" shall mean the population as determined by the most recent census;

24 (vi) "Reference year" means the calendar year two (2) years prior to the calendar year  
25 preceding that in which the tax payment provided for by this section is levied;

26 (vii) "Value of tangible personal property" of companies means the net book value of  
27 tangible personal property of each company doing business in this state as computed by the  
28 department of administration. Net book value shall mean the original cost less accumulated  
29 depreciation; provided, that no tangible personal property shall be depreciated more than seventy-  
30 five percent (75%) of its original cost;

31 (2) On or before March 1 of each year, each company shall declare to the department, on  
32 forms provided by the department, the value of its tangible personal property in the state of  
33 Rhode Island on the preceding December 31.

34 (3) On or before April 1, ~~1982 and each April 1 thereafter~~ of each year, the department

1 shall certify to the tax administrator the average property tax rate, the average assessment ratio,  
2 and the value of tangible personal property of each company.

3 (4) The tax administrator shall apply the average assessment ratio and the average tax  
4 rate to the value of tangible personal property of each company and by April 15 of each year shall  
5 notify the companies of the amount of tax due.

6 (5) The tax shall be due and payable within sixty (60) days of the mailing of the notice  
7 by the tax administrator. If the entire tax is not paid to the tax administrator when due, there shall  
8 be added to the unpaid portion of the tax, and made a part of the tax, interest at the rate provided  
9 for in section 44-1-7 from the date the tax was due until the date of the payment. The amount of  
10 any tax, including interest, imposed by this section shall be a debt due from the company to the  
11 state, shall be recoverable at law in the same manner as other debts, and shall, until collected,  
12 constitute a lien upon all the company's property located in this state.

13 (6) The proceeds from the tax shall be allocated in the following manner:

14 (i) Payment of reasonable administrative expenses incurred by the department of  
15 administration, not to exceed three quarters of one percent (.75%), the payment to be identified as  
16 general revenue and appropriated directly to the department;

17 (ii) The remainder of the proceeds shall be deposited in a restricted revenue account and  
18 shall be apportioned to the cities and towns within this state on the basis of the ratio of the city or  
19 town population to the population of the state as a whole. Estimated revenues shall be distributed  
20 to cities and towns by July 30 and may be recorded as a receivable by each city and town for the  
21 prior fiscal year.

22 SECTION 46. Sections 44-13.1-2, 44-13.1-3, 44-13.1-4, 44-13.1-5 and 44-13.1-7 of the  
23 General Laws in Chapter 44-13.1 entitled "Taxation of Railroad Corporations" are hereby  
24 repealed.

25 ~~44-13.1-2. Assessment of amounts of tax and payments to cities and towns and fire~~  
26 ~~districts. --- (a) Cities and towns and fire districts shall assess the property described in section~~  
27 ~~44-13.1-1(b) [repealed] and shall apply a tax rate to the assessed value in a manner consistent with~~  
28 ~~property subject to taxation under the provisions of sections 44-5-1---44-5-22.~~

29 ~~---(b) The amount of the tax on the property computed shall be submitted on or before~~  
30 ~~October 1, 1985, and each year thereafter to the state budget offices.~~

31 ~~---(c) The state budget offices shall include the amount of the tax in the state budget for the~~  
32 ~~next fiscal year, and the General Assembly shall annually appropriate to the several cities and~~  
33 ~~towns and fire districts any sum that may be necessary to carry out the purposes of this section.~~

34 ~~(d) Distribution of the appropriations and receipts as referenced in section 44-13.1-3 shall~~

1 ~~be made by the state on or before July 31 of 1986 and each year thereafter and the payments may~~  
2 ~~be counted as a receivable by any city or town or fire district for a fiscal year ending the~~  
3 ~~preceding June 30.~~

4 ~~(e) The state of Rhode Island acting through the department of administration shall have~~  
5 ~~the right in accordance with section 44-5-26 to seek relief from any assessment.~~

6 ~~**44-13.1-3. Payment in lieu of taxes.** --- (a) Within thirty (30) days after the end of the~~  
7 ~~state's fiscal year ending June 30, 1986 and within thirty (30) days after the end of each fiscal~~  
8 ~~year thereafter, each corporation operating a railroad and carrying on business for profit in this~~  
9 ~~state shall make a payment to the state in lieu of the taxes from which the corporation is exempted~~  
10 ~~under section 44-13.1-1 [repealed]. The payment shall be in an amount equal to the sum of:~~  
11 ~~interest, by the corporation to municipalities and fire districts within the state during the fiscal~~  
12 ~~year; and~~

13 ~~(ii) All taxes otherwise payable to the state and based on the corporations' income during~~  
14 ~~the fiscal year, provided, that the payments provided for in this section shall be reduced by the~~  
15 ~~following percentages:~~

16 ~~(A) Payment due within thirty (30) days after the end of the fiscal year ending June 30,~~  
17 ~~1986: twenty five percent (25%).~~

18 ~~(B) Payment due within thirty (30) days after the end of the fiscal year ending June 30,~~  
19 ~~1987: fifty percent (50%).~~

20 ~~(C) Payment due within thirty (30) days after the end of the fiscal year ending June 30,~~

21 ~~(i) The property taxes which would otherwise have been payable, without penalty~~  
22 ~~or 1988: seventy five percent (75%). (D) Payment due within thirty (30) days after the end of the~~  
23 ~~fiscal year ending June 30, 1989: one hundred percent (100%).~~

24 ~~(b) From the payments received from the corporations pursuant to the provisions of~~  
25 ~~subsection (a) (i), an account in the general fund is created, the proceeds of which are restricted to~~  
26 ~~the distribution of funds to the several cities and towns and fire districts as outlined in section 44-~~  
27 ~~13.1-2.~~

28 ~~**44-13.1-4. Restriction on abandonments.** --- No railroad corporation shall be eligible to~~  
29 ~~the tax exemption provided for in section 44-13.1-1 [repealed] if it shall abandon rail freight~~  
30 ~~service during the period July 1, 1985 to June 30, 1989, and eligibility for the exemption shall~~  
31 ~~only be granted upon the receipt by the tax administrator of a certificate from a railroad~~  
32 ~~corporation that no abandonments shall occur during the above specified period.~~

33 ~~**44-13.1-5. Repeal of inconsistent acts.** --- All acts or parts of acts inconsistent with this~~  
34 ~~chapter are repealed.~~

~~44-13.1-7. Repeal of exemption and study commission provisions. — Sections 44-13.1-1 and 44-13.1-6 are repealed effective July 1, 1989; provided, that payments due cities and towns and fire districts for the period ending June 30, 1989 shall be made prior to July 31, 1989 as provided in section 44-13.1-2.~~

SECTION 47. Section 44-14-14.2 of the General Laws in Chapter 44-14 entitled "Taxation of Banks" is hereby amended to read as follows:

**44-14-14.2. Definitions.** -- As used in sections 44-14-14.1 -- 44-14-14.5, unless the context otherwise requires:

(a) "Billing address" means the location indicated in the books and records of the taxpayer on the first day of the taxable year (or on ~~such~~ any later date in the taxable year when the customer relationship began) as the address where any notice, statement and/or bill relating to a customer's account is mailed.

(b) "Borrower or credit card holder located in this state" means:

(1) ~~a~~ A borrower, other than a credit card holder, that is engaged in a trade or business which maintains its commercial domicile in this state; or

(2) ~~a~~ A borrower that is not engaged in a trade or business or a credit card holder whose billing address is in this state.

(c) "Commercial domicile" means:

(1) ~~the~~ The headquarters of the trade or business, that is, the place from which the trade or business is principally managed and directed; or

(2) ~~if~~ If a taxpayer is organized under the laws of a foreign country, or of the Commonwealth of Puerto Rico, or any territory or possession of the United States, the taxpayer's commercial domicile shall be deemed for the purposes of this section to be the state of the United States or the District of Columbia from which the taxpayer's trade or business in the United States is principally managed and directed. It shall be presumed, subject to rebuttal, that the location from which the taxpayer's trade or business is principally managed and directed is the state of the United States or the District of Columbia to which the greatest number of employees are regularly connected or out of which they are working, irrespective of where the services of the employees are performed, as of the last day of the taxable year.

(d) "Compensation" means wages, salaries, commissions and any other form of remuneration paid to employees for personal services that are included in the employee's gross income under the federal Internal Revenue Code. In the case of employees not subject to the federal Internal Revenue Code e.g., those employed in foreign countries the determination of whether the payments would constitute gross income to the employees under the federal Internal

1 Revenue Code shall be made as though the employees were subject to the federal Internal  
2 Revenue Code.

3 (e) "Credit card" means credit, travel or entertainment card;

4 (f) "Credit card issuer's reimbursement fee" means the fee a taxpayer receives from a  
5 merchant's bank because one of the persons to whom the taxpayer has issued a credit card has  
6 charged merchandise or services to the credit card.

7 (g) "Employee" means, with respect to a particular taxpayer, any individual who, under  
8 the usual common-law rules applicable in determining the employer-employee relationship, has  
9 the status of an employee of that taxpayer.

10 (h) "Financial institution" means entities as defined in section 44-14-2(2).

11 (i) "Gross rents" means the actual sum of money or other consideration payable for the  
12 use or possession of property. "Gross rents" ~~shall include,~~ includes, but is not ~~be~~ limited to:

13 (1) any amount payable for the use or possession of real property or tangible property  
14 whether designated as a fixed sum of money or as a percentage of receipts, profits or otherwise;

15 (2) any amount payable as additional rent or in lieu of rent, such as interest, taxes,  
16 insurance, repairs or any other amount required to be paid by the terms of a lease or other  
17 arrangement; and

18 (3) a proportionate part of the cost of any improvement to real property made by or on  
19 behalf of the taxpayer which reverts to the owner or lessor upon termination of a lease or other  
20 arrangement. The amount to be included in gross rents is the amount of amortization or  
21 depreciation allowed in computing the taxable income base for the taxable year. However, where  
22 a building is erected on leased land by or on behalf of the taxpayer, the value of the land is  
23 determined by multiplying the gross rent by eight and the value of the building is determined in  
24 the same manner as if owned by the taxpayer.

25 (4) The following are not included in the term "gross rents";

26 (A) ~~reasonable~~ Reasonable amounts payable as separate charges for water and electric  
27 service furnished by the lessor;

28 (B) ~~reasonable~~ Reasonable amounts payable as service charges for janitorial services  
29 furnished by the lessor;

30 (C) ~~reasonable~~ Reasonable amounts payable for storage, provided the amounts are  
31 payable for space not designated and not under the control of the taxpayer; and

32 (D) ~~that~~ That portion of any rental payment which is applicable to the space subleased  
33 from the taxpayer and not used by it.

34 (j) "Loan" means any extension of credit resulting from direct negotiating between the

1 taxpayer and its customer, and/or the purchase, in whole or in part, of the extension of credit from  
2 another. Loans include participations, syndications, and leases treated as loans for federal income  
3 tax purposes. Loans shall not include: properties treated as loans under [former](#) section 595 of the  
4 federal Internal Revenue Code, 26 U.S.C. section 595 [\[repealed in 1996\]](#); futures or forward  
5 contracts; options; national principal contracts such as swaps; credit card receivables, including  
6 purchased credit card relationships; non-interest bearing balances due from depository  
7 institutions; cash items in the process of collection; federal funds sold; securities purchased under  
8 agreements to resell; assets held in a trading account; securities; interests in a REMIC, or other  
9 mortgage-backed or asset-backed security; and other similar items.

10 (k) "Loan secured by real property" means that fifty percent (50%) or more of the  
11 aggregate value of the collateral used to secure a loan or other obligation, when valued at fair  
12 market value as of the time the original loan or obligation was incurred, was real property.

13 (l) "Merchant discount" means the fee (or negotiated discount) charged to a merchant by  
14 the taxpayer for the privilege of participating in a program whereby a credit card is accepted in  
15 payment for merchandise or services sold to the cardholder.

16 (m) "Participation" means an extension of credit in which an undivided ownership  
17 interest is held on a pro rata basis in a single loan or pool of loans and related collateral. In a loan  
18 participation, the credit originator initially makes the loan and then subsequently resells all or a  
19 portion of it to other lenders. The participation may or may not be known to the borrower.

20 (n) "Person" means individual, estate, trust, partnership, corporation and any other  
21 business entity.

22 (o) "Principal base of operations" with respect to transportation property means the place  
23 of more or less permanent nature from which the property is regularly directed or controlled.  
24 With respect to an employee, the "principal base of operations" means the place of more or less  
25 permanent nature from which the employee regularly (1) states his or her work and to which he or  
26 she customarily returns in order to receive instruction from his or her employer or (2)  
27 communicates with his or her customers or other persons or (3) performs any other functions  
28 necessary to the exercise of his or her trade or profession at some other point or points.

29 (p) "Real property owned" and "tangible personal property owned" mean real and  
30 tangible personal property, respectively, (1) on which the taxpayer may claim depreciation for  
31 federal income tax purposes, or (2) property to which the taxpayer holds legal title and on which  
32 no other person may claim depreciation for federal income tax purposes (or could claim  
33 depreciation if subject to federal income tax). Real and tangible personal property do not include  
34 coin, currency, or property acquired in lieu of or pursuant to a foreclosure.

(q) "Regular place of business" means an office at which the taxpayer carries on its business in a regular and systematic manner and which is continuously maintained, occupied and used by employees of the taxpayer.

(r) "State" means a state of the United State, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States or any foreign country.

(s) "Syndication" means an extension of credit in which two or more persons fund and each person is at risk only up to a specified percentage of the total extension of credit or up to a specified dollar amount.

(t) "Taxable" means either:

(1) that a taxpayer is subject in another state to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, a corporate stock tax (including a bank shares tax), a single business tax, or an earned surplus tax, or any tax which is imposed upon or measured by net income; or

(2) that another state has jurisdiction to subject the taxpayer to any of the taxes regardless of whether, in fact, the state does or does not.

(u) "Transportation property" means vehicles and vessels capable of moving under their own power, such as aircraft, trains, water vessels and motor vehicles, as well as any equipment or containers attached to the property, such as rolling stock, barges, trailers or the like.

SECTION 48. Section 44-15-2 of the General Laws in Chapter 44-15 entitled "Tax on Bank Deposits Generally" is hereby repealed.

~~**44-15-2. Tax imposed -- Banking institutions.** (a) An annual tax is imposed on every banking institution at the rate of six and ninety five one hundredths cents (\$.0695) for those banking institutions with total deposits in excess of one hundred fifty million dollars (\$150,000,000) and at the rate of six and one quarter cents (\$.0625) for those banking institutions with total deposits of one hundred fifty million dollars (\$150,000,000) or less on each one hundred dollars (\$100) of the daily average of the deposits with the banking institution during the calendar year; provided, that there shall be excluded from taxation under the provisions of this chapter the percentage of the deposits as shall equal that percentage of the daily average of the total assets of the banking institution during the calendar year as are invested in the book value of obligations of the United States, its territories and possessions and of any authority, commission, or instrumentality of the United States exempt from state taxation under the laws of the United States.~~

~~(b) For the period January 1, 1997 through December 31, 1997 the six and ninety five~~

1 ~~one hundredths cents rate (\$.0695) shall be reduced to three and forty eight one hundredths cents~~  
2  ~~(\$.0348) and the six and one quarter cents rate (\$.0625) shall be reduced to three and thirteen one~~  
3  ~~hundredths cents (\$.0313). For the period beginning January 1, 1998 and thereafter the tax rate~~  
4  ~~shall be zero for all deposits.~~

5 SECTION 49. Sections 44-18-18, 44-18-19, 44-18-20, 44-18-30 and 44-18-30C of the  
6 General Laws in Chapter 44-18 entitled "Sales and Use Taxes - Liability and Computation" are  
7 hereby amended to read as follows:

8 **44-18-18. Sales tax imposed. --** A tax is imposed upon sales at retail in this state  
9 including charges for rentals of living quarters in hotels, rooming houses, or tourist camps, at the  
10 rate of ~~six~~ seven percent ~~(6%)~~ (7%) of the gross receipts of the retailer from the sales or rental  
11 charges; provided, that the tax imposed on charges for the rentals applies only to the first period  
12 of not exceeding thirty (30) consecutive calendar days of each rental ~~provided, further, that for~~  
13 ~~the period commencing July 1, 1990, the tax rate is seven percent (7%).~~ The tax ~~is~~ shall be paid to  
14 the tax administrator by the retailer at the time and in the manner provided. Excluded from this  
15 tax are those living quarters in hotels, rooming houses, or tourist camps for which the occupant  
16 has a written lease for the living quarters which lease covers a rental period of twelve (12) months  
17 or more.

18 **44-18-19. Collection of sales tax by retailer. --** The retailer shall add the tax imposed by  
19 this chapter to the sale price or charge, and when added the tax constitutes a part of the price or  
20 charge, is a debt from the consumer or user to the retailer, and is recoverable at law in the same  
21 manner as other debts; provided, that the amount of tax that ~~he~~ retailer collects from the  
22 consumer or user is as follows:

<del>Amount of Sale</del>	<del>Amount of Tax</del>
<del>\$0.01 to \$ .08 inclusive</del>	<del>No Tax</del>
<del>.09 to .24 inclusive</del>	<del>.01</del>
<del>.25 to .41 inclusive</del>	<del>.02</del>
<del>.42 to .58 inclusive</del>	<del>.03</del>
<del>.59 to .74 inclusive</del>	<del>.04</del>
<del>.75 to .91 inclusive</del>	<del>.05</del>
<del>.92 to 1.08 inclusive</del>	<del>.06</del>

31 ~~and where the amount of the sale is more than one dollar and eight cents (\$1.08) the~~  
32 ~~amount of the tax is computed at the rate of six percent (6%); provided, further, that the amount~~  
33 ~~of tax that the retailer collects from the consumer or user for the period commencing July 1, 1990~~  
34 ~~is as follows:~~



1	Amount of Sale	Amount of Tax
2	\$ 0.01 to \$ .07 inclusive	No Tax
3	.08 to .21 inclusive	.01
4	.22 to .35 inclusive	.02
5	.36 to .49 inclusive	.03
6	.50 to .64 inclusive	.04
7	.65 to .78 inclusive	.05
8	.79 to .92 inclusive	.06
9	.93 to 1.07 inclusive	.07

10 ~~and where~~ If the amount of the sale is more than one dollar and seven cents (\$1.07) the  
11 amount of the tax is computed at the rate of seven percent (7%).

12 **44-18-20. Use tax imposed.** -- (a) An excise tax is imposed on the storage, use, or other  
13 consumption in this state of tangible personal property, including a motor vehicle, a boat, an  
14 airplane, or a trailer, purchased from any retailer at the rate of ~~six~~ seven percent ~~(6%)~~ (7%) of the  
15 sale price of the property.

16 (b) An excise tax is imposed on the storage, use, or other consumption in this state of a  
17 motor vehicle, a boat, an airplane, or a trailer purchased from other than a licensed motor vehicle  
18 dealer or other than a retailer of boats, airplanes, or trailers respectively, at the rate of ~~six~~ seven  
19 percent ~~(6%)~~ (7%) of the sale price of the motor vehicle, boat, airplane, or trailer.

20 (c) The word "trailer" as used in this section and in section 44-18-21 means and includes  
21 those defined in subsections (a) -- (e) of section 31-1-5 and also includes boat trailers, camping  
22 trailers, house trailers, and mobile homes.

23 (d) Notwithstanding the provisions contained in this section and in section 44-18-21  
24 relating to the imposition of a use tax and liability for this tax on certain casual sales, no tax is  
25 payable in any casual sale:

26 (1) When the transferee or purchaser is the spouse, mother, father, brother, sister, or  
27 child of the transferor or seller;

28 (2) When the transfer or sale is made in connection with the organization, reorganization,  
29 dissolution, or partial liquidation of a business entity; provided, that (i) the last taxable sale,  
30 transfer, or use of the article being transferred or sold was subjected to a tax imposed by this  
31 chapter, and (ii) the transferee is the business entity referred to or is a stockholder, owner,  
32 member, or partner, and (iii) any gain or loss to the transferor is not recognized for income tax  
33 purposes under the provisions of the federal income tax law and treasury regulations and rulings  
34 issued thereunder;

1           (3) When the sale or transfer is of a trailer, other than a camping trailer, of the type  
2   ordinarily used for residential purposes and commonly known as a house trailer or as a mobile  
3   home; or

4           (4) When the transferee or purchaser is exempt under the provisions of section 44-18-30  
5   or other general law of this state or special act of the general assembly of this state.

6           (e) The term "casual" means a sale made by a person other than a retailer; provided, that  
7   in the case of a sale of a motor vehicle, the term means a sale made by a person other than a  
8   licensed motor vehicle dealer or an auctioneer at an auction sale. In no case is the tax imposed  
9   under the provisions of subsections (a) and (b) on the storage, use, or other consumption in this  
10   state of a used motor vehicle less than the product obtained by multiplying the amount of the  
11   retail dollar value at the time of purchase of the motor vehicle by the applicable tax rate;  
12   provided, that where the amount of the sale price exceeds the amount of the retail dollar value,  
13   the tax is based on the sale price. The tax administrator shall use as his or her guide the retail  
14   dollar value as shown in the current issue of any nationally recognized used vehicle guide for  
15   appraisal purposes in this state. On request within thirty (30) days by the taxpayer after payment  
16   of the tax, if the tax administrator determines that the retail dollar value as stated in this  
17   subsection is inequitable or unreasonable, he or she shall, after affording the taxpayer reasonable  
18   opportunity to be heard, redetermine the tax.

19          (f) Every person making more than five (5) retail sales of tangible personal property  
20   during any twelve (12) month period, including sales made in the capacity of assignee for the  
21   benefit of creditors or receiver or trustee in bankruptcy, is considered a retailer within the  
22   provisions of this chapter.

23          (g) "Casual sale" includes a sale of tangible personal property not held or used by a seller  
24   in the course of activities for which the seller is required to hold a seller's permit or permits or  
25   would be required to hold a seller's permit or permits if the activities were conducted in this state;  
26   provided, that the sale is not one of a series of sales sufficient in number, scope, and character  
27   (more than five (5) in any twelve (12) month period) to constitute an activity for which the seller  
28   is required to hold a seller's permit or would be required to hold a seller's permit if the activity  
29   were conducted in this state.

30          Casual sales also include sales made at bazaars, fairs, picnics, or similar events by  
31   nonprofit organizations which are organized for charitable, educational, civic, religious, social,  
32   recreational, fraternal, or literary purposes during two (2) events not to exceed a total of six (6)  
33   days duration each calendar year. Each event requires the issuance of a permit by the division of  
34   taxation. Where sales are made at events by a vendor which holds a sales tax permit and is not a

1 nonprofit organization, the sales are in the regular course of business and are not exempt as casual  
2 sales.

3 ~~(h) Provided, that the use tax imposed under this section for the period commencing July~~  
4 ~~1, 1990 is at the rate of seven percent (7%).~~

5 **44-18-30. Gross receipts exempt from sales and use taxes.** – There are exempted from  
6 the taxes imposed by this chapter the following gross receipts:

7 (1) Sales and uses beyond constitutional power of state. - From the sale and from the  
8 storage, use, or other consumption in this state of tangible personal property the gross receipts  
9 from the sale of which, or the storage, use, or other consumption of which, this state is prohibited  
10 from taxing under the Constitution of the United States or under the constitution of this state.

11 (2) Newspapers. - (i) From the sale and from the storage, use, or other consumption in  
12 this state of any newspaper.

13 (ii) "Newspaper" means an unbound publication printed on newsprint which contains  
14 news, editorial comment, opinions, features, advertising matter, and other matters of public  
15 interest.

16 (iii) "Newspaper" does not include a magazine, handbill, circular, flyer, sales catalog, or  
17 similar item unless the item is printed for and distributed as a part of a newspaper.

18 (3) School meals. - From the sale and from the storage, use, or other consumption in this  
19 state of meals served by public, private, or parochial schools, school districts, colleges,  
20 universities, student organizations, and parent teacher associations to the students or teachers of a  
21 school, college, or university whether the meals are served by the educational institutions or by a  
22 food service or management entity under contract to the educational institutions.

23 (4) Containers. - (i) From the sale and from the storage, use, or other consumption in this  
24 state of:

25 (A) Nonreturnable containers, including boxes, paper bags, and wrapping materials  
26 which are biodegradable and all bags and wrapping materials utilized in the medical and healing  
27 arts, when sold without the contents to persons who place the contents in the container and sell  
28 the contents with the container.

29 (B) Containers when sold with the contents if the sale price of the contents is not  
30 required to be included in the measure of the taxes imposed by this chapter.

31 (C) Returnable containers when sold with the contents in connection with a retail sale of  
32 the contents or when resold for refilling.

33 (ii) As used in this subdivision, the term "returnable containers" means containers of a  
34 kind customarily returned by the buyer of the contents for reuse. All other containers are

1 "nonreturnable containers."

2 (5) Charitable, educational, and religious organizations. - (i) From the sale to as in  
3 defined in this section, and from the storage, use, and other consumption in this state or any other  
4 state of the United States of America of tangible personal property by hospitals not operated for a  
5 profit, "educational institutions" as defined in subdivision (18) not operated for a profit, churches,  
6 orphanages, and other institutions or organizations operated exclusively for religious or charitable  
7 purposes, interest free loan associations not operated for profit, nonprofit organized sporting  
8 leagues and associations and bands for boys and girls under the age of nineteen (19) years, the  
9 following vocational student organizations that are state chapters of national vocational students  
10 organizations: distributive education clubs of America, (DECA); future business leaders of  
11 America/phi beta lambda (FBLA/PBL); future farmers of America (FFA); future homemakers of  
12 America/home economics related occupations (FHA/HERD); and vocational industrial clubs of  
13 America (VICA), organized nonprofit golden age and senior citizens clubs for men and women,  
14 and parent teacher associations.

15 (ii) In the case of contracts entered into with the federal government, its agencies or  
16 instrumentalities, this state or any other state of the United States of America, its agencies, any  
17 city, town, district, or other political subdivision of the states, hospitals not operated for profit,  
18 educational institutions not operated for profit, churches, orphanages, and other institutions or  
19 organizations operated exclusively for religious or charitable purposes, the contractor may  
20 purchase such materials and supplies (materials and/or supplies are defined as those which are  
21 essential to the project) that are to be utilized in the construction of the projects being performed  
22 under the contracts without payment of the tax.

23 (iii) The contractor shall not charge any sales or use tax to any exempt agency,  
24 institution, or organization but shall in that instance provide his or her suppliers with certificates  
25 in the form as determined by the division of taxation showing the reason for exemption; and the  
26 contractor's records must substantiate the claim for exemption by showing the disposition of all  
27 property so purchased. If any property is then used for a nonexempt purpose, the contractor must  
28 pay the tax on the property used.

29 (6) Gasoline. - From the sale and from the storage, use, or other consumption in this state  
30 of: (i) gasoline and other products taxed under chapter 36 of title 31, and (ii) fuels used for the  
31 propulsion of airplanes.

32 (7) Purchase for manufacturing purposes. - (i) From the sale and from the storage, use, or  
33 other consumption in this state of computer software, tangible personal property, electricity,  
34 natural gas, artificial gas, steam, refrigeration, and water, when the property or service is

1 purchased for the purpose of being manufactured into a finished product for resale, and becomes  
2 an ingredient, component, or integral part of the manufactured, compounded, processed,  
3 assembled, or prepared product, or if the property or service is consumed in the process of  
4 manufacturing for resale computer software, tangible personal property, electricity, natural gas,  
5 artificial gas, steam, refrigeration, or water.

6 (ii) "Consumed" means destroyed, used up, or worn out to the degree or extent that the  
7 property cannot be repaired, reconditioned, or rendered fit for further manufacturing use.

8 (iii) "Consumed" includes mere obsolescence.

9 (iv) "Manufacturing" means and includes manufacturing, compounding, processing,  
10 assembling, preparing, or producing.

11 (v) "Process of manufacturing" means and includes all production operations performed  
12 in the producing or processing room, shop, or plant, insofar as the operations are a part of and  
13 connected with the manufacturing for resale of tangible personal property, electricity, natural gas,  
14 artificial gas, steam, refrigeration, or water and all production operations performed insofar as the  
15 operations are a part of and connected with the manufacturing for resale of computer software.

16 (vi) "Process of manufacturing" does not mean or include administration operations such  
17 as general office operations, accounting, collection, sales promotion, nor does it mean or include  
18 distribution operations which occur subsequent to production operations, such as handling,  
19 storing, selling, and transporting the manufactured products, even though the administration and  
20 distribution operations are performed by or in connection with a manufacturing business.

21 (8) State and political subdivisions. - From the sale to, and from the storage, use, or other  
22 consumption by, this state, any city, town, district, or other political subdivision of this state.  
23 Every redevelopment agency created pursuant to chapter 31 of title 45 is deemed to be a  
24 subdivision of the municipality wherein it is located.

25 (9) Food products. - (i) From the sale and the storage, use, or other consumption in this  
26 state, ~~subsequent to March 31, 1948,~~ of food products for human consumption.

27 (ii) "Food products" includes, except as otherwise provided in this subdivision, cereals  
28 and cereal products; milk and milk products, other than candy and confectionery, but including  
29 ice cream; oleomargarine; meat and meat products; fish and fish products; eggs and egg products;  
30 vegetables and vegetable products; fruit and fruit products, including pure fruit juices; spices,  
31 condiments, and salt; sugar and sugar products other than candy and confectionery; coffee and  
32 coffee substitutes; tea, cocoa, and cocoa products, other than candy and confectionery; and  
33 noncarbonated and noneffervescent bottled waters sold for human consumption.

34 (iii) "Food products" does not include spirituous, malt, or vinous liquors; soft drinks,

1 sodas, or beverages that are ordinarily dispensed at bars or soda fountains or in connection  
2 therewith; medicines, tonics, vitamins, and preparations in liquid, powdered, granular, tablet,  
3 capsule, lozenge, or pill form, sold as dietary supplements or adjuncts, except when sold on the  
4 prescription of a physician; or mineral and carbonated bottled waters and ice.

5 (iv) "Food products" also does not include meals served on or off the premises of the  
6 retailer; or drinks or food furnished, prepared, or served for consumption at tables, chairs, or  
7 counters, or from trays, glasses, dishes, or other tableware provided by the retailer.

8 (v) The sale of meals and other food products ordinarily sold for immediate consumption  
9 on or off the premises of the retailer is a taxable sale even though the products are sold on a "take  
10 out" or "to go" order, and are actually packaged or wrapped and taken from the premises.

11 (10) Medicines and drugs. - From the sale and from the storage, use, or other  
12 consumption in this state, ~~subsequent to March 31, 1948,~~ of "medicines" and "drugs" as defined  
13 in section ~~5-19-1 [repealed]~~ 5-19.1-2, sold on prescriptions and proprietary medicines, popularly  
14 called patent medicines, including, but not limited to, disposable or reusable devices, such as  
15 syringe infusers, ambulatory drug delivery pumps and supplies used with these items which are  
16 sold on prescription to individuals to be used by them to dispense or administer prescription  
17 drugs, and related ancillary dressings and supplies used to dispense or administer prescription  
18 drugs.

19 (11) Prosthetic and orthopedic appliances. - From the sale and from the storage, use, or  
20 other consumption in this state, ~~subsequent to March 31, 1948,~~ of crutches, artificial limbs,  
21 dentures, spectacles and eyeglasses, artificial eyes, artificial hearing devices, and other prostheses  
22 or orthopedic appliances, designed and purchased to be worn on the person of the owner or user.

23 (12) Coffins, caskets, and burial garments. - From the sale and from the storage, use, or  
24 other consumption in this state of coffins or caskets, and shrouds or other burial garments which  
25 are ordinarily sold by a funeral director as part of the business of funeral directing.

26 (13) Motor vehicles sold to nonresidents. - (i) From the sale, ~~subsequent to June 30,~~  
27 ~~1958,~~ of a motor vehicle to a bona fide nonresident of this state who does not register the motor  
28 vehicle in this state, whether the sale or delivery of the motor vehicle is made in this state or at  
29 the place of residence of the nonresident; provided, that a motor vehicle sold to a bona fide  
30 nonresident whose state of residence does not allow a like exemption to its nonresidents is not  
31 exempt from the tax imposed under section 44-18-20; provided, further, that in that event the  
32 bona fide nonresident pays a tax to Rhode Island on the sale at a rate equal to the rate that would  
33 be imposed in his or her state of residence not to exceed the rate that would have been imposed  
34 under section 44-18-20. Notwithstanding any other provisions of law, a licensed motor vehicle

1 dealer shall add and collect the tax required under this subdivision and remit the tax to the tax  
2 administrator under the provisions of chapters 18 and 19 of this title. Provided, further, that when  
3 a Rhode Island licensed motor vehicle dealer is required to add and collect the sales and use tax  
4 on the sale of a motor vehicle to a bona fide nonresident as provided in this section, the dealer in  
5 computing the tax takes into consideration the law of the state of the nonresident as it relates to  
6 the trade-in of motor vehicles.

7 (ii) The tax administrator, in addition to the provisions of sections 44-19-27 and 44-19-  
8 28, may require any licensed motor vehicle dealer to keep records of sales to bona fide  
9 nonresidents as the tax administrator deems reasonably necessary to substantiate the exemption  
10 provided in this subdivision, including the affidavit of a licensed motor vehicle dealer that the  
11 purchaser of the motor vehicle was the holder of, and had in his or her possession a valid out of  
12 state motor vehicle registration or a valid out of state driver's license.

13 (iii) Any nonresident who registers a motor vehicle in this state within ninety (90) days  
14 of the date of its sale to him or her is deemed to have purchased the motor vehicle for use,  
15 storage, or other consumption in this state, and is subject to, and liable for the use tax imposed  
16 under the provisions of section 44-18-20.

17 (14) Sales in public buildings by blind people. - From the sale and from the storage, use,  
18 or other consumption in all public buildings in this state of all products or wares by any person  
19 licensed under section 40-9-11.1.

20 (15) Air and water pollution control facilities. - From the sale, storage, use, or other  
21 consumption in this state of tangible personal property or supplies acquired for incorporation into  
22 or used and consumed in the operation of a facility, the primary purpose of which is to aid in the  
23 control of the pollution or contamination of the waters or air of the state, as defined in chapter 12  
24 of title 46 and chapter 25 of title 23, respectively, and which has been certified as approved for  
25 that purpose by the director of environmental management. The director of environmental  
26 management may certify to a portion of the tangible personal property or supplies acquired for  
27 incorporation into those facilities or used and consumed in the operation of those facilities to the  
28 extent that that portion has as its primary purpose the control of the pollution or contamination of  
29 the waters or air of this state. As used in this subdivision, "facility" means any land, facility,  
30 device, building, machinery, or equipment.

31 (16) Camps. - From the rental charged for living quarters, or sleeping or housekeeping  
32 accommodations at camps or retreat houses operated by religious, charitable, educational, or  
33 other organizations and associations mentioned in subdivision (5), or by privately owned and  
34 operated summer camps for children.

1           (17) Certain institutions. - From the rental charged for living or sleeping quarters in an  
2 institution licensed by the state for the hospitalization, custodial, or nursing care of human beings.

3           (18) Educational institutions. - From the rental charged by any educational institution for  
4 living quarters, or sleeping or housekeeping accommodations or other rooms or accommodations  
5 to any student or teacher necessitated by attendance at an educational institution. "Educational  
6 institution" as used in this section means an institution of learning not operated for profit which is  
7 empowered to confer diplomas, educational, literary, or academic degrees, which has a regular  
8 faculty, curriculum, and organized body of pupils or students in attendance throughout the usual  
9 school year, which keeps and furnishes to students and others records required and accepted for  
10 entrance to schools of secondary, collegiate, or graduate rank, no part of the net earnings of which  
11 inures to the benefit of any individual.

12           (19) Motor vehicle and adaptive equipment for persons with disabilities. - (i) From the  
13 sale of: (A) special adaptations, (B) the component parts of the special adaptations, or (C) a  
14 specially adapted motor vehicle; provided, that the owner furnishes to the tax administrator an  
15 affidavit of a licensed physician to the effect that the specially adapted motor vehicle is necessary  
16 to transport a family member with a disability or where the vehicle has been specially adapted to  
17 meet the specific needs of the person with a disability. This exemption applies to not more than  
18 one motor vehicle owned and registered for personal, noncommercial use.

19           (ii) For the purpose of this subsection the term "special adaptations" includes, but is not  
20 limited to: wheelchair lifts; wheelchair carriers; wheelchair ramps; wheelchair securements; hand  
21 controls; steering devices; extensions, relocations, and crossovers of operator controls; power  
22 assisted controls; raised tops or dropped floors; raised entry doors; or alternative signaling  
23 devices to auditory signals.

24           (iii) For the purpose of this subdivision the exemption for a "specially adapted motor  
25 vehicle" means a use tax credit not to exceed the amount of use tax that would otherwise be due  
26 on the motor vehicle, exclusive of any adaptations. The use tax credit is equal to the cost of the  
27 special adaptations, including installation.

28           (20) Heating fuels. - From the sale and from the storage, use, or other consumption in  
29 this state of every type of fuel used in the heating of homes and residential premises.

30           (21) Electricity and gas. - From the sale and from the storage, use, or other consumption  
31 in this state of electricity and gas furnished for domestic use by occupants of residential premises.

32           (22) Manufacturing machinery and equipment. - (i) From the sale and from the storage,  
33 use, or other consumption in this state of tools, dies, and molds, and machinery and equipment  
34 (including replacement parts), and related items to the extent used in an industrial plant in



1 connection with the actual manufacture, conversion, or processing of tangible personal property,  
2 or to the extent used in connection with the actual manufacture, conversion or processing of  
3 computer software as that term is utilized in industry numbers 7371, 7372, and 7373 in the  
4 standard industrial classification manual prepared by the technical committee on industrial  
5 classification, office of statistical standards, executive office of the president, United States  
6 bureau of the budget, as revised from time to time, to be sold, or that machinery and equipment  
7 used in the furnishing of power to an industrial manufacturing plant. For the purposes of this  
8 subdivision, the term "industrial plant" means a factory at a fixed location primarily engaged in  
9 the manufacture, conversion, or processing of tangible personal property to be sold in the regular  
10 course of business;

11 (ii) Machinery and equipment and related items are not deemed to be used in connection  
12 with the actual manufacture, conversion, or processing of tangible personal property, or in  
13 connection with the actual manufacture, conversion or processing of computer software as that  
14 term is utilized in industry numbers 7371, 7372, and 7373 in the standard industrial classification  
15 manual prepared by the technical committee on industrial classification, office of statistical  
16 standards, executive office of the president, United States bureau of the budget, as revised from  
17 time to time, to be sold to the extent the property is used in administration or distribution  
18 operations;

19 (iii) Machinery and equipment and related items used in connection with the actual  
20 manufacture, conversion, or processing of any computer software or any tangible personal  
21 property which is not to be sold and which would be exempt under subdivision (7) or this  
22 subdivision if purchased from a vendor or machinery and equipment and related items used  
23 during any manufacturing, converting or processing function is exempt under this subdivision  
24 even if that operation, function, or purpose is not an integral or essential part of a continuous  
25 production flow or manufacturing process;

26 (iv) Where a portion of a group of portable or mobile machinery is used in connection  
27 with the actual manufacture, conversion, or processing of computer software or tangible personal  
28 property to be sold, as previously defined, that portion, if otherwise qualifying, is exempt under  
29 this subdivision even though the machinery in that group is used interchangeably and not  
30 otherwise identifiable as to use.

31 (23) Trade in value of motor vehicles. - From the sale and from the storage, use, or other  
32 consumption in this state of so much of the purchase price paid for a new or used automobile as is  
33 allocated for a trade in allowance on the automobile of the buyer given in trade to the seller or of  
34 the proceeds applicable only to the motor vehicle as are received from an insurance claim as a

1 result of a stolen or damaged motor vehicle, or of the proceeds applicable only to the automobile  
2 as are received from the manufacturer of automobiles for the repurchase of the automobile  
3 whether the repurchase was voluntary or not towards the purchase of a new or used automobile  
4 by the buyer; provided, that the proceeds from an insurance claim or repurchase is in lieu of the  
5 benefit prescribed in section 44-18-21 for the total loss or destruction of the automobile; and  
6 provided, further, that the tax has not been reimbursed as part of the insurance claim or  
7 repurchase. For the purpose of this subdivision, the word "automobile" means a private passenger  
8 automobile not used for hire and does not refer to any other type of motor vehicle.

9 (24) Precious metal bullion. - (i) From the sale and from the storage, use, or other  
10 consumption in this state of precious metal bullion, substantially equivalent to a transaction in  
11 securities or commodities.

12 (ii) For purposes of this subdivision, "precious metal bullion" means any elementary  
13 precious metal which has been put through a process of smelting or refining, including, but not  
14 limited to, gold, silver, platinum, rhodium, and chromium, and which is in a state or condition  
15 that its value depends upon its content and not upon its form.

16 (iii) The term does not include fabricated precious metal which has been processed or  
17 manufactured for some one or more specific and customary industrial, professional, or artistic  
18 uses.

19 (25) [Deleted by P.L. 2000, ch. 109, section 48.]

20 (26) Commercial vessels. - From sales made to a commercial ship, barge, or other vessel  
21 of fifty (50) tons burden or over, primarily engaged in interstate or foreign commerce, and from  
22 the repair, alteration, or conversion of the vessels, and from the sale of property purchased for the  
23 use of the vessels including provisions, supplies, and material for the maintenance and/or repair  
24 of the vessels.

25 (27) Commercial fishing vessels. - From the sale and from the storage, use, or other  
26 consumption in this state of vessels and other water craft which are in excess of five (5) net tons  
27 and which are used exclusively for "commercial fishing", as defined in this subdivision, and from  
28 the repair, alteration, or conversion of those vessels and other watercraft, and from the sale of  
29 property purchased for the use of those vessels and other watercraft including provisions,  
30 supplies, and material for the maintenance and/or repair of the vessels and other watercraft and  
31 the boats' nets, cables, tackle, and other fishing equipment appurtenant to or used in connection  
32 with the commercial fishing of the vessels and other watercraft. "Commercial fishing" means the  
33 taking or the attempting to take any fish, shellfish, crustacea, or bait species with the intent of  
34 disposing of them for profit or by sale, barter, trade, or in commercial channels. The term does

1 not include subsistence fishing, i.e., the taking for personal use and not for sale or barter; or sport  
2 fishing; but shall include vessels and other watercraft with a Rhode Island party and charter boat  
3 license issued by the department of environmental management pursuant to section 20-2-27.1  
4 which meet the following criteria: (i) the operator must have a current U.S.C.G. license to carry  
5 passengers for hire; (ii) U.S.C.G. vessel documentation in the coast wide fishery trade; (iii)  
6 U.S.C.G. vessel documentation as to proof of Rhode Island home port status or a Rhode Island  
7 boat registration to prove Rhode Island home port status; (iv) the vessel must be used as a  
8 commercial passenger carrying fishing vessel to carry passengers for fishing. The vessel must be  
9 able to demonstrate that at least fifty percent (50%) of its annual gross income derives from  
10 charters or provides documentation of a minimum of one hundred (100) charter trips annually; (v)  
11 the vessel must have a valid Rhode Island party and charter boat license. The tax administrator  
12 shall implement the provisions of this subdivision by promulgating rules and regulations relating  
13 thereto.

14 (28) Clothing and footwear. - From the sales of articles of clothing, including footwear,  
15 intended to be worn or carried on or about the human body. For the purposes of this section,  
16 "clothing or footwear" does not include special clothing or footwear primarily designed for  
17 athletic activity or protective use and which is not normally worn except when so used; and sales  
18 of wearing materials or any cloth made of natural or synthetic fibers and used for clothing  
19 purposes.

20 (29) Water for residential use. - From the sale and from the storage, use, or other  
21 consumption in this state of water furnished for domestic use by occupants of residential  
22 premises.

23 ~~-(30) Bibles. — [Unconstitutional; see Ahlburn v. Clark, 728 A.2d 449 (R.I. 1999); see~~  
24 ~~Notes to Decisions.]From the sale and from the storage, use, or other consumption in the state of~~  
25 ~~any canonized scriptures of any tax exempt non-profit religious organization including, but not~~  
26 ~~limited to, the Old Testament and the New Testament versions.~~

27 (31) Boats. - (i) From the sale of a boat or vessel to a bona fide nonresident of this state  
28 who does not register the boat or vessel in this state, or document the boat or vessel with the  
29 United States government at a home port within the state, whether the sale or delivery of the boat  
30 or vessel is made in this state or elsewhere; provided, that the nonresident transports the boat  
31 within thirty (30) days after delivery by the seller, outside the state for use thereafter solely  
32 outside the state.

33 (ii) The tax administrator, in addition to the provisions of sections 44-19-17 and 44-19-  
34 28, may require the seller of the boat or vessel to keep records of the sales to bona fide

1 nonresidents as the tax administrator deems reasonably necessary to substantiate the exemption  
2 provided in this subdivision, including the affidavit of the seller that the buyer represented  
3 himself or herself to be a bona fide nonresident of this state and of the buyer that he or she is a  
4 nonresident of this state.

5 (32) Youth activities equipment. - From the sale, storage, use, or other consumption in  
6 this state of items for not more than twenty dollars (\$20.00) each by nonprofit Rhode Island  
7 eleemosynary organizations, for the purposes of youth activities which the organization is formed  
8 to sponsor and support; and by accredited elementary and secondary schools for the purposes of  
9 the schools or of organized activities of the enrolled students.

10 (33) Farm equipment. - From the sale and from the storage or use of machinery and  
11 equipment used directly for commercial farming and agricultural production; including, but not  
12 limited to, tractors, ploughs, harrows, spreaders, seeders, milking machines, silage conveyors,  
13 balers, bulk milk storage tanks, trucks with farm plates, mowers, combines, irrigation equipment,  
14 greenhouses and greenhouse coverings, graders and packaging machines, tools and supplies and  
15 other farming equipment, including replacement parts, appurtenant to or used in connection with  
16 commercial farming and tools and supplies used in the repair and maintenance of farming  
17 equipment. "Commercial farming" means the keeping or boarding of five (5) or more horses or  
18 the production within this state of agricultural products, including, but not limited to, field or  
19 orchard crops, livestock, dairy, and poultry, or their products, where the keeping, boarding, or  
20 production provides at least two thousand five hundred dollars (\$2,500) in annual gross sales to  
21 the operator, whether an individual, a group, a partnership, or a corporation for exemptions issued  
22 prior to July 1, 2002; for exemptions issued or renewed after July 1, 2002, there shall be two (2)  
23 levels. Level I shall be based on proof of annual gross sales from commercial farming of at least  
24 twenty-five hundred dollars (\$2,500) and shall be valid for purchases subject to the exemption  
25 provided in this subdivision except for motor vehicles with an excise tax value of five thousand  
26 dollars (\$5,000) or less; Level II shall be based on proof of annual gross sales from commercial  
27 farming of at least ten thousand dollars (\$10,000) or greater and shall be valid for purchases  
28 subject to the exemption provided in this subdivision including motor vehicles with an excise tax  
29 value of five thousand dollars (\$5,000) or greater. For the initial issuance of the exemptions,  
30 proof of the requisite amount of annual gross sales from commercial farming shall be required for  
31 the prior year; for any renewal of an exemption granted in accordance with this subdivision at  
32 either Level I or Level II, proof of gross annual sales from commercial farming at the requisite  
33 amount shall be required for each of the prior two (2) years. Certificates of exemption issued or  
34 renewed after July 1, 2002 shall clearly indicate the level of the exemption and be valid for four

1 (4) years after the date of issue. This exemption applies even if the same equipment is used for  
2 ancillary uses, or is temporarily used for a non-farming or a non-agricultural purpose, but shall  
3 not apply to motor vehicles acquired after July 1, 2002, unless the vehicle is a farm vehicle as  
4 defined pursuant to section 31-1-8 and is eligible for registration displaying farm plates as  
5 provided for in section 31-3-31.

6 (34) Compressed air. - From the sale and from the storage, use, or other consumption in  
7 the state of compressed air.

8 (35) Flags. - From the sale and from the storage, consumption, or other use in this state  
9 of United States, Rhode Island or POW-MIA flags.

10 (36) Motor vehicle and adaptive equipment to certain veterans. - From the sale of a  
11 motor vehicle and adaptive equipment to and for the use of a veteran with a service connected  
12 loss of or the loss of use of a leg, foot, hand, or arm, or any veteran who is a double amputee,  
13 whether service connected or not. The motor vehicle must be purchased by and especially  
14 equipped for use by the qualifying veteran. Certificate of exemption or refunds of taxes paid is  
15 granted under rules or regulations that the tax administrator may prescribe.

16 (37) Textbooks. - From the sale and from the storage, use, or other consumption in this  
17 state of textbooks by an "educational institution" as defined in subdivision (18) and as well as any  
18 educational institution within the purview of section 16-63-9(4) and used textbooks by any  
19 purveyor.

20 (38) Tangible personal property and supplies used in on-site hazardous waste recycling,  
21 reuse, or treatment. - From the sale, storage, use, or other consumption in this state of tangible  
22 personal property or supplies used or consumed in the operation of equipment, the exclusive  
23 function of which is the recycling, reuse, or recovery of materials (other than precious metals, as  
24 defined in subdivision (24)(ii)) from the treatment of "hazardous wastes", as defined in section  
25 23-19.1-4, where the "hazardous wastes" are generated in Rhode Island solely by the same  
26 taxpayer and where the personal property is located at, in, or adjacent to a generating facility of  
27 the taxpayer in Rhode Island. The taxpayer shall procure an order from the director of the  
28 department of environmental management certifying that the equipment and/or supplies as used,  
29 or consumed, qualify for the exemption under this subdivision. If any information relating to  
30 secret processes or methods of manufacture, production, or treatment is disclosed to the  
31 department of environmental management only to procure an order, and is a "trade secret" as  
32 defined in section 28-21-10(b), it is not open to public inspection or publicly disclosed unless  
33 disclosure is required under chapter 21 of title 28 or chapter 24.4 of title 23.

34 (39) Promotional and product literature of boat manufacturers. - From the sale and from

1 the storage, use, or other consumption of promotional and product literature of boat  
2 manufacturers shipped to points outside of Rhode Island which either: (i) accompany the product  
3 which is sold, (ii) are shipped in bulk to out of state dealers for use in the sale of the product, or  
4 (iii) are mailed to customers at no charge.

5 (40) Food items paid for by food stamps. - From the sale and from the storage, use, or  
6 other consumption in this state of eligible food items payment for which is properly made to the  
7 retailer in the form of U.S. government food stamps issued in accordance with the Food Stamp  
8 Act of 1977, 7 U.S.C. section 2011 et seq., as amended.

9 (41) Transportation charges. - From the sale or hiring of motor carriers as defined in  
10 section 39-12-2(1) to haul goods, when the contract or hiring cost is charged by a motor freight  
11 tariff filed with the Rhode Island public utilities commission on the number of miles driven or by  
12 the number of hours spent on the job.

13 (42) Trade in value of boats. - From the sale and from the storage, use, or other  
14 consumption in this state of so much of the purchase price paid for a new or used boat as is  
15 allocated for a trade in allowance on the boat of the buyer given in trade to the seller or of the  
16 proceeds applicable only to the boat as are received from an insurance claim as a result of a stolen  
17 or damaged boat, towards the purchase of a new or used boat by the buyer.

18 (43) Equipment used for research and development. - From the sale and from the  
19 storage, use, or other consumption of equipment to the extent used for research and development  
20 purposes by a qualifying firm. For the purposes of this subdivision, "qualifying firm" means a  
21 business for which the use of research and development equipment is an integral part of its  
22 operation, and "equipment" means scientific equipment, computers, software, and related items.

23 (44) Coins. - From the sale and from the other consumption in this state of coins having  
24 numismatic or investment value.

25 (45) Farm structure construction materials. - Lumber, hardware and other materials used  
26 in the new construction of farm structures, including production facilities such as, but not limited  
27 to, farrowing sheds, free stall and stanchion barns, milking parlors, silos, poultry barns, laying  
28 houses, fruit and vegetable storages, rooting cellars, propagation rooms, greenhouses, packing  
29 rooms, machinery storage, seasonal farm worker housing, certified farm markets, bunker and  
30 trench silos, feed storage sheds, and any other structures used in connection with commercial  
31 farming.

32 (46) Telecommunications carrier access service. - Carrier access service or  
33 telecommunications service when purchased by a telecommunications company from another  
34 telecommunications company to facilitate the provision of telecommunications service.

1           (47) Boats or vessels brought into the state exclusively for winter storage, maintenance,  
2 repair or sale. - Notwithstanding the provisions of sections 44-18-10, 44-18-11, 44-18-20, the tax  
3 imposed by section 44-18-20 is not applicable for the period commencing on the first day of  
4 October in any year to and including the 30th day of April next succeeding with respect to the use  
5 of any boat or vessel within this state exclusively for purposes of: (i) delivery of the vessel to a  
6 facility in this state for storage, including dry storage and storage in water by means of apparatus  
7 preventing ice damage to the hull, maintenance, or repair; (ii) the actual process of storage,  
8 maintenance, or repair of the boat or vessel; or (iii) storage for the purpose of selling the boat or  
9 vessel.

10           (48) Jewelry display product. - From the sale and from the storage, use, or other  
11 consumption in this state of tangible personal property used to display any jewelry product;  
12 provided, that title to the jewelry display product is transferred by the jewelry manufacturer or  
13 seller and that the jewelry display product is shipped out of state for use solely outside the state  
14 and is not returned to the jewelry manufacturer or seller.

15           (49) Boats or vessels generally. - Notwithstanding the provisions of this chapter, the tax  
16 imposed by sections 44-18-20 and 44-18-18 shall not apply with respect to the sale and to the  
17 storage, use, or other consumption in this state of any new or used boat. Provided, that the  
18 exemption provided for in this subdivision does not apply after October 1, 1993 unless prior to  
19 October 1, 1993 the federal ten percent (10%) surcharge on luxury boats is repealed.

20           (50) Banks and Regulated investment companies interstate toll-free calls. -  
21 Notwithstanding the provisions of this chapter, the tax imposed by this chapter does not apply to  
22 the furnishing of interstate and international, toll-free terminating telecommunication service that  
23 is used directly and exclusively by or for the benefit of an eligible company as defined in this  
24 subdivision; provided, further, that an eligible company employs on average during the calendar  
25 year no less than five hundred (500) full-time equivalent employees as that term is defined in  
26 section 42-64.5-2. For purposes of this section, an "eligible company" means a "regulated  
27 investment company" as that term is defined in the Internal Revenue Code of 1986, 26 U.S.C.  
28 section 1 et seq., as amended, or a corporation to the extent the service is provided, directly or  
29 indirectly, to or on behalf of a regulated investment company, an employee benefit plan, a  
30 retirement plan or a pension plan or a state chartered bank.

31           (51) Mobile and manufactured homes generally. - From the sale and from the storage,  
32 use, or other consumption in this state of mobile and/or manufactured homes as defined and  
33 subject to taxation pursuant to the provisions of chapter 44 of title 31.

34           (52) [Deleted by P.L. 1997, ch. 168, section 6.]

1           (53) [Deleted by P.L. 1997, ch. 168, section 6.]

2           (54) Manufacturing business reconstruction materials. - (i) From the sale and from the  
3 storage, use or other consumption in this state of lumber, hardware, and other building materials  
4 used in the reconstruction of a manufacturing business facility which suffers a disaster, as defined  
5 in this subdivision, in this state. "Disaster" means any occurrence, natural or otherwise, which  
6 results in the destruction of sixty percent (60%) or more of an operating manufacturing business  
7 facility within this state. Provided, that "disaster" does not include any damage resulting from the  
8 willful act of the owner of the manufacturing business facility.

9           (ii) Manufacturing business facility includes, but is not limited to, the structures housing  
10 the production and administrative facilities.

11           (iii) In the event a manufacturer has more than one manufacturing site in this state, the  
12 sixty percent (60%) provision applies to the damages suffered at that one site.

13           (iv) To the extent that the cost of the reconstruction material are reimbursed by  
14 insurance, this exemption does not apply.

15           (55) Tangible personal property and supplies used in the processing or preparation of  
16 floral products and floral arrangements. - From the sale, storage, use, or other consumption in this  
17 state of tangible personal property or supplies purchased by florists, garden centers, or other like  
18 producers or vendors of flowers, plants, floral products, and natural and artificial floral  
19 arrangements which are ultimately sold with flowers, plants, floral products, and natural and  
20 artificial floral arrangements or are otherwise used in the decoration, fabrication, creation,  
21 processing, or preparation of flowers, plants, floral products, or natural and artificial floral  
22 arrangements, including descriptive labels, stickers, and cards affixed to the flower, plant, floral  
23 product or arrangement, artificial flowers, spray materials, floral paint and tint, plant shine, flower  
24 food, insecticide and fertilizers.

25           (56) Horse food products. - From the sale and from the storage, use, or other  
26 consumption in this state of horse food products purchased by a person engaged in the business of  
27 the boarding of horses.

28           (57) Nonmotorized recreational vehicles sold to nonresidents. - (i) From the sale,  
29 subsequent to June 30, 2003, of a nonmotorized recreational vehicle to a bona fide nonresident of  
30 this state who does not register the nonmotorized recreational vehicle in this state, whether the  
31 sale or delivery of the nonmotorized recreational vehicle is made in this state or at the place of  
32 residence of the nonresident; provided, that a nonmotorized recreational vehicle sold to a bona  
33 fide nonresident whose state of residence does not allow a like exemption to its nonresidents is  
34 not exempt from the tax imposed under section 44-18-20; provided, further, that in that event the



1 bona fide nonresident pays a tax to Rhode Island on the sale at a rate equal to the rate that would  
2 be imposed in his or her state of residence not to exceed the rate that would have been imposed  
3 under section 44-18-20. Notwithstanding any other provisions of law, a licensed nonmotorized  
4 recreational vehicle dealer shall add and collect the tax required under this subdivision and remit  
5 the tax to the tax administrator under the provisions of chapters 18 and 19 of this title. Provided,  
6 further, that when a Rhode Island licensed nonmotorized recreational vehicle dealer is required to  
7 add and collect the sales and use tax on the sale of a nonmotorized recreational vehicle to a bona  
8 fide nonresident as provided in this section, the dealer in computing the tax takes into  
9 consideration the law of the state of the nonresident as it relates to the trade-in of motor vehicles.

10 (ii) The tax administrator, in addition to the provisions of sections 44-19-27 and 44-19-  
11 28, may require any licensed nonmotorized recreational vehicle dealer to keep records of sales to  
12 bona fide nonresidents as the tax administrator deems reasonably necessary to substantiate the  
13 exemption provided in this subdivision, including the affidavit of a licensed nonmotorized  
14 recreational vehicle dealer that the purchaser of the nonmotorized recreational vehicle was the  
15 holder of, and had in his or her possession a valid out-of-state nonmotorized recreational vehicle  
16 registration or a valid out-of-state driver's license.

17 (iii) Any nonresident who registers a nonmotorized recreational vehicle in this state  
18 within ninety (90) days of the date of its sale to him or her is deemed to have purchased the  
19 nonmotorized recreational vehicle for use, storage, or other consumption in this state, and is  
20 subject to, and liable for the use tax imposed under the provisions of section 44-18-20.

21 (iv) "Nonmotorized recreational vehicle" means any portable dwelling designed and  
22 constructed to be used as a temporary dwelling for travel, camping, recreational, and vacation use  
23 which is eligible to be registered for highway use, including, but not limited to, "pick-up coaches"  
24 or "pick-up campers," "travel trailers," and "tent trailers" as those terms are defined in chapter 1  
25 of title 31.

26 (58) Sprinkler and fire alarm systems in existing buildings. - From the sale in this state of  
27 sprinkler and fire alarm systems, emergency lighting and alarm systems, and from the sale of the  
28 materials necessary and attendant to the installation thereof, that are required in buildings and  
29 occupancies therein existing in July 2003, in order to comply with any additional requirements  
30 for such buildings arising directly from the enactment of the Comprehensive Fire Safety Act of  
31 2003, and that are not required by any other provision of law or ordinance or regulation adopted  
32 pursuant thereto. The exemption herein provided shall expire on December 31, 2008.

33 **44-18-30C. Exemption from or stabilization of sales and use taxes for municipal**  
34 **economic development zones -- West Warwick. --** (a) Findings. - The ~~General Assembly~~

1 [general assembly](#) makes the following findings of fact:

2 (1) Various sections of several towns in the state, including, but not limited to, the town  
3 of West Warwick, are deteriorated, blighted areas which have created very difficult challenges to  
4 economic development;

5 (2) Several areas of the state are in a distressed financial condition as defined by section  
6 45-13-12(b) ~~(1) through (4)~~ and cannot finance economic development projects on its own without  
7 the participation of private enterprise;

8 (3) The general assembly has found that it is nearly impossible for private enterprise  
9 alone to meet these challenges;

10 (4) In certain sections of financially distressed communities, the serious challenges of  
11 economic development and/or redevelopment have not been met by private enterprise alone and  
12 the impact is being felt throughout the community;

13 (5) Legislation enacted to encourage redevelopment of the deteriorated, blighted areas  
14 through the formation of local redevelopment agencies has had very limited success;

15 (6) Various states, such as New Jersey, Pennsylvania and Michigan have had a great deal  
16 of success in generating economic development by exercising the authority to exempt and/or  
17 stabilize taxes;

18 (7) The state of Rhode Island has generated economic growth by redirecting and/or  
19 exempting certain commercial and retail activity from the imposition of sales, use and income  
20 taxes with recent examples being the Providence Place Mall, the Arts Districts in the cities of  
21 Providence, Pawtucket and Westerly, and financial services and aquaculture industries;

22 (8) Most recently, municipalities in our state have had great success in attracting large  
23 commercial development, including financial services, manufacturing, and major energy  
24 facilities, due in large part to the authority to exempt and/or stabilize property, tangible and/or  
25 inventory taxes;

26 (9) Attracting large non-residential developments or encouraging expansion of existing  
27 commercial entities can be extremely important to municipalities, where the quality of public  
28 education is largely dependent on the local tax base, thereby expanding the commercial tax base  
29 and reducing reliance upon the residential tax base;

30 (10) The ability to attract this development and increase the non-residential tax base, in  
31 turn, improves municipalities' ability to finance school systems, municipal services and  
32 infrastructure, thereby improving the quality of life;

33 (11) In addition to increasing the local non-residential tax base, this development creates  
34 construction jobs, permanent jobs, and spurs additional investment by private enterprises; and

1 (12) Providing authority to offer tax exemptions from, or to stabilize, the imposition of  
2 sales and use taxes will attract and assist in expanding, revitalizing and redeveloping the tax base  
3 in our municipalities, thereby providing long-term economic benefits and development.

4 (b) Exemption or stabilization of sales and use taxes imposed on sales from businesses  
5 located in a municipal economic development zone. - (1) In order to attract new construction and  
6 development in a municipal economic development zone (MED) as provided in this section, upon  
7 the designation of such a zone as set forth in subsection (c) of this section, all businesses  
8 engaging in qualifying sales and located in new construction in a MED zone (a MED zone  
9 business) shall be exempt from the requirement to charge and collect fifty percent (50%) of the  
10 current sales and use tax pursuant to sections 44-18-18 and 44-18-20 for a period of ten (10)  
11 years. Sales and use taxes collected in a MED zone shall be returned to the same MED zone in  
12 accordance with the provisions of this section. The ten (10) year exemption period for all MED  
13 zone businesses shall begin to run from the latest to occur of: ~~(1)~~ (i) the date that is three (3) years  
14 from ~~the effective date of the January session 2003 amendments~~ July 17, 2003; or ~~(2)~~ (ii) the date  
15 that is two (2) years from the date upon which the city or town council designates the MED zone  
16 for its municipality; or ~~(3)~~ (iii) the date the first MED zone business obtains a certification of  
17 exemption as set forth in subdivision (c)(6) of this section.

18 (2) For purposes of this ~~statute~~ section, "qualifying sales" for a MED zone business shall  
19 not include gambling activities, or the retail sales of motor vehicles, furniture, home furnishings  
20 including mattresses and oriental rugs, tobacco products, or packaged alcoholic beverages.

21 (3) ~~Furthermore,~~ "qualifying Qualifying sales" shall be sales at which the point of sale is  
22 located within the same MED zone and point of delivery is located within the same MED zone.

23 (c) Creation of the municipal economic development zone. - (1) The city or town council  
24 of a financially distressed community may designate in accordance with the provisions of this  
25 section one MED zone in the municipality, provided that the municipality is:

26 (i) ~~a~~ (A) financially distressed community as defined by section 45-13-12(b), using the  
27 criteria set forth in section 45-13-12(b)(1) through (4);

28 (ii) ~~has~~ Has a population less than fifty thousand (50,000) persons; and

29 (iii) ~~the~~ The MED zone shall be a parcel of or contiguous parcels of land consisting in  
30 total of not less than ten (10) acres, but not more than thirty (30) acres in the area served by  
31 adequate utilities and transportation facilities.

32 (2) The city or town council of any financially distressed city or town, as set forth in  
33 subdivision (1) of this subsection, in creating a MED zone, shall have the power and authority of  
34 a redevelopment agency, as provided in ~~sections 45-32-1—45-32-50~~ chapter 32 of title 45, to

1 undertake the redevelopment of a MED zone.

2 (3) The city or town council, in designating a MED zone, shall after public notice,  
3 hearing and vote as provided by section 45-32-4, comply with the plan requirements of section  
4 45-32-8 and shall be responsible for carrying on the plan. The city or town council in  
5 implementing the MED zone plan shall have the power of eminent domain as set forth in section  
6 45-32-24, and the provisions of sections 45-32-25 -- 45-32-41 shall apply to all such  
7 condemnations.

8 (4) All sales and use taxes collected within a MED zone shall be reimbursed to the  
9 municipality in which the MED zone is located or within one mile of the MED zone boundaries  
10 to mitigate MED zone impacts and may only be expended by the municipality to implement the  
11 capital improvement component of the MED zone plan.

12 (5) [West Warwick](#). The following area or portions of them of the town of West Warwick  
13 may be designated as the town's municipal economic development zone by the town council of  
14 the town of West Warwick after public notice, hearing and vote as provided in section 45-32-4:

15 The area bounded generally by the East Coast Bike Path in the east, Archambault and  
16 Gardner Avenue in the north, Payan Street to Curson Street, Curson Street to McNiff, McNiff to  
17 Barnes Street, Barnes Street to Nowicki Street to East Street, East Street to Blanchard Street,  
18 Blanchard Street to West Street in the west, West Street to Washington Street, Washington Street  
19 to Nolan Street, Nolan Street to the East Coast Bike Path in the south, all as more particularly  
20 described on the West Warwick municipal economic development zone map on file with the town  
21 clerk.

22 (6) The tax administrator shall issue a certification of exemption to the MED zone  
23 business at the time the business applies for its permit to make sales at retail and provides the tax  
24 administrator with a MED zone business certificate issued by the town clerk stating that the  
25 business is located in new construction in the MED zone. The duration of the certificate shall be  
26 determined in accordance with subdivision (b)(1) of this section.

27 (7) No business shall be permitted to become a MED zone business or to receive a  
28 certificate of exemption pursuant to subdivision (6) of this subsection by relocating from any area  
29 within the state of Rhode Island but outside the MED zone to new construction within the MED  
30 zone, unless the relocation results in the creation of new permanent employment positions that  
31 increase the total employment of the business by not less than fifty percent (50%) of its average  
32 total employment for the two (2) year period immediately preceding the year in which it applies  
33 for its certificate of exemption. Any business that expands its operations by adding a new location  
34 within the MED zone and then ceases to operate any of its locations within the state of Rhode

Island that existed prior to the establishment of the MED zone location shall immediately have its certificate of exemption for the MED zone location revoked.

SECTION 50. Section 44-20-12.2 of the General Laws in Chapter 44-20 entitled "Cigarette Tax" is hereby amended to read as follows:

**44-20-12.2. Prohibited acts -- Penalty. --** (a) No person or other legal entity shall sell or distribute in the state, acquire, hold, own, possess, or transport for sale or distribution in this state, or import or cause to be imported into the state for sale or distribution in this state nor shall tax stamps be affixed to any cigarette package:

(1) That bears any label or notice prescribed by the United States department of treasury to identify cigarettes exempt from tax by the United States pursuant to section 5704 of title 26 of the United States Code [26 U.S.C. section 5704(b)](concerning cigarettes intended for shipment to a foreign country, Puerto Rico, the Virgin Islands, or a possession of the United States), or for consumption beyond the jurisdiction of the internal revenue laws of the United States, including any notice or label described in section ~~290.185~~ [44.185](#) of title 27 of the Code of Federal Regulations; ~~[27 CFR 290.185]~~ [27 CFR section 44.185](#);

(2) That is not labeled in conformity with the provisions of the Federal Cigarette Labeling and Advertising Act [15 U.S.C. section 1331 et seq.] or any other federal requirement for the placement of labels, warnings and other information, applicable to cigarette packages intended for domestic consumption;

(3) The packaging of which has been modified or altered by a person other than the original manufacturer of the cigarettes, including by the placement of a sticker to cover information on the package. For purposes of this subsection, a cigarette package shall not be construed to have been modified or altered by a person other than the manufacturer if the most recent modification to, or alteration of, the package was by the manufacturer or by a person authorized by the manufacturer;

(4) Imported into the United States in violation of 26 U.S.C. section 5754 or any other federal law, or implementing federal regulations;

(5) That the person otherwise knows or has reason to know the manufacturer did not intend to be sold, distributed, or used in the United States; or

(6) That has not been submitted to the secretary of the U.S. department of health and human services the list or lists of the ingredients added to tobacco in the manufacture of those cigarettes required by the Federal Cigarette Labeling and Advertising Act, 15 U.S.C. section 1335a.

(b) The tax administrator is authorized to obtain and exchange information with the

1 United States customs service for the purpose of enforcing this section.

2 (c) Any person who affixes or distributes a tax stamp in violation of this section shall be  
3 fined not more than five hundred dollars (\$500) for the first offense, and for each subsequent  
4 offense shall be fined not more than one thousand dollars (\$1,000) or be imprisoned not more  
5 than one year, or be both fined and imprisoned.

6 (d) Any cigarettes found in violation of this section shall be declared to be contraband  
7 goods and may be seized by the tax administrator or his or her agents, or by any sheriff or his or  
8 her deputy or any police officer, without a warrant. The tax administrator shall promulgate rules  
9 and regulations for the destruction of contraband goods pursuant to this section.

10 (e) The prohibitions of this section do not apply to:

11 (1) Tobacco products that are allowed to be imported or brought into the United States  
12 free of tax and duty under subsection IV of chapter 98 of the harmonized tariff schedule of the  
13 United States [see 19 U.S.C. section 1202]; or

14 (2) Tobacco products in excess of the amounts described in subdivision (e)(1) of this  
15 section if the excess amounts are voluntarily abandoned to the tax administrator at the time of  
16 entry, but only if the tobacco products were imported or brought into the United States for  
17 personal use and not with intent to defraud the United States or any state.

18 (f) If any part or provision of this section or the application of any part to any person or  
19 circumstance is held invalid, the remainder of the section, including the application of that part or  
20 provision to other persons or circumstances, shall not be affected thereby and shall continue in  
21 full force and effect. To this end, the provisions of this section are severable.

22 SECTION 51. Sections 44-23-24 and 44-23-40 of the General Laws in Chapter 44-23  
23 entitled "Estate and Transfer Taxes - Enforcement and Collection" are hereby amended to read as  
24 follows:

25 **44-23-24. Refusal to furnish information or obey subpoena.** -- If any executor,  
26 administrator, heir-at-law, or trustee, probate clerk or other person neglects or refuses to file as  
27 required by the provisions of this chapter any statement or to furnish any other information  
28 required by this chapter to be furnished, or neglects or refuses to comply with any subpoena  
29 issued under the authority of section 44-23-5, the tax administrator may apply to the sixth  
30 division of the district court, upon proof by affidavit of the neglect or refusal, for an order  
31 returnable in not less than two (2) nor more than five (5) days, directing the person charged in the  
32 affidavit with the neglect or refusal to show cause before the judge who made the order, or any  
33 other judge of the court, why the person should not be adjudged in contempt. Upon the return of  
34 the order, the judge before whom the matter is brought on for hearing shall examine under oath

1 the person, and the person shall be given an opportunity to be heard, and if the judge determines  
2 that the person has without reasonable cause been guilty of the neglect or refusal complained of,  
3 the judge may immediately commit the offender to the adult correctional institutions, there to  
4 remain until the offender ~~submits to file~~ files the statement required or ~~to furnish~~ furnishes the  
5 information required, or ~~to obey~~ obeys the subpoena, as the case may be, or is discharged  
6 according to law, or the judge may make any other order in the premises that the circumstances of  
7 the case may seem to the judge to require, and may from time to time alter, amend or suspend any  
8 order entered by the judge under this section. Notwithstanding anything contained in this section  
9 or in section 44-23-5, whenever any executor, administrator, heir-at-law, trustee, or other person  
10 liable for any tax imposed under the provisions of chapter 22 of this title, refuses or neglects to  
11 furnish any information which in the opinion of the tax administrator is necessary for the proper  
12 computation of the taxes payable under that chapter, after having been requested so to do, the tax  
13 administrator may in his or her discretion assess and collect the taxes at the highest rate at which  
14 they could in any event be computed. A party aggrieved by an order of the court may appeal the  
15 order to the supreme court in accordance with the procedures contained in the rules of appellate  
16 procedure of the supreme court.

17 **44-23-40. Information furnished to foreign tax officials.** -- If the proof of payment of  
18 domiciliary tax is not filed with a probate court in this state as provided by section 44-23-39, the  
19 clerk of the probate court shall immediately notify by mail the official or body of the state of  
20 domicile charged with the administration of the death tax laws of that state with respect to the  
21 estate, and shall present in the notification, so far as is known to the clerk: (1) the name, date of  
22 death and last domicile of the decedent; (2) the name and address of the executor or  
23 administrator; (3) a summary of the values of the real estate, tangible personalty, and intangible  
24 personalty, wherever situated, belonging to the decedent at the time of his or her death; and (4)  
25 the fact that the executor or administrator has not previously filed the proof required by section  
26 44-23-39. The clerk shall also attach to the notification a copy of the will of the decedent, if the  
27 decedent died testate, or if the decedent died intestate, a list of his or her heirs and next of kin, so  
28 far as is known to the clerk. For each copy of the notice the probate clerk furnishing the  
29 information shall be paid out of any money appropriated for expenses of tax administration the  
30 fees provided in section 44-23-7.

31 SECTION 52. Section 44-23.1-2 of the General Laws in Chapter 44-23.1 entitled  
32 "Uniform Estate Tax Apportionment" is hereby amended to read as follows:

33 **44-23.1-2. Apportionment.** -- Unless the will provides otherwise, the tax is apportioned  
34 among all persons interested in the estate. The apportionment is made in the proportion that the

1 value of the interest of each person interested in the estate bears to the total value of the interests  
2 of all persons interested in the estate. The values used in determining the tax are used for that  
3 purpose.

4 SECTION 53. Section 44-23.1-12 of the General Laws in Chapter 44-23.1 entitled  
5 "Uniform Estate Tax Apportionment" is hereby repealed.

6 ~~44-23.1-12. Time of application of chapter. -- This chapter does not apply to taxes due~~  
7 ~~on account of the death of decedents dying prior to six (6) months after July 6, 1971.~~

8 SECTION 54. Section 44-25-5 of the General Laws in Chapter 44-25 entitled "Real  
9 Estate Conveyance Tax" is hereby repealed.

10 ~~44-25-5. [Obsolete.]--~~

11 SECTION 55. Section 44-26-2.1 of the General Laws in Chapter 44-26 entitled  
12 "Declaration of Estimated Tax by Corporations" is hereby amended to read as follows:

13 **44-26-2.1. Declaration -- Due date -- Payment -- Interest.** -- (a) Notwithstanding any  
14 general or specific statute to the contrary, every corporation having a taxable year ending  
15 December 31, 1990, or thereafter, shall file a declaration of its estimated tax for the taxable year  
16 ending December 31, 1990, or thereafter, if its estimated tax can reasonably be expected to  
17 exceed five hundred dollars (\$500). The declaration, sworn to by the officer of the corporation  
18 who is required to sign its return under any of the seven (7) chapters mentioned in section 44-26-  
19 1 shall contain the pertinent information and be in the form that the tax administrator may  
20 prescribe. The entire amount of the estimated tax shall constitute the amount of the advance  
21 required to be paid. (b) (1) Except as provided in subdivision (b)(2), the declaration of estimated  
22 tax required of corporations by subsection (a) shall be filed as follows:

23	If the requirements of	The declaration shall
24	subsection (a)	be filed on or before:
25	are first met:	
26	before the first day of	
27	the third month of the	
28	taxable year	the fifteenth day of the third month
29	of the taxable year;	
30	after the first day of	
31	the third month and	
32	before the first day of	
33	the sixth month of the	
34	taxable year	the fifteenth day of the sixth month



1 of the taxable year.

2 (2) The declaration of estimated tax required of corporations subject to section 27-3-38  
3 relating to surplus line brokers premium tax or under any special act or acts in lieu of the  
4 provisions of that section or in amendment of or in addition to that section shall be filed as  
5 follows:

6	If the requirements of	The declaration shall
7	subsection (a)	be filed on or before:
8	are first met:	
9	Before the first day of	
10	the fourth month of the	
11	taxable year	the thirtieth day of the fourth month
12		of the taxable year

13	After the first day of	
14	the fourth month and	
15	before the first day of	
16	the sixth month of the	
17	taxable year	the thirtieth day of the sixth month
18		of the taxable year

19	After the first day of	
20	the sixth month and	
21	before the first day of	
22	the tenth month of the	
23	taxable year	the thirtieth day of the tenth month
24	of the taxable year	

25	After the first day of	
26	the tenth month and	
27	before the first day of	
28	the twelfth month of	
29	the taxable year	the thirty-first day of the twelfth
30		month of the taxable year

31 (c) An amendment of a declaration may be filed in any interval between installment  
32 dates prescribed for the taxable year, but only one amendment may be filed in each interval.

33 (d) The tax administrator may grant a reasonable extension of time, not to exceed thirty  
34 (30) days, for filing a declaration.

1 (e) (1) The amount of the advance based on the estimated tax declared under subdivision  
2 (a) by corporations described in subdivision (b)(1) of this section shall be paid as follows:

3 (i) If the declaration is filed on or before the fifteenth (15th) day of the third (3rd) month  
4 of the taxable year, the advance shall be paid in two (2) installments. The first installment in the  
5 amount of forty percent (40%) of the estimated tax shall be paid at the time of the filing of the  
6 declaration. The second and last installment in the amount of sixty percent (60%) of the estimated  
7 tax shall be paid on or before the fifteenth (15th) day of the sixth (6th) month of the taxable year.

8 (ii) If the declaration is filed after the fifteenth (15th) day of the third (3rd) month of the  
9 taxable year and is not required by subsection (b) to be filed on or before the fifteenth (15th) day  
10 of the third (3rd) month of the taxable year, but is required to be filed on or before the fifteenth  
11 (15th) day of the sixth (6th) month, the advance shall be paid in full at the time of filing.

12 (2) The amount of the advance based in the estimated tax declared under subsection (a) of  
13 this section by corporations listed in subdivision (b)(2) shall be paid as follows:

14 (i) If the declaration is filed on or before the thirtieth (30th) day of the fourth (4th) month  
15 of the taxable year, the advance shall be paid in four (4) equal installments. The first installment  
16 shall be paid on or before the thirtieth (30th) day of the fourth (4th) month of the taxable year,  
17 and the second (2nd), third (3rd), and fourth (4th) installments shall be paid on or before the  
18 thirtieth (30th) day of the sixth (6th) month, the thirtieth (30th) day of the tenth (10th) month, and  
19 the thirty-first (31st) day of the twelfth (12th) month of the taxable year, respectively.

20 (ii) If the declaration is filed before the thirtieth (30th) day of the sixth (6th) month of the  
21 taxable year, the advance shall be paid in three (3) equal installments. The first installment shall  
22 be paid on or before the thirtieth (30th) day of the sixth (6th) month of the taxable year and the  
23 second (2nd) and third (3rd) installments shall be paid on or before the thirtieth (30th) day of the  
24 tenth (10th) month and the thirty-first (31st) day of the twelfth (12th) month of the taxable year  
25 respectively.

26 (iii) If the declaration is filed on or before the thirtieth (30th) day of the tenth (10th)  
27 month of the taxable year, the advance shall be paid in two (2) equal installments. The first  
28 installment shall be paid on or before the thirtieth (30th) day of the tenth (10th) month of the  
29 taxable year and the second installment shall be paid on or before the thirty-first (31st) day of the  
30 twelfth (12th) month of the taxable year.

31 (iv) If the declaration is filed after the time prescribed in subdivision (b)(2), including  
32 cases in which an extension of time for filing the declaration has been granted, there shall be paid  
33 at the time of the filing all installments of the advance which would have been payable on or  
34 before that time if the declaration had been filed within the time prescribed in subdivision (b)(2).

1 (f) If the declaration is filed after the time prescribed in subsection (b) including cases in  
2 which an extension of time for filing the declaration has been granted, subdivision (e)(1)(ii) does  
3 not apply, and there shall be paid at the time of the filing all installments of the advance which  
4 would have been payable on or before that time if the declaration had been filed within the time  
5 prescribed in subsection (b).

6 (g) If any amendment of a declaration is filed, the installment payable on or before the  
7 fifteenth (15th) day of the sixth (6th) month, if any, or in the case of corporations licensed as  
8 surplus line brokers under section 27-3-38, the installments payable on or before the thirtieth  
9 (30th) days of the sixth (6th) or tenth (10th) month and thirty-first (31st) day of the twelfth (12th)  
10 month are ratably increased or decreased, as the case may be, to reflect the increase or decrease,  
11 as the case may be, in the estimated tax by reason of the amendment.

12 (h) At the election of the corporation, any installment of the advance may be paid prior to  
13 the date prescribed for payment.

14 (i) In the case of any underpayment of the advance by a corporation, except as provided  
15 in this section, there is added to the tax due under chapters 11 - 15 and 17 of this title, or section  
16 27-3-38, for the taxable year an amount determined at the rate described in section 44-1-7 upon  
17 the amount of the underpayment for the period of the underpayment. For the purpose of this  
18 subsection, the "amount of the underpayment" is the excess of the amount of the installment or  
19 installments which would be required to be paid if the advance payments were equal to eighty  
20 percent (80%) of the tax shown on the return for the taxable year. For the purposes of this  
21 subsection, the "period of the underpayment" is the period from the date the installment was  
22 required to be paid to the date prescribed under any of the chapters previously mentioned in this  
23 section for the payment of the tax for the taxable year or, with respect to any portion of the  
24 underpayment, the date on which the portion is paid, whichever date is the earlier. A payment of  
25 the advance on the fifteenth (15th) day of the sixth (6th) month, or for section 27-3-38 on the  
26 thirtieth (30th) day of the sixth (6th) month, of the taxable year is considered a payment of any  
27 previous underpayment only to the extent that the payment exceeds the amount of the installment  
28 due on the fifteenth (15th) day of the sixth (6th) month, or for section 27-3-38 on the thirtieth  
29 (30th) day of the sixth (6th) month, of the taxable year.

30 (j) Notwithstanding the provisions of this section, the addition to the tax with respect to  
31 any underpayment of any installment is not imposed if the total amount of all payments of the  
32 advance made on or before the last date prescribed for payment of the installment equals or  
33 exceeds the amount which would have been required to be paid on or before that date if the  
34 amount of the advance was an amount equal to one hundred percent (100%) of the tax computed

1 at the rates applicable to the taxable year but otherwise on the basis of the fact shown on the  
2 return of the corporation for and the law applicable to the preceding taxable year.

3 ~~(k) This section is effective for estimated payments being made by corporations for~~  
4 ~~taxable years ending on or after December 31, 1990.~~

5 SECTION 56. Sections 44-30-1, 44-30-2, 44-30-2.1, 44-30-2.3, 44-30-2.4, 44-30-25 and  
6 44-30-83 of the General Laws in Chapter 44-30 entitled "Personal Income Tax" are hereby  
7 amended to read as follows:

8 **44-30-1. Persons subject to tax.** -- (a) Imposition of tax. - A Rhode Island personal  
9 income tax determined in accordance with the rates set forth in section 44-30-2 is hereby imposed  
10 for each taxable year (which shall be the same as the taxable year for federal income tax  
11 purposes) on the Rhode Island income of every individual, estate, and trust.

12 (b) Partners and partnerships. - A partnership as such shall not be subject to the Rhode  
13 Island personal income tax. Persons carrying on business as partners shall be liable for the Rhode  
14 Island personal income tax only in their separate or individual capacities.

15 (c) Associations taxable as corporations. - An association, trust, or other unincorporated  
16 organization which is taxable as a corporation under the provisions of chapter 11 of this title shall  
17 not be subject to the Rhode Island personal income tax.

18 (d) Exempt trusts and organizations. - A trust or other unincorporated organization which  
19 by reason of its purposes or activities is exempt from federal income tax shall be exempt from the  
20 Rhode Island personal income tax, except with respect to its unrelated business taxable income.

21 (e) Cross references. - For definitions of Rhode Island income of:

22 (1) Resident individuals, see section ~~44-30-11~~ [44-30-12](#).

23 (2) Resident estate or trust, see section 44-30-16.

24 (3) Nonresident individual, see section 44-30-32.

25 (4) Nonresident estate or trust, see section 44-30-35.

26 **44-30-2. Rate of tax.** -- (a) General. - ~~(1)(i)~~ A Rhode Island personal income tax is  
27 imposed upon the Rhode Island income of residents and nonresidents, including estates and trusts  
28 ~~at the rates set forth in section 44-30-2.6., for the period January 1, 1971 through June 30, 1971~~  
29 ~~equal to twenty percent (20%) of one-half (1/2) of the taxpayer's federal income tax liability for~~  
30 ~~the taxable year commencing January 1, 1971; for the period July 1, 1971 through December 31,~~  
31 ~~1971 equal to fifteen percent (15%) of one-half (1/2) of the taxpayer's federal income tax liability~~  
32 ~~for the taxable year commencing January 1, 1971; and for each taxable year on and after January~~  
33 ~~1, 1972, and ending 31, 1977 equal to seventeen percent (17%) of the taxpayer's federal income~~  
34 ~~tax liability; for each taxable year ending after December 31, 1977 equal to nineteen percent~~

1 ~~(19%) of the taxpayer's federal income tax liability; for each taxable year ending after December~~  
2 ~~31, 1980 equal to nineteen and twenty four one hundredths percent (19.24%) of the taxpayer's~~  
3 ~~federal income tax liability; for each taxable year ending after December 31, 1981 equal to~~  
4 ~~twenty one and nine tenths percent (21.9%) of the taxpayer's federal income tax liability; for the~~  
5 ~~period January 1, 1983 through June 30, 1983 equal to twenty seven and five tenths percent~~  
6 ~~(27.5%) of the taxpayer's federal income tax liability; for the period July 1, 1983 and through~~  
7 ~~June 30, 1984 equal to twenty six percent (26%) of the taxpayer's federal income tax liability; for~~  
8 ~~the period on or before December 31, 1974 equal to fifteen percent (15%) of the taxpayer's~~  
9 ~~federal income tax liability; for each taxable year on and after January 1, 1975 and ending on or~~  
10 ~~before December July 1, 1984 and through December 31, 1984 equal to twenty four and nine~~  
11 ~~tenths percent (24.9%) of the taxpayer's federal income tax liability; in accordance with~~  
12 ~~subsection (2) of this section for the period January 1, 1985 through June 30, 1985 equal to~~  
13 ~~twenty three and sixty five one hundredths percent (23.65%) of the taxpayer's federal income tax~~  
14 ~~liability; for the period July 1, 1985 through December 31, 1985, equal to twenty two and sixty~~  
15 ~~five one hundredths percent (22.65%) of the taxpayer's federal income tax liability; in accordance~~  
16 ~~with subsection (3) of this section for January 1, 1986 and thereafter shall be equal to twenty two~~  
17 ~~and twenty one one hundredths percent (22.21%) of the taxpayer's federal income tax liability; in~~  
18 ~~accordance with the Tax Reform Act of 1986, codified primarily at 26 U.S.C. section 1 et seq.,~~  
19 ~~for the period January 1, 1987 through June 30, 1987 shall be equal to twenty three and ninety six~~  
20 ~~one hundredths percent (23.96%) of the taxpayer's federal income tax liability; for the period July~~  
21 ~~1, 1987 through December 31, 1990 shall be equal to twenty two and ninety six one hundredths~~  
22 ~~percent (22.96%) of the taxpayer's federal income tax liability; for the period January 1, 1991~~  
23 ~~through June 30, 1992 and for the period January 1, 1994 and thereafter shall be equal to twenty~~  
24 ~~seven and five tenths percent (27.5%) of the taxpayer's federal income tax liability; for the period~~  
25 ~~July 1, 1992 through December 31, 1992 if the taxpayer's federal income tax liability is fifteen~~  
26 ~~thousand dollars (\$15,000) or less shall be equal to twenty seven and five tenths percent (27.5%)~~  
27 ~~of the taxpayer's federal income tax liability but if the taxpayer's federal income tax liability is~~  
28 ~~greater than fifteen thousand dollars (\$15,000) shall be the sum of twenty seven and five tenths~~  
29 ~~percent (27.5%) of the taxpayer's federal income tax liability up to and including fifteen thousand~~  
30 ~~dollars (\$15,000) and thirty two percent (32%) of the taxpayer's federal income tax liability in~~  
31 ~~excess of fifteen thousand dollars (\$15,000).~~

32 ~~-(ii) The effective rate for the year 1983 shall be equal to twenty six and seventy five~~  
33 ~~hundredths percent (26.75%) of the taxpayer's federal income tax liability. The effective rate for~~  
34 ~~the year 1984 shall be equal to twenty five and five tenths percent (25.5%) of the taxpayer's~~

1 ~~federal income tax liability.~~

2 ~~-(iii) The effective rate for the year 1985 shall be equal to twenty three and fifteen~~

3 ~~hundredths percent (23.15%) of the taxpayer's federal income tax liability. The effective rate for~~

4 ~~the year 1987 shall be twenty three and forty six one hundredths percent (23.46%) of the~~

5 ~~taxpayer's federal income tax liability.~~

6 ~~-(iv) For the year 1992, if the taxpayer's federal income tax liability for the year is greater~~

7 ~~than fifteen thousand dollars (\$15,000), the effective rate on such federal income tax liability in~~

8 ~~excess of fifteen thousand dollars (\$15,000) shall be twenty nine and seventy five one hundredths~~

9 ~~percent (29.75%).~~

10 ~~-(v) The personal income tax rate for the year 1993 shall be in accordance with the~~

11 ~~following schedules: SCHEDULE XRI: Single Individuals FEDERAL INCOME TAX~~

12 ~~RI INCOME TAX LIABILITY <TABLE> Of The But~~

13 ~~not % ON Amount Over Over Pay + Excess~~

14 ~~Over \$ 0 \$ 15,000 \$ 0~~

15 ~~27.5% \$ 0 15,000 31,172 4,125 32% 15,000 31,172~~

16 ~~79,772 9,300 27.55% 31,172 79,772 22,689 25.05%~~

17 ~~79,772 <TABLE>~~

18

19 ~~The above rate table may not be used by a taxpayer who files a federal Schedule D and~~

20 ~~has taxable income in excess of \$115,000.00. Those individuals must file a Rhode Island~~

21 ~~Schedule D.~~

22 ~~SCHEDULE Y 1 RI: Married Filing Jointly or Qualifying Widow(er)~~

23 ~~FEDERAL INCOME TAX RI INCOME TAX~~

24 ~~LIABILITY <TABLE> Of The But not~~

25 ~~% ON Amount Over Over Pay + Excess Over~~

26 ~~\$ 0 \$ 15,000 \$ 0 27.5%~~

27 ~~\$ 0 15,000 35,929 4,125 32% 15,000 35,929 75,528~~

28 ~~10,822 27.55% 35,928 75,528 21,732 25.05% 75,528~~

29

30 ~~The above rate table may not be used by a taxpayer who files a federal Schedule D and~~

31 ~~has taxable income in excess of \$140,000.00. Those individuals must file a Rhode Island~~

32 ~~Schedule D.~~

33 ~~SCHEDULE Y 2 RI: Married Filing Separately~~

34 ~~FEDERAL INCOME TAX RI INCOME TAX~~

1	<del>LIABILITY &lt;TABLE&gt;</del>	<del>Of The But not</del>
2	<del>% ON</del>	<del>Amount Over Over Pay + Excess Over</del>
3	<del></del>	<del>\$ 0 \$ 15,000 \$ 0 27.5%</del>
4	<del>\$ 0 15,000 17,964 4,125 32% 15,000 17,964 37,764 5,073</del>	
5	<del>27.55% 17,964 37,764 10,528 25.05% 37,764</del>	

6  
 7 ~~The above rate table may not be used by a taxpayer who files a federal Schedule D and~~  
 8 ~~has taxable income in excess of \$70,000.00. Those individuals must file a Rhode Island Schedule~~  
 9 ~~D.~~

10 ~~SCHEDULE Z RI: Head of Household~~  
 11 ~~FEDERAL INCOME TAX RI INCOME TAX~~

12	<del>LIABILITY &lt;TABLE&gt;</del>	<del>Of The But not</del>
13	<del>% ON</del>	<del>Amount Over Over PAY + EXCESS Over</del>
14	<del></del>	<del>\$ 0 \$ 15,000 \$ 0 27.5%</del>
15	<del>\$ 0 15,000 33,385 4,125 32% 15,000 33,385 77,485</del>	
16	<del>10,008 27.55% 33,385 77,485 22,158 25.05% 77,485</del>	
17	<del>&lt;/TABLE&gt;</del>	

18  
 19 ~~The above rate table may not be used by a taxpayer who files a federal Schedule D and~~  
 20 ~~has taxable income in excess of \$127,500.00. Those individuals must file a Rhode Island~~  
 21 ~~Schedule D.~~

22 ~~RI INCOME TAX RATE SCHEDULES FOR USE BY ESTATES AND TRUSTS~~  
 23 ~~FEDERAL INCOME TAX RI INCOME TAX~~

24	<del>LIABILITY &lt;TABLE&gt;</del>	<del>Of The But not</del>
25	<del>% ON</del>	<del>Amount Over Over Pay + Excess Over</del>
26	<del></del>	<del>\$ 0 \$ 1,405 \$ 0 27.5%</del>
27	<del>\$ 0 1,405 2,125 386 23.68% 1,405 2,125 15,000 557</del>	
28	<del>21.53% 2,125 15,000 3,329 25.05% 15,000 &lt;/TABLE&gt;</del>	

29  
 30 ~~The above rate table may not be used by a taxpayer who files a federal Schedule D and~~  
 31 ~~has taxable income in excess of \$5,500.00. Those individuals must file a Rhode Island Schedule~~  
 32 ~~D.~~

33 ~~(vi) The purpose of the 1993 rate schedules and/or the Rhode Island Schedule D shall be~~  
 34 ~~such that a taxpayer's 1993 Rhode Island personal income tax liability shall remain the same as it~~

~~would have been prior to the enactment of the Federal Omnibus Budget Reconciliation Act of 1993, (OBRA), P.L. 103-66, 107 Stat. 312.~~

~~(vii) For the year 1994 through December 31, 1997 the rate shall be twenty seven and five tenths percent (27.5%) of the taxpayers entire federal income tax liability.~~

~~(viii) For the period January 1, 1998 through December 31, 1998 the rate shall be equal to twenty seven percent (27%) of the taxpayer's federal income tax liability.~~

~~(ix) For the period January 1, 1999 through December 31, 1999 the rate shall be equal to twenty six and five tenths (26.5%) of the taxpayer's federal income tax liability.~~

~~(x) For the period January 1, 2000 through December 31, 2000 the rate shall be equal to twenty six percent (26%) of the taxpayer's federal income tax liability.~~

~~(xi) For the period January 1, 2001 through December 31, 2001 the rate shall be equal to twenty five and five tenths percent (25.5%) of the taxpayer's federal income tax liability.~~

~~(xii) For the period January 1, 2002 and thereafter the rate shall be twenty five percent (25%) of the taxpayer's federal income tax liability.~~

~~(2) In the event that the indexing of the federal personal income tax scheduled to take effect on January 1, 1985, as enacted by the Economic Recovery Tax Act of 1981, 26 U.S.C. section 1 et seq., does take effect or is replaced by similar legislation, as the result of an action of the United States congress, then the Rhode Island personal income tax rate as set forth in subdivision (a)(1) of this section above for the period January 1, 1985, and through June 30, 1985 shall be changed and be equal to twenty three and sixty five one hundredths percent (23.65%) of the taxpayer's federal income tax liability.~~

~~(3) In the event that the indexing of the federal personal income tax scheduled to take effect on January 1, 1986, as enacted by the Economic Recovery Tax Act of 1981, 26 U.S.C. section 1 et seq., does take effect or is replaced by similar legislation as the result of an action of the United States congress, then the Rhode Island personal income tax rate as set forth in subdivision (a)(1) of this section above for the period January 1, 1986, and thereafter shall be changed and be equal to twenty two and twenty one one hundredths percent (22.21%) of the taxpayer's federal income tax liability.~~

(b) Federal income tax liability. - Federal income tax liability shall be the amount of federal income tax without deduction for any new federal credit(s) enacted after January 1, 1996, (excluding self-employment tax, social security tax or any supplemental medicare premium) or supplemental premium surcharge imposed by the Medicare Catastrophic Coverage Act of 1988 (P.L. 100-360), codified primarily at 42 U.S.C. section 1395 et seq., which the taxpayer would have been liable if the taxpayer had paid federal income tax based on federal taxable income as



1 adjusted by the modifications provided in parts II and III of this chapter and the federal taxable  
2 income shall not include modifications which would decrease federal taxable income resulting  
3 from the applications of section 15 of chapter 489 of the public laws of 1923 as amended by  
4 section 8 of chapter 151 of the public laws of 1963; sections 28-17-3, 36-10-32, 45-21-45, or any  
5 other sections of Rhode Island law which would provide or would be construed to provide that  
6 any pension, annuity, retirement allowance, benefit, or right shall be exempt from any state tax.

7 (c) Cross references. - For credit in respect of:

8 (1) Taxes withheld on wages, see section ~~44-30-73~~ [44-30-74](#);

9 (2) Taxes imposed on a resident by other states, see section 44-30-18;

10 (3) Taxes overpaid for a prior taxable year, see section 44-30-86.

11 (d) (1) There shall be allowed as a credit against the Rhode Island personal income tax  
12 otherwise due for a taxable year, commencing for the tax year 1988, a contribution of five dollars  
13 (\$5.00), or ten dollars (\$10.00) if married and filing a joint return, to the account for the public  
14 financing of the electoral system. The first two dollars (\$2.00), or four dollars (\$4.00) if married  
15 and filing a joint return, shall go to a political party as defined in section 17-12.1-12 to be  
16 designated by the taxpayer or to a nonpartisan account if so indicated up to a total of two hundred  
17 thousand dollars (\$200,000) collectively for all parties and the nonpartisan account. The  
18 remainder shall be deposited as general revenue.

19 (2) The credit for the public financing of the electoral system shall appear on the face of  
20 the state personal income tax return. The tax administrator shall annually forward by August 1, all  
21 contributions to said account to the state general treasurer and the treasurer shall annually remit  
22 by September 1, the designated partisan contributions to the chairperson of the appropriate  
23 political party and the contributions made to the nonpartisan general account shall be allocated by  
24 the state general treasurer to each political party in proportion to the combined number of votes  
25 its candidates for governor received in the previous election, after five percent (5%) of the  
26 amount in the account is allocated to each party for each general officer elected in the previous  
27 statewide election. Each political party may expend moneys received under this provision for all  
28 purposes and activities permitted by the laws of Rhode Island and the United States, except that  
29 no such moneys shall be utilized for expenditures to be directly made or incurred to support or  
30 defeat a candidate in any election within the meaning of chapter 25 of title 17, or in any election  
31 for any political party nomination, or for political party office within the meaning of chapter 12 of  
32 title 17. The remaining funds shall be allocated for the public financing of campaigns for  
33 governor as set forth in sections 17-25-19 -- 17-25-27.

34 (e) (1) Notwithstanding the provisions of subsection (a) above for taxable years ending

1 after December 31, 1980, in the event that during a period when the general assembly is not in  
2 session a change is made in the provisions of the Internal Revenue Code of the United States and  
3 amendments thereto, or other provisions of the law of the United States relating to federal income  
4 taxes, or the rules and regulations issued under these laws that alters the taxpayer's federal income  
5 tax liability, the tax administrator is herewith directed to so change the Rhode Island personal  
6 income tax rate of the taxpayer's federal income tax liability as to thereby retain the tax product  
7 upon receipt of which state appropriations were predicated.

8 (2) The rate so set by the tax administrator will be effective until such time as the general  
9 assembly shall ratify this rate or set a different rate.

10 **44-30-2.1. Refund deduction for contribution to U.S. olympic committee.** -- There  
11 shall be provided as a deduction from any refund from the Rhode Island personal income tax  
12 otherwise due to a taxpayer for a taxable year, contributions of one dollar (\$1.00), or two dollars  
13 (\$2.00) if married and filing a joint return, to the U.S. olympic committee. The provision for the  
14 contribution shall appear on the state personal income tax return. The tax administrator shall  
15 annually forward by August 1, all contributions made to the U.S. olympic committee to the state  
16 general treasurer and the treasurer shall annually deposit by September 1, these contributions to  
17 the U.S. olympic committee; provided, however, the treasurer may deduct the costs of the  
18 administrative expenses in conjunction with these contributions.

19 **44-30-2.3. Refund deduction for contribution to the childhood disease victims' fund.**  
20 -- (a) There shall be provided as a deduction from any refund from the Rhode Island personal  
21 income tax otherwise due to a taxpayer for a taxable year a contribution to the childhood disease  
22 victims' fund established in chapter 14 of title 23. The provision for the contribution shall appear  
23 on the state personal income tax return as follows:

24 Childhood disease victims' fund. Check if you wish to contribute ☐ \$1, ☐ \$5, ☐ \$10, or ☐  
25 \$ (write in amount of your tax REFUND for this program).

26 (b) The tax administrator shall annually forward by August 1 all contributions made to  
27 the childhood disease victims' fund to the general treasurer to be deposited in the fund created in  
28 section 23-14-3. The treasurer shall annually distribute the proceeds of said fund as prescribed in  
29 chapter 14 of title 23.

30 ~~(c) The provisions of this section shall commence for returns filed for the tax year ending~~  
31 ~~December 31, 1989.~~

32 **44-30-2.4. Refund deduction for contribution to the drug program account.** -- (a)  
33 There shall be provided as a deduction from any refund from the Rhode Island personal income  
34 tax otherwise due to a taxpayer for a taxable year a contribution to the drug program established

in chapter 7 of title 42. The provision for the contribution shall appear before all other requests for contributions on the state personal income tax return as follows:

Drug program. Check if you wish to contribute ☐ \$1, ☐ \$5, ☐ \$10, or ☐ \$ (write in the amount of your tax REFUND for this program).

(b) The tax administrator shall annually forward by August 1 all contributions made to the drug program account to the general treasurer to be deposited as general revenues.

~~(c) The provisions of this section shall commence for returns filed for the tax year ending December 31, 1990.~~

**44-30-25. Modification relating to family education accounts.** -- (a) "Family education account" means an account created by an individual taxpayer for the purpose of providing qualified educational benefits to a qualified beneficiary, but only if the account is created by a written governing instrument as prescribed by the tax administrator that designates the account as a Rhode Island family education account and that meets the following requirements:

(1) The depository is a qualified depository.

(2) The assets of the account will not be commingled with other property except in a common trust fund or common investment fund.

(3) The account balance deemed to be distributed to the taxpayer not later than the last day of any taxable year of the taxpayer unless the beneficiary remained qualified with respect to the taxpayer on at least one day during such year.

(4) In the case of an account having a qualified beneficiary described in subdivision (b)(1), no contributions to such account may be made after the taxpayer has attained age twenty-one (21), and in the case of an account having a qualified beneficiary described in subdivision (b)(2), no contribution may be made to such account unless the beneficiary is a dependent of the taxpayer.

(b) "Qualified beneficiary" means an individual designated by name or class in the instrument creating the account who is:

(1) The taxpayer; or

(2) A dependent of the taxpayer as defined in 26 U.S.C. section 152; provided that in the case of an individual whose parents are divorced and who is a dependent of one of the parents, the individual shall be treated as the qualified beneficiary of each parent. No person shall be a qualified beneficiary after obtaining a bachelor's degree, any degree equivalent thereto, or any more advanced degree.

(c) "Qualified depository" means:

(1) Any national bank, federal savings and loan association, federal savings bank, federal

1 insured credit union, or other institution chartered by the United States of America authorized to  
2 accept deposits which has its principal business office in the state of Rhode Island;

3 (2) Any institution incorporated under the laws of the state of Rhode Island authorized to  
4 accept insured deposits; and

5 (3) Any other person who demonstrates to the satisfaction of the tax administrator that it  
6 will administer the account in a manner consistent with the requirements of this section and who  
7 submits to the jurisdiction of this state for the purposes of enforcing these requirements.

8 (d) (1) "Qualified educational benefits" means post-secondary education provided by an  
9 educational institution which by virtue of law or charter is a public or other nonprofit educational  
10 institution empowered to provide a program of education beyond the high school level and which  
11 is accredited by a nationally recognized educational accrediting agency or association and awards  
12 an associate's, a bachelor's or advanced degree or provides a program of not less than two (2)  
13 years' duration which is acceptable for full credit toward a bachelor's degree.

14 (2) For the purposes of this section, the cost to provide qualified educational benefits  
15 means applicable tuition and fees, room and board charges not in excess of the median amounts  
16 charged by the institution providing the qualified educational benefits to students living in  
17 institution-provided housing, and fees, books, supplies, and equipment required for courses of  
18 instruction at the institution.

19 (e) "Qualified withdrawal" means any withdrawal from a family education account:

20 (1) The amount of which does not exceed the amount of the cost paid during the taxable  
21 year to provide qualified educational benefits to one or more qualified beneficiaries; or

22 (2) Occurring within sixty (60) days after the death of any qualified beneficiary if there  
23 is no qualified beneficiary younger than the decedent at the time of his or her death;

24 (3) To purchase tax exempt bonds issued by the state of Rhode Island having a maturity  
25 of not more than twenty (20) years from the date of purchase;

26 (4) Which transfers the entire balance of a particular family education account from one  
27 qualified depository to another; or

28 (5) Which transfers all or a portion of the balance of a particular family education  
29 account from an account in the name of one qualified or unqualified beneficiary to an account in  
30 the name of another qualified beneficiary of the same taxpayer.

31 (f) Income, including gains and losses, on a qualified family education account shall be  
32 exempt from taxation under this chapter, but the assets thereof shall be deemed a part of the estate  
33 of the taxpayer for purposes of chapter 22.

34 (g) (1) Except as provided in this subsection, any amount withdrawn or deemed to be

1 withdrawn from a family education account other than as a qualified withdrawal shall be  
2 modification increasing federal adjusted gross income of the taxpayer in the year of the  
3 nonqualified withdrawal, but the amount of the modification shall not exceed the net  
4 modifications reducing the taxpayer's federal adjusted gross income pursuant to this section for  
5 prior years plus any modification pursuant to subsection (f) for the year of the nonqualified  
6 withdrawal. If any amount shall not be distributed as required by subdivision (a)(3), the amount  
7 required to be distributed shall nevertheless be taken into account as a withdrawal in the year the  
8 amount was required to be distributed. If a non-qualified withdrawal shall be made from a family  
9 education account at a time when the taxpayer is not a resident of Rhode Island, the portion of the  
10 modification deemed to be Rhode Island source income shall be the amount of the modification  
11 multiplied by a fraction the numerator of which shall be the number of taxable years during which  
12 the taxpayer maintained the account and was a resident of Rhode Island and the denominator of  
13 which shall be the number of years the taxpayer maintained the account.

14 (2) Any portion of a family education account used in a prohibited transaction shall be  
15 deemed to be withdrawn on the date the portion is so used. The term "prohibited transaction"  
16 means any transaction which would be described in ~~26 U.S.C. section 4975(d)(1)(A), (B), (C), or~~  
17 ~~(D)~~ 26 U.S.C. section 4975(c)(1)(A), (B), (C), or (D) if the term "plan" as used therein included a  
18 family education account. For purposes of applying ~~26 U.S.C. section 4975(d)(1)~~ 26 U.S.C.  
19 section 4975 (c)(1) to this section, the term "disqualified person" as used therein shall have the  
20 meaning set forth in 26 U.S.C. section 4975(e)(2) disregarding, however, subparagraphs (A) and  
21 (B) of that paragraph.

22 If any portion of the account shall be invested in any "collectible" as defined in 26  
23 U.S.C. section 408(m)(2), the collectible shall be deemed withdrawn on the first day that any  
24 disqualified person shall obtain physical possession of the collectible.

25 (h) Upon the death of the taxpayer creating a family education account, the account shall  
26 not terminate unless otherwise provided by the instrument creating the account and the person  
27 entitled to the residue of the family education account, as provided in the instrument creating the  
28 account, or if not so provided, as provided in the taxpayer's will or as otherwise provided by law,  
29 shall succeed to the rights and obligations of the taxpayer hereunder, but no person other than a  
30 posthumous child of the taxpayer delivered alive within eleven (11) months from the date of  
31 death shall become a qualified beneficiary after the date of the taxpayer's death. Any individual  
32 who was a qualified beneficiary with respect to the deceased taxpayer shall continue as a  
33 qualified beneficiary until such time as the individual would have ceased to be a qualified  
34 beneficiary with respect to the taxpayer if (1) the taxpayer had continued to live; (2) the taxpayer

1 had continued to provide the individual with the same level of support, adjusted for inflation in  
2 the same manner as is described in 26 U.S.C. section 1(f), as the taxpayer provided to the  
3 individual in the last taxable year ending before the taxpayer's date of death; and (3) the  
4 individual had continued to have as his or her principal place of abode the taxpayer's home and  
5 had remained a member of the taxpayer's household; provided, that the individual had the  
6 taxpayer's home as his or her principal place of abode and was a member of the taxpayer's  
7 household at all times during the period beginning on the first day of the taxpayer's last taxable  
8 year ending before the taxpayer's date of death and ending on the taxpayer's date of death.

9 (i) Every taxpayer establishing a family education account shall file the returns and  
10 provide statements with respect thereto as the tax administrator may require. Every taxpayer  
11 claiming a modification by reason of subsection (f) hereof shall file information as the tax  
12 administrator may require. The information shall be filed for each year until all amounts in all  
13 family education accounts created by the taxpayer have been withdrawn or distributed.

14 (j) Amounts contributed to a family education account and income earned thereon shall  
15 not be subject to involuntary alienation or assignment by the taxpayer and shall be exempt from  
16 levy and attachment with respect to debts of the taxpayer except that this subsection shall not  
17 operate to bar any assignment, alienation, attachment or levy:

18 (1) Arising out of a bankruptcy suit instituted with respect to the taxpayer;

19 (2) To pay a debt owing to the United States of America;

20 (3) To pay expenses of providing qualified educational benefits to a qualified beneficiary  
21 whom the taxpayer has a legal obligation to support;

22 (4) To pay child support; or

23 (5) To pay any other debt to the extent the taxpayer has made contributions while  
24 insolvent.

25 **44-30-83. Limitations on assessment.** -- (a) General. - Except as otherwise provided in  
26 this section the amount of the Rhode Island personal income tax shall be assessed within three (3)  
27 years after the return was filed, whether or not the return was filed on or after the date prescribed.  
28 For this purpose a tax return filed before the due date shall be considered as filed on the due date;  
29 and a return of withholding tax for any period ending with or within a calendar year filed before  
30 April 15 of the succeeding calendar year shall be considered filed on April 15 of the succeeding  
31 calendar year.

32 (b) Exceptions.

33 (1) Assessment at any time. - The tax may be assessed at any time if:

34 (i) No return is filed;

1 (ii) A false or fraudulent return is filed with intent to evade tax; or

2 (iii) The taxpayer fails to file a report, pursuant to section 44-30-59, of a change,  
3 correction, or amended return, increasing his or her federal taxable income as reported on his or  
4 her federal income tax return or to report a change or correction which is treated in the same  
5 manner as if it were a deficiency for federal income tax purposes.

6 (2) Extension by agreement. - Where, before the expiration of the time prescribed in this  
7 section for the assessment of tax, or before the time as extended hereunder, both the tax  
8 administrator and the taxpayer have consented in writing to its assessment after that time, the tax  
9 may be assessed at any time prior to the expiration of the period agreed upon.

10 (3) Report of changed or corrected federal income. - If the taxpayer shall, pursuant to  
11 section 44-30-59, file an amended return, or report a change or correction increasing his or her  
12 federal taxable income or report a change or correction which is treated in the same manner as if  
13 it were a deficiency for federal income tax purposes, an assessment may be made at any time  
14 prior to two (2) years after the report or amended return was filed. This assessment of Rhode  
15 Island personal income tax shall not exceed the amount of the increase attributable to the federal  
16 change, correction, or items amended on the taxpayer's amended federal income tax return. The  
17 provisions of this paragraph shall not affect the time within which or the amount for which an  
18 assessment may otherwise be made.

19 (4) Deficiency attributable to net operating loss carryback. - If a taxpayer's deficiency is  
20 attributable to an excessive net operating loss carryback allowance, it may be assessed at any time  
21 that a deficiency for the taxable year of the loss may be assessed.

22 (5) Recovery of erroneous refund. - An erroneous refund shall be considered to create an  
23 underpayment of tax on the date made. An assessment of a deficiency arising out of an erroneous  
24 refund may be made at any time within three (3) years thereafter, or at any time if it appears that  
25 any part of the refund was induced by fraud or misrepresentation of a material fact.

26 (6) Armed forces relief. - For purposes of this tax, the date appearing in 26 U.S.C.  
27 section ~~692(f)~~ 692(a) shall be January 1, 1971.

28 (c) Omission of income on return. - Notwithstanding the foregoing provisions of this  
29 section, the tax may be assessed at any time within six (6) years after the return was filed if an  
30 individual omits from his or her Rhode Island income an amount properly includible therein  
31 which is in excess of twenty-five percent (25%) of the amount of Rhode Island income stated in  
32 the return. For this purpose there shall not be taken into account any amount which is omitted in  
33 the return if the amount is disclosed in the return, or in a statement attached to the return, in a  
34 manner adequate to apprise the tax administrator of the nature and amount of the item.

1 (d) Suspension of limitation. - The running of the period of limitations on assessment or  
2 collection of tax or other amount (or of a transferee's liability) shall, after the mailing of a notice  
3 of deficiency, be suspended for the period during which the tax administrator is prohibited under  
4 section 44-30-81(c) from making the assessment or from collecting by levy, and for sixty (60)  
5 days thereafter.

6 (e) Limitations exclusive. - No period of limitations specified in any other law shall  
7 apply to the assessment or collection of Rhode Island personal income tax.

8 SECTION 57. Section 44-31-1 of the General Laws in Chapter 44-31 entitled  
9 "Investment Tax Credit" is hereby amended to read as follows:

10 **44-31-1. Investment tax credit.** -- (a) A taxpayer is allowed a credit, to be computed as  
11 provided in this chapter, against the tax imposed by chapters 11, 14, 17, and 30 of this title. ~~The~~  
12 ~~amount of the credit is two percent (2%) of the cost or other basis for federal income tax purposes~~  
13 ~~of tangible personal property and other tangible property, including buildings and structural~~  
14 ~~components of buildings, described in subsection (b), acquired, constructed, reconstructed, or~~  
15 ~~erected after December 31, 1973. Provided, that the~~ The amount of the credit is four percent (4%)  
16 of the: (i) cost or other basis for federal income tax purposes of tangible personal property and  
17 other tangible property, including buildings and structural components of buildings, described in  
18 subsection (b)(1), acquired, constructed, reconstructed or erected after December 31, 1993; and  
19 (ii) qualified amounts for leased assets of tangible personal property and other tangible property  
20 described in subsection (b)(1), acquired, constructed, reconstructed, or erected after January 1,  
21 1998, and the amount of the credit is ten percent (10%) of the cost or other basis for federal  
22 income tax purposes, and the qualified amounts for leased assets, of tangible personal property  
23 and other tangible property described in subsection (b)(3), acquired, constructed, reconstructed,  
24 or erected after January 1, 1998 and with respect to buildings and structural components which  
25 are acquired, constructed, reconstructed or erected after July 1, 2001 as described in subsection  
26 (b)(3).

27 (b) (1) A credit is allowed under this section with respect to tangible personal property  
28 and other tangible property, including buildings and structural components of buildings, which  
29 are depreciable pursuant to 26 U.S.C. section 167, have a useful life of four (4) years or more, are  
30 acquired by purchase as defined in 26 U.S.C. section 179(d) or are acquired by lease as  
31 prescribed in subsection (b)(3)(iii), have a situs in this state and are principally used by the  
32 taxpayer in the production of goods by manufacturing, process, or assembling. The credit is  
33 allowable in the year the property is first placed in service by the taxpayer, which is the year in  
34 which, under the taxpayer's depreciation practice, the period for depreciation with respect to the



1 property begins, or the year in which the property is placed in a condition or state of readiness  
2 and availability for a specifically assigned function, whichever is earlier. For purposes of this  
3 paragraph, "manufacturing" means the process of working raw materials into wares suitable for  
4 use or which gives new shapes, new quality or new combinations to matter which already has  
5 gone through some artificial process by the use of machinery, tools, appliances, and other similar  
6 equipment. Property used in the production of goods includes machinery, equipment, or other  
7 tangible property which is principally used in the repair and service of other machinery,  
8 equipment, or other tangible property used principally in the production of goods and includes all  
9 facilities used in the production operation, including storage of material to be used in production  
10 and of the products that are produced.

11 (2) Within the meaning of subsection (b)(1), the term "manufacturing" means the  
12 activities of a "manufacturer" as defined in section 44-3-3(20)(iii) and (iv).

13 (3) (i) A credit is allowed under this section with respect to tangible personal property  
14 and other tangible property, (excluding motor vehicles, furniture, buildings and structural  
15 components of buildings, except as provided in this section), which are depreciable pursuant to 26  
16 U.S.C. section 167, have a useful life of four (4) years or more, are acquired by purchase as  
17 defined in 26 U.S.C. section 179(d) or acquired by lease as prescribed in subsection (b)(3)(iii),  
18 have a situs in this state and to the extent the property is used by a qualified taxpayer, as that term  
19 is defined in subsection (b)(3)(iv), in any of the businesses described in major groups 20 through  
20 39, 50 and 51, 60 through 67, 73, 76, 80 through 82, 87 and 89 in the standard industrial  
21 classification manual prepared by the technical committee on industrial classification, office of  
22 the statistical standards, executive office of the president, United States bureau of the budget, as  
23 revised from time to time ("SIC Code") and/or any of the businesses described in the three (3)  
24 digit SIC Code 781.

25 A credit is allowed under this section with respect to buildings and structural  
26 components that are acquired, constructed, reconstructed, or erected after July 1, 2001, which are  
27 depreciable pursuant to 26 U.S.C. section 167, have a useful life of four (4) years or more, are  
28 acquired by purchase as defined in 26 U.S.C. section 179(d) or acquired by lease for a term of  
29 twenty (20) years or more, excluding renewal periods, have a situs in this state and to the extent  
30 the property is used by a high performance manufacturer. The term "high performance  
31 manufacturer" shall mean a taxpayer: (A) engaged in any of the businesses described in the major  
32 groups 28, 30, 34, to 36, and 38 of the SIC Codes, (B) that pays its full-time equivalent  
33 employees a median annual wage above the average annual wage paid by all taxpayers in the  
34 state which share the same two-digit SIC Code, unless the high performance manufacturer is the

1 only high performance manufacturer in the state conducting business in that two-digit SIC Code,  
2 in which case this requirement does not apply, and (C) (i) whose expenses for training or  
3 retraining its employees exceeds two percent (2%) of its total payroll costs, or (ii) that pays its  
4 full-time equivalent employees a median annual wage equal to or greater than one hundred  
5 twenty-five percent (125%) of the average annual wage paid in this state by employers to  
6 employees, or (iii) that pays its full-time equivalent employees classified as production workers  
7 by the Rhode Island department of labor and training an average annual wage above the average  
8 annual wage paid to the production workers of all taxpayers in the state which share the same  
9 two-digit SIC Code.

10 (ii) To the extent allowable, the credit allowed under this section is allowed for  
11 computers, software and telecommunications hardware used by a taxpayer even if the property  
12 has a useful life of less than four (4) years;

13 (iii) The credit for property acquired by lease is based on the fair market value of the  
14 property at the inception of the lease times the portion of the depreciable life of the property  
15 represented by the term of the lease, excluding renewal options; provided, however, that the  
16 credit described in subsection (b)(3) for high performance manufacturers that lease buildings and  
17 their structural components for a term of twenty (20) years or more, excluding renewal periods,  
18 shall be calculated in the same manner as for property acquired by purchase; and

19 (iv) For purposes of this subsection, a "qualified taxpayer" is defined to mean a taxpayer  
20 in any of the businesses described in major groups 20 through 39, 50 and 51, 60 through 67, 73,  
21 76, 80 through 82, 87 and 89 of the SIC Code, and/or any of the businesses described in the three  
22 (3) digit SIC Code 781, and which meet the following criteria:

23 (A) The median annual wage paid to a qualified taxpayer's full-time equivalent  
24 employees must be above the average annual wage paid by all taxpayers in the state which share  
25 the same two-digit SIC Code, unless that qualified taxpayer is the only qualified taxpayer in the  
26 state conducting business in that two-digit SIC Code, in which case this requirement does not  
27 apply; and

28 (B) With respect to major groups 50 and 51, 60 through 67, 73, 76, 80 through 82, 87  
29 and 89 and/or the three (3) digit SIC Code 781(except for those qualified taxpayers whose  
30 businesses are described in any of the four (4) digit SIC Codes 7371, 7372 and 7373) only:

31 (I) More than one-half ( 1/2) of its gross revenues are a result of sales to customers  
32 outside the state; or

33 (II) More than one-half ( 1/2) of its gross revenues are a result of sales to the federal  
34 government; or

1 (III) More than one-half ( 1/2) of its gross revenues are a result of a combination of sales  
2 described in subsection (b)(3)(iv)(B)(I) and (II).

3 (4) For purposes of this section, sales to customers outside the state is defined to mean  
4 sales to individuals, businesses and other entities, as well as divisions and/or branches of  
5 businesses and other entities, residing or located outside of the state. Notwithstanding the  
6 preceding, the requirement of subsection (b)(3)(iv)(A) does not apply to any qualified taxpayer:

7 (i) whose expenses for training or retraining its employees exceeds two percent (2%) of these  
8 qualified taxpayer's total payroll costs; or (ii) whose median annual wage paid to its full-time  
9 equivalent employees is equal to or greater than one hundred twenty-five percent (125%) of the  
10 average annual wage paid in this state by employers to employees; or (iii), with respect to major  
11 groups 20 through 39 only, the average annual wage paid to these qualified taxpayer's full-time  
12 equivalent employees, classified as production workers by the Rhode Island department of labor  
13 and training, is above the average annual wage paid to the production workers of all these  
14 taxpayers in the state which share the same two-digit SIC Code. At the election of a taxpayer,  
15 which is made at any time and in any manner that may be determined by the tax administrator,  
16 the taxpayer's ability in a particular fiscal year to qualify as a qualified taxpayer may be based on  
17 the expenses and gross receipts of the taxpayer for either the prior fiscal year or the immediately  
18 proceeding fiscal year rather than on the expenses and gross receipts for that fiscal year. For  
19 purposes of this chapter, the director of Rhode Island human resource investment council shall  
20 certify as to legitimate training and retraining expenses in accordance with the guidelines  
21 established in chapter 64.6 of title 42, and any rules and regulations promulgated under this  
22 chapter. For purposes of this subsection, a full-time equivalent employee is defined to mean an  
23 employee who works a minimum of 30 hours per week within the state or two (2) part-time  
24 employees who together work a minimum of 30 hours per week within the state. For purposes of  
25 this subsection, the director of the Rhode Island department of labor and training, upon receipt of  
26 an application from a qualified taxpayer, shall certify whether this qualified taxpayer meets the  
27 requirement in subsection (b)(3)(iv)(A) or is exempt from this requirement because the median  
28 annual wage it pays its full-time equivalent employees is equal to or greater than one hundred  
29 twenty-five (125%) percent of the average annual wage paid in this state by employers to  
30 employees or, with respect to major groups 20 through 39 only, the average annual wage paid to  
31 this qualified taxpayer's full-time equivalent employees, classified as production workers by the  
32 Rhode Island department of labor and training, is above the average annual wage paid to the  
33 production workers of all these taxpayers in the state which share the same two-digit SIC Code.  
34 The director of the Rhode Island department of labor and training shall promulgate rules and

1 regulations as required for the implementation of this requirement.

2 (5) To the extent otherwise allowable, the credit provided by subsections (3)(i) and (ii) of  
3 this section are also allowed for the property having a situs in Rhode Island and used by a  
4 property and casualty insurance company, however acquired.

5 (c) Subject to the provisions of subdivision (b)(3) of this section, a taxpayer is not  
6 allowed a credit under subsection (a) of this section with respect to tangible personal property and  
7 other tangible property, including buildings and structural components of buildings, which it  
8 leases to any other person or corporation and is not allowed a credit under subsection (a) of this  
9 section with respect to buildings and structural components of buildings it leases from any other  
10 person or corporation. For the purposes of the preceding sentence, any contract or agreement to  
11 lease or rent or for a license to use the property is considered a lease, unless a contract or  
12 agreement is treated for federal income tax purposes as an installment purchase rather than a  
13 lease.

14 (d) The credit allowed under this section for any taxable year does not reduce the tax due  
15 for the year by more than fifty percent (50%) of the tax liability that would be payable, and  
16 further in the case of corporations, to less than the minimum tax as prescribed in section 44-11-  
17 2(e); provided, however, that in the case of the credit allowed to high performance manufacturers  
18 under subdivision (b)(3) of this section, the fifty percent (50%) limitation shall not apply.  
19 However, if the amount of credit allowable under this section for any taxable year is less than the  
20 amount of credit available to the taxpayer any amount of credit not deductible in the taxable year  
21 may be carried over to the following year or years (not to exceed seven (7) years) and may be  
22 deducted from the taxpayer's tax for the year or years.

23 (e) At the option of the taxpayer, air or water pollution control facilities which qualify  
24 for elective amortization deduction may be treated as property principally used by the taxpayer in  
25 the production of goods by manufacturing, processing, or assembling; provided, that the property  
26 qualifies under subsection (b), in which event, an amortization deduction is not allowed.

27 (f) With respect to property which is disposed of or ceases to be in qualified use prior to  
28 the end of the taxable year in which the credit is to be taken, the amount of the credit is that  
29 portion of the credit provided for in subsection (a) which represents the ratio which the months of  
30 qualified use bear to the months of useful life. If property on which credit has been taken is  
31 disposed of or ceases to be in qualified use prior to the end of its useful life, the difference  
32 between the credit taken and the credit allowed for actual use must be added back in the year of  
33 disposition. Provided, if this property is disposed of or ceases to be in qualified use after it has  
34 been in qualified use for more than twelve (12) consecutive years, it is not necessary to add back

1 the credit as provided in this subsection. Provided, further, that a credit allowed to a qualified  
2 taxpayer is not recaptured merely because the taxpayer subsequently fails to retain the  
3 classification as a qualified taxpayer. The amount of credit allowed for actual use is determined  
4 by multiplying the original credit by the ratio which the months of qualified use bear to the  
5 months of useful life. For purposes of this subsection, useful life of property is the same as the  
6 taxpayer (or in the case of property acquired by lease, the owner of the property) uses for  
7 depreciation purposes when computing his or her federal income tax liability. Comparable rules  
8 are used in the case of property acquired by lease to determine the amount of credit, if any, that  
9 will be recaptured if the lease terminates prematurely or if the property covered by the lease  
10 otherwise fails to be in qualified use.

11 (g) The credit allowed under this section is only allowed against the tax of that  
12 corporation included in a consolidated return that qualifies for the credit and not against the tax of  
13 other corporations that may join in the filing of a consolidated tax return.

14 SECTION 58. Section 44-32-1 of the General Laws in Chapter 44-32 entitled "Elective  
15 Deduction for Research and Development Facilities" is hereby amended to read as follows:

16 **44-32-1. Elective deduction against allocated entire net income.** -- (a) Except as  
17 provided in subsection (c), at the election of a taxpayer who is subject to the income tax imposed  
18 by chapters 11 or 30 of this title, there is deducted from the portion of its entire net income  
19 allocated within the state the items prescribed in subsection (b), in lieu of depreciation or  
20 investment tax credit.

21 (b) One-year write-off of new research and development facilities. (1) Taxpayers may  
22 deduct ~~Expenditures~~ expenditures paid or incurred during the taxable year for the construction,  
23 reconstruction, erection or acquisition of any new, not used, property as described in subsection  
24 (c) which is used or to be used for purposes of research and development in the experimental or  
25 laboratory sense. The purposes are not deemed to include the ordinary testing or inspection of  
26 materials or products for quality control, efficiency surveys, management studies, consumer  
27 surveys, advertising, promotion, or research in connection with literary, historical, or similar  
28 projects. The deduction is allowed only on condition that the entire net income for the taxable  
29 year and all succeeding taxable years is computed without the deduction of any expenditures and  
30 without any deduction for depreciation of the property, except to the extent that its basis may be  
31 attributable to factors other than the expenditures, (expenditures and depreciation deducted for  
32 federal income tax purposes are added to the entire net income allocated to Rhode Island), or in  
33 case a deduction is allowable pursuant to this subdivision for only a part of the expenditures, on  
34 condition that any deduction allowed for federal income tax purposes on account of the

1 expenditures or on account of depreciation of the property is proportionately reduced in  
2 computing the entire net income for the taxable year and all succeeding taxable years. Concerning  
3 property which is used or to be used for research and development only in part, or during only  
4 part of its useful life, a proportionate part of the expenditures is deductible. If all or part of the  
5 expenditures concerning any property has been deducted as provided in this section, and the  
6 property is used for purposes other than research and development to a greater extent than  
7 originally reported, the taxpayer shall report the use in its report for the first taxable year during  
8 which it occurs, and the tax administrator may recompute the tax for the year or years for which  
9 the deduction was allowed, and may assess any additional tax resulting from the recomputation as  
10 a current tax, within three (3) years of the reporting of the change to the tax administrator. Any  
11 change in use of the property in whole or in part from that which originally qualified the property  
12 for the deduction requires a recomputation. The tax administrator has the authority to promulgate  
13 regulations to prevent the avoidance of tax liability.

14 (2) The deduction is allowed only where an election for amortization of air or water  
15 pollution control facilities has not been exercised in respect to the same property.

16 (3) The tax as a result of recomputation of a prior year's deduction is due as an additional  
17 tax for the year the property ceases to qualify.

18 (c) Property covered by deductions. The deductions are allowed only with respect to  
19 tangible property which is new, not used, is depreciable pursuant to 26 U.S.C. section 167, was  
20 acquired by purchase as defined in 26 U.S.C. section 179(d), has a situs in this state, and is used  
21 in the taxpayer's trade or business. Provided, that for the taxable years beginning on or after July  
22 1, 1974, a taxpayer is not allowed a deduction under this section with respect to tangible property  
23 leased by it to any other person or corporation or leased from any other person or corporation. For  
24 purposes of the preceding sentence, any contract or agreement to lease or rent or for a license to  
25 use the property is considered a lease, unless the contract or agreement is treated for federal  
26 income tax purposes as an installment purchase rather than a lease. With respect to property  
27 which the taxpayer uses itself for purposes other than leasing for part of a taxable year and leases  
28 for a part of a taxable year, the taxpayer is allowed a deduction under this section in proportion to  
29 the part of the year it uses the property.

30 (d) Entire net income. The term "entire net income" as used in this section means net  
31 income allocated to this state.

32 (e) Carry-over of excess deductions. If the deductions allowable for any taxable year,  
33 pursuant to this section exceed the portion of the taxpayer's entire net income allocated to this  
34 state for that year, the excess may be carried over to the following taxable year or years, not to

1 exceed three (3) years, and may be deducted from the portion of the taxpayer's entire net income  
2 allocated to this state for that year or years.

3 (f) Gain or loss on sale or disposition of property. In any taxable year when property is  
4 sold or disposed of before the end of its useful life, with respect to which a deduction has been  
5 allowed pursuant to subsection (b), the gain or loss on this entering into the computation of  
6 federal taxable income is disregarded in computing the entire net income, and there is added to or  
7 subtracted from the portion of the entire net income allocated within the state the gain or loss  
8 upon the sale or other disposition. In computing the gain or loss the basis of the property sold or  
9 disposed of is adjusted to reflect the deduction allowed with respect to the property pursuant to  
10 subsection (b); provided, that no loss is recognized for the purpose of this subsection with respect  
11 to a sale or other disposition of property to a person whose acquisition of this property is not a  
12 purchase as defined in 26 U.S.C. section 179(d).

13 (g) Investment credit not allowed on research and development property. No investment  
14 credit under chapter 31 of this title is allowed on the research and development property for  
15 which accelerated write-off is adopted under this section.

16 (h) Consolidated returns. The research and development deduction is only allowed  
17 against the entire net income of the corporation included in a consolidated return and is not  
18 allowed against the entire net income of other corporations that may join in the filing of a  
19 consolidated state tax return.

20 SECTION 59. Section 44-34-11 of the General Laws in Chapter 44-34 entitled "Excise  
21 on Motor Vehicles and Trailers " is hereby amended to read as follows:

22 **44-34-11. Rhode Island vehicle value commission. [Repealed effective July 1, 2005.] -**

23 (a) There is created the "Rhode Island vehicle value commission" to establish presumptive  
24 values of vehicles and trailers subject to the excise tax.

25 (b) The commission consists of the following nine (9) members: one designee of the  
26 director of transportation; five (5) local tax officials named by the governor, at least one of whom  
27 is from a town under ten thousand (10,000) population and at least one of whom is from a city  
28 over fifty thousand (50,000) population, from a list of nominees submitted by the president of the  
29 Rhode Island league of cities and towns; and two (2) designees who are private citizen car  
30 owners, one of whom is named by the speaker of the house and one of whom is named by the  
31 president of the senate; and one motor vehicle dealer designated by the director of administration;  
32 all departmental designees serve at the pleasure of the designating agency, but, for a term of no  
33 less than one year, and all other designees serve for a term of three (3) years.

34 (c) The commission shall annually determine the presumptive values of vehicles and

1 trailers subject to the excise tax in the following manner:

2 (1) Not earlier than September 30 and not later than December 31 of each year the  
3 commission shall by rule adopt a methodology for determining the presumptive value of vehicles  
4 and trailers subject to the excise tax which gives consideration to the following factors:

5 (i) The average retail price of similar vehicles of the same make, model, type, and year  
6 of manufacture as reported by motor vehicle dealers or by official used car guides, as that of the  
7 national automobile dealers association for New England. Where regional guides are not  
8 available, the commission shall use other publications deemed appropriate; and

9 (ii) Other information concerning the average retail prices for make, model, type, and  
10 year of manufacture of motor vehicles as the director and the Rhode Island vehicle value  
11 commission may deem appropriate to determine fair values.

12 (2) On or before February 1 of each year, it shall adopt a list of values for vehicles and  
13 trailers of the same make, model, type, and year of manufacture as of the preceding December 31  
14 in accordance with the methodology adopted between September 30 and December 31; the list is  
15 subject to a public hearing at least five (5) business days prior to the date of its adoption.

16 (3) Nothing in this section is deemed to require the commission to determine the  
17 presumptive value of vehicles and trailers which are unique, to which special equipment has been  
18 added or to which special modifications have been made, or for which adequate information is  
19 not available from the sources referenced in subsection (c)(1), provided, that the commission may  
20 consider those factors in its lists or regulations.

21 (4) The commission shall annually provide the list of presumptive values of vehicles and  
22 trailers to each tax assessor on or before February 15 of each year.

23 (d) The commission shall adopt rules governing its organization and the conduct of its  
24 business; prior to the adoption of the rules, the designee of the department of administration shall  
25 serve as chairperson of the commission and has the power to call meetings, and a simple majority  
26 of the members of the commission, as provided for in subsection (b), is necessary for a quorum,  
27 which quorum by majority vote has the power to conduct business in the name of the  
28 commission.

29 (e) The commission has the power to contract for professional services that it deems  
30 necessary for the development of the methodology for determining presumptive values, for  
31 calculating presumptive values according to the methodology, and for preparing the list of  
32 presumptive values in a form and format that is generally usable by cities and towns in their  
33 preparation of tax bills. The commission also has the power to incur reasonable expenses in the  
34 conduct of its business as required by this chapter and to authorize payments for the expenses.



(f) Compensation for members for attendance at meetings is initially at a rate of fifty dollars (\$50.00) per meeting unless otherwise determined by the unclassified pay board.

(g) The commission shall respond to petitions of appeal by local boards of review in accordance with the provisions of section 44-34-9(a).

(h) The commission shall establish by rule, procedures for adopting an annual budget and for administering its finances. ~~After July 1, 1986, one-half~~ One-half ( 1/2) of the cost of the commission's operations shall be borne by the state and one-half ( 1/2) borne by cities and towns, within the state with the city and town share distributed among cities and towns on a per capita basis.

SECTION 60. Section 44-38-4 of the General Laws in Chapter 44-38 entitled "Energy Conservation Grants for the Elderly" is hereby amended to read as follows:

**44-38-4. Accounting.** -- ~~(a) Any person applying for an energy conservation grant pursuant to section 44-39-2 [Repealed.] shall file an informational tax return with the division of taxation. The division of taxation shall then reserve an appropriate amount for a period of sixty (60) days. Before the expiration of the sixtieth day, the applicant shall present an itemized receipt for all sums expended (exclusive of the value of the applicant's own labor) for energy conservation measures as provided in section 44-39-3 [Repealed] In case of multiple ownership or tenancy, the grant is divided according to the interest of eligible owners or renters as they appear.~~

~~(b)~~ The tax administrator shall promulgate rules and regulations to effectuate the purposes of this chapter.

SECTION 61. Sections 44-44-3.2, 44-44-3.7 and 44-44-3.8 of the General Laws in Chapter 44-44 entitled "Taxation of Beverage Containers, Hard-to-Dispose Material and Litter Control Participation Permittee" are hereby amended to read as follows:

**44-44-3.2. Penalty for operation without a permit -- Injunctive relief.** -- (a) Any person who engages (or the officer of a corporation engaged) in activities described in section 44-44-2(20) of this chapter without the permit required by this chapter is guilty of a misdemeanor and is, for each offense, fined not more than one thousand dollars (\$1,000), or imprisoned for not more than one year; or punished by both a fine and imprisonment. Each day in which a person is engaged in the activities described in section 44-44-2(20) without the required permit constitutes a separate offense.

(b) The superior court of this state has jurisdiction ~~of restraining~~ to restrain any person from engaging in activities described in section 44-44-2(20) without the proper permit as prescribed in this chapter. The tax administrator may institute proceedings to prevent and restrain

1 violations of this chapter.

2 **44-44-3.7. Imposition of tax on hard-to-dispose material. --** (a) There is levied and  
3 imposed a tax of five cents (\$0.05) per quart (32 oz.) or five and 3/10th cents (\$0.053) per liter on  
4 lubricating oils, ten cents (\$0.10) per gallon or two and 64/100th cents (\$0.0264) per liter on  
5 antifreeze, one fourth of one cent (\$.0025) per gallon or \$.00066 per liter on organic solvents and  
6 fifty cents (\$.50) per tire ~~as defined above~~. The tax is separately stated and collected upon the sale  
7 by the hard-to-dispose material wholesalers to a hard-to-dispose material retailer. In the case of  
8 new motor vehicles, a fee of three dollars (\$3.00) per vehicle is levied and paid to the division of  
9 motor vehicles in conjunction with titling of the vehicle. Every hard-to-dispose material retailer  
10 selling, using, or otherwise consuming in this state any hard-to-dispose material is liable for the  
11 tax imposed by this section. Its liability is not extinguished until the tax has been paid to the state,  
12 except that a receipt from a hard-to-dispose material wholesaler engaging in business in this state  
13 or from a hard-to-dispose material wholesaler who is authorized by the tax administrator to  
14 collect the tax under rules and regulations as he or she may prescribe, given to the hard-to-dispose  
15 material retailer is sufficient to relieve the hard-to-dispose material retailer from further liability  
16 for the tax to which the receipt refers.

17 (b) In the event that a person purchases hard-to-dispose material for its own use or  
18 consumption and not for resale from a hard-to-dispose material wholesaler or retailer not engaged  
19 in business in this state or not authorized by the tax administrator to collect the tax, that person is  
20 liable for the tax imposed by this section.

21 **44-44-3.8. Hard-to-dispose material control and recycling oversight commission. --**

22 (a) Prior to disbursement of any funds from the hard-to-dispose materials account the rules and  
23 regulations of the department concerning the implementation of chapter 15.1 of title 37 must be  
24 promulgated in final form. For the purposes of this section only, a rule and/or regulation is in  
25 final form when filed in accordance with section 42-35-4. Nothing contained in this chapter  
26 prevents a party from seeking appropriate judicial review in accordance with chapter 35 of title  
27 42.

28 (b) Hard-to-dispose material control and recycling oversight commission. - (1) The hard-  
29 to-dispose material and recycling oversight commission is created consisting of the following  
30 nine (9) members: three (3) members of the house of representatives, one of whom is from the  
31 minority party, appointed by the speaker of the house; two (2) members of the senate, one of  
32 whom is from the minority party, appointed by the president of the senate; one public member  
33 appointed by the speaker of the house; one public member appointed by the president of the  
34 senate; one member from an environmental group appointed by the president of the senate; one

1 member who is an industry representative appointed by the speaker of the house.

2 (2) With the exception of the house and senate members, the members of the  
3 commission serve two (2) year terms, ~~the first term commencing June 1, 1990, and ending June 1,~~  
4 ~~1992;~~ or until the time their successors are appointed. The house and senate members serve at the  
5 pleasure of the appointing authority.

6 (3) The commission shall organize itself at a meeting called by the speaker of the house  
7 in June of each even numbered year, ~~commencing in 1990.~~

8 (4) Members of the commission receive no compensation.

9 (5) The commission shall elect a chair from its legislator members, and elect other  
10 officers as it deems appropriate.

11 (6) The commission meets at least once per quarter to review tax revenues collected and  
12 expenditures of the program, to evaluate effectiveness of the program, and to make  
13 recommendations to the governor and legislature regarding the appropriateness of the taxation  
14 rates and the timetables required by section 37-15.1-9(7).

15 (7) The commission has the cooperation of the auditor, general, tax administrator, and  
16 the department wherever necessary

17 (8) The commission shall annually submit a report to the general assembly on February  
18 ~~1, 1991, and each February 1 thereafter.~~

19 SECTION 62. Section 44-56-1 of the General Laws in Chapter 44-56 entitled  
20 "Renewable Energy Sales Tax Credit" is hereby amended to read as follows:

21 **44-56-1. Renewable energy sales tax refund -- Sales tax refund on sales of qualifying**  
22 **renewable energy systems.** -- (a) (1) The division of taxation shall refund any tax paid pursuant  
23 to the provisions of chapter 18 of this title resulting from the sale of any qualifying renewable  
24 energy system.

25 (2) As used in this section, a qualifying renewable energy system shall be either a  
26 photovoltaic system, a solar domestic hot water system, solar space heating system, or wind-  
27 generating system.

28 (i) For photovoltaic systems, the system shall be able to generate electricity directly from  
29 sunlight and be able to have it provide electricity for the home. These systems shall either be  
30 "stand alone" systems that use batteries for storage of electricity or "grid interconnected" systems  
31 that allow the electric meter to spin backwards during periods where the photovoltaic system is  
32 generating more electricity than the load of the house. These systems shall have an electrical  
33 permit that has had a final inspection done by the electrical inspector for the city or town of the  
34 installation.

1 (ii) For solar domestic hot water systems, the system shall consist of solar collectors,  
2 pump, heat exchanger, and storage tank designed to heat water. These systems must have a  
3 plumbing permit that has had a final inspection done by the plumbing inspector for the city or  
4 town of the installation.

5 (iii) For solar space heating systems, the system shall consist of solar collectors, pump,  
6 heat exchanger, storage tank(s), and a method of distributing the heat to areas of the house that  
7 need heat. These systems shall have a mechanical permit that has had a final inspection done by  
8 the mechanical/plumbing inspector for the city or town of the installation.

9 (iv) For wind energy systems, the system shall produce electricity through the use of  
10 wind generators or wind turbines, that can be used directly, as in water pumping applications, or  
11 can be stored in batteries for household usage. Wind energy systems can be used alone, or can be  
12 used as part of a hybrid system in which their output is combined with photovoltaics, and/or a  
13 fossil fuel generator.

14 (b) Purchasers of qualifying renewable energy systems shall receive a sales tax refund  
15 upon application to the state division of taxation upon submission of:

16 (1) A form prescribed by the tax administrator containing;

17 (i) A list of equipment purchased;

18 (ii) The names and addresses of vendor and purchaser; and

19 (iii) Addresses of the building upon which the equipment has been installed;

20 (2) Copies of appropriate receipts; and

21 (3) A systems certification pursuant to section ~~44-57-5~~ [44-57-6](#) to verify that the  
22 purchased items were actually used in qualifying systems.

23 (c) For purposes of local municipal property tax assessment, qualifying renewable  
24 energy systems shall not be assessed at more than the value of a conventional heating,  
25 conventional hot domestic hot water systems, or energy production capacity that otherwise could  
26 be necessary to install in the building. Qualifying systems shall include photovoltaic systems  
27 (renewable energy systems), solar domestic hot water systems, and active solar space heating  
28 systems.

29 SECTION 63. This act shall take effect upon passage.

=====  
LC03145/SUB A/2  
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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO STATUTES AND STATUTORY CONSTRUCTION

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- 1           This act would make a variety of technical changes and corrections to the general laws, as  
2 recommended by the office of law revision.  
3           This act would take effect upon passage.

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LC03145/SUB A/2

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