

2013 -- H 5391

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LC01100  
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

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A N A C T

RELATING TO TAXATION-LEVY AND ASSESSMENT OF LOCAL TAXES-CENTRAL  
FALLS

Introduced By: Representatives Silva, Hull, and McLaughlin

Date Introduced: February 12, 2013

Referred To: House Municipal Government

It is enacted by the General Assembly as follows:

1           SECTION 1. Section 44-5-61.1 of the General Laws in Chapter 44-5 entitled "Levy and  
2   Assessment of Local Taxes" is hereby amended to read as follows:  
3           **44-5-61.1. Central Falls -- Exemption or stabilizing of taxes on qualifying property**  
4   **located in the city.** -- Except as provided in this section, the city council of the city of Central  
5   Falls may vote to authorize for a period not exceeding ~~five (5)~~ ten (10) years, and subject to the  
6   conditions provided in this section, to exempt from payment, in whole or in part, real and  
7   personal qualifying property, or to determine a stabilized amount, of taxes to be paid on account  
8   of the qualifying property located within the city of Central Falls, notwithstanding the valuation  
9   of the property or the rate of tax; provided, that after a public hearing, at least ten (10) days'  
10   notice of which must be given in a newspaper having a general circulation in the city, the city  
11   council determines that granting of the exemption or stabilization for qualifying property will  
12   inure to the benefit of the city by reason of the willingness of the owners of qualifying property to  
13   replace, reconstruct, expand or remodel existing buildings, facilities, machinery, or equipment  
14   with modern buildings, facilities, fixtures, machinery, or equipment or to construct new buildings  
15   or facilities or acquire new machinery or equipment for use in the buildings or facilities or to  
16   reoccupy or reuse the buildings or facilities if they are vacant or abandoned for  
17   manufacturing/warehousing or research and development, resulting in an increase in investment  
18   by the owners in the city. For purposes of this section, "qualifying property" means any building

1 or structures used or intended to be used essentially for offices, manufacturing, or commercial  
2 enterprises. Except as provided in this section, property, the payment of taxes on which has been  
3 so exempted or which is subject to the payment of a stabilized amount of taxes, shall not, during  
4 the period for which the exemption or stabilization of the amount of taxes is granted, be further  
5 liable to taxation by the city so long as that property is used or intended to be used for the  
6 manufacturing or commercial purposes for which the exemption or stabilized amount of taxes  
7 was made.

8 SECTION 2. Section 44-5-12 of the General Laws in Chapter 44-5 entitled "Levy and  
9 Assessment of Local Taxes" is hereby amended to read as follows:

10 **44-5-12. Assessment at full and fair cash value.** -- (a) All real property subject to  
11 taxation shall be assessed at its full and fair cash value, or at a uniform percentage of its value,  
12 not to exceed one hundred percent (100%), to be determined by the assessors in each town or  
13 city; provided, that:

14 (1) Any residential property encumbered by a covenant recorded in the land records in  
15 favor of a governmental unit or Rhode Island housing and mortgage finance corporation  
16 restricting either or both the rents that may be charged or the incomes of the occupants shall be  
17 assessed and taxed in accordance with section 44-5-13.11;

18 (2) In assessing real estate which is classified as farm land, forest, or open space land in  
19 accordance with chapter 27 of this title the assessors shall consider no factors in determining the  
20 full and fair cash value of the real estate other than those which relate to that use without regard  
21 to neighborhood land use of a more intensive nature;

22 (3) Warwick. - The city council of the city of Warwick is authorized to provide, by  
23 ordinance, that the owner of any dwelling of one to three (3) family units in the city of Warwick  
24 who makes any improvements or additions on his or her principal place of residence in the  
25 amount up to fifteen thousand dollars (\$15,000), as may be determined by the tax assessor of the  
26 city of Warwick, is exempt from reassessment of property taxes on the improvement or addition  
27 until the next general citywide reevaluation of property values by the tax assessor. For the  
28 purposes of this section, "residence" is defined as voting address. This exemption does not apply  
29 to any commercial structure. The property owner shall supply all necessary plans to the building  
30 official for the improvements or addition and shall pay all requisite building and other permitting  
31 fees as now are required by law; and

32 (4) Central Falls. - The city council of the city of Central Falls is authorized to provide,  
33 by ordinance, that the owner of any dwelling of one to eight (8) units who makes any  
34 improvements or additions to his or her residential or rental property in an amount not to exceed

1 ~~twenty~~ twenty-five thousand dollars ~~(\$20,000)~~ (\$25,000) as determined by the tax assessor of the  
2 city of Central Falls is exempt from reassessment of property taxes on the improvement or  
3 addition until the next general citywide reevaluation of property values by the tax assessor. The  
4 property owner shall supply all necessary plans to the building official for the improvements or  
5 additions and shall pay all requisite building and other permitting fees as are now required by  
6 law.

7 (5) Tangible property shall be assessed according to the asset classification table as  
8 defined in section 44-5-12.1.

9 (b) Municipalities shall make available to every land owner whose property is taxed  
10 under the provisions of this section a document which may be signed before a notary public  
11 containing language to the effect that they are aware of the additional taxes imposed by the  
12 provisions of section 44-5-39 in the event that they use land classified as farm, forest, or open  
13 space land for another purpose.

14 (c) Pursuant to the provisions of section 44-3-29.1, all wholesale and retail inventory  
15 subject to taxation is assessed at its full and fair cash value, or at a uniform percentage of its  
16 value, not to exceed one hundred percent (100%), for fiscal year 1999, by the assessors in each  
17 town and city. Once the fiscal year 1999 value of the inventory has been assessed, this value shall  
18 not increase. The phase-out rate schedule established in section 44-3-29.1(d) applies to this fixed  
19 value in each year of the phase-out.

20 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO TAXATION-LEVY AND ASSESSMENT OF LOCAL TAXES-CENTRAL  
FALLS

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1           This act would authorize the city council of the city of Central Falls to increase the  
2 amount of time for tax exemptions for certain improvements to qualifying real and personal  
3 property from five (5) years to ten (10) years, and the amount from twenty thousand dollars  
4 (\$20,000) to twenty-five thousand dollars (\$25,000).

5           This act would take effect upon passage.

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