

2013 -- S 0828

=====
LC02315
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2013

—————
A N A C T

RELATING TO "AN ACT RELATING TO TAX EXEMPTION OF CERTAIN PROPERTY IN
THE TOWN OF RICHMOND"

Introduced By: Senator Catherine Cool Rumsey

Date Introduced: April 04, 2013

Referred To: Senate Finance

(by request)

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 1 of Chapter 112 of the Public Laws of 2005, January session,
2 entitled "An Act Relating to Tax Exemption of Certain Property in the Town of Richmond", is
3 hereby amended to read as follows:

4 Section 1. (A) In order to encourage, maintain, and preserve a sustainable supply of
5 owner-occupied housing that is affordable to low and moderate income older people and totally
6 disabled people, the town council of Richmond may, by ordinance, grant to every person who is a
7 citizen and resident of the town, and who is sixty-five (65) or more years of age, or is less than
8 sixty-five (65) years of age and totally disabled, and ~~is residing in the town in a dwelling house or~~
9 ~~mobile home that has been owned by him or her for one year before the date of the assessment~~
10 has been a resident of Richmond for three (3) years and has owned a home in Richmond for three
11 (3) years before the year for which the exemption is claimed, on proper claim being made
12 therefor, a tax exemption proportionate to total gross household income.

13 (B) An ordinance enacted pursuant to this act shall provide a schedule of tax exemptions
14 of sixty percent (60%) or less, for total gross household incomes of \$9,346 or more. The town
15 council shall have the authority to adjust the schedule annually, by amendment to said ordinance,
16 to accommodate changing economic conditions, including, but not limited to, changes in the
17 national cost of living index.

18 (C) The word "income" as used herein means the ~~aggregate income of the property owner~~

1 ~~and all persons living with him or her in the household, from whatever source derived, including,~~
2 ~~but not limited to, realized capital gains, gifts, and, in their entirety, pensions, annuities,~~
3 ~~retirement benefits, and social security benefits. Income shall be based on the calendar year~~
4 ~~preceding the year for which the exemption is claimed~~ total funds received from any source by
5 the property owner and all other persons living in the household during the calendar year
6 preceding the year for which the exemption is claimed. The funds may be taxable or nontaxable
7 and may be from any source, including, but not limited to, wages, salary, and tips; business
8 income; farm income; dividends, interest, and realized capital gains; pensions, annuities, and
9 retirement benefits; social security benefits; disability benefits; unemployment benefits,
10 temporary disability insurance benefits or workers' compensation benefits; estate or trust income;
11 cash public assistance payments; alimony and child support; monetary gifts; and military income
12 and cash benefits.

13 (D) The word "resident" as used herein means a person whose legal domicile is in
14 Richmond. A legal domicile is the permanent home to which, upon temporary absence, a person
15 intends to return. A person can have more than one residence but only one legal domicile. A
16 temporary or seasonal residence is not a legal domicile.

17 (E) The words "totally disabled" as used herein mean a person has been determined by
18 the social security administration to be one hundred percent (100%) disabled and is eligible for
19 disability benefits under the federal social security act.

20 ~~(D)~~(F) The ordinance shall provide that the exemption shall be available only to owner-
21 occupants. Only one exemption shall be granted for each residential property, even if more than
22 one eligible person is an owner who resides there.

23 ~~(E)~~(G) The ordinance shall provide that the exemption is available annually, upon timely
24 application, to persons who have reached their sixth-fifth (65th) birthday by December 31 of the
25 calendar year preceding the year for which the exemption is claimed or to persons who are totally
26 disabled, and that the tax assessor shall be authorized to require whatever documentation he or
27 she deems reasonably necessary to verify eligibility. Applications shall be made on or before
28 April 15 of each year for which the exemption is claimed.

29 ~~(E)~~(H) The ordinance shall provide that no income-bearing property, business property,
30 or combination business and residential property shall be entitled to the exemption; provided,
31 however, that the owner of a two-household dwelling ~~who is otherwise entitled to an exemption~~
32 shall receive an exemption in proportion to the area occupied by the owner, and the rental income
33 from the second dwelling unit shall not be considered income for eligibility purposes. The
34 exemption shall apply to any owner-occupied dwelling unit, including, but not limited to, single-

1 family houses, condominium apartments and cooperative apartments. If the dwelling unit
2 occupies only part of a building, the exemption shall be in proportion to the area devoted to the
3 owner's dwelling unit. Professional persons who conduct their profession from their residence
4 shall not be entitled to an exemption.

5 ~~(G)~~(I) The ordinance shall provide that property shall not be eligible for a tax exemption
6 if it has been conveyed to the applicant solely for the purpose of evading taxation. If a property
7 owner is determined to have received a tax exemption through fraudulent transfer of the property
8 or through false or misleading statements on a tax exemption application form, the assessor shall
9 have the authority to record a lien on the property in the land evidence records for the amount of
10 tax that should have been paid to the town.

11 (J) The ordinance shall provide that each exemption shall become effective upon the tax
12 assessor's certification of the tax roll for the tax year for which the exemption is claimed, and
13 shall apply to the tax for that year. If the property owner becomes ineligible for the exemption
14 after certification of the tax roll and before the taxes for the year are paid in full, the tax assessor
15 shall have the authority to adjust the amount of the tax due on the property and issue a prorated
16 bill.

17 ~~(H)~~(K) Nothing contained herein or in an ordinance enacted pursuant to the authority
18 herein shall abrogate the authority conferred on the tax assessor by Rhode Island general laws
19 section 44-3-3(16).

20 SECTION 2. The question of acceptance or rejection of this act shall be submitted to the
21 qualified electors of Richmond who are entitled to vote upon a proposition to impose a tax or
22 expend money, at any annual or special financial town meeting during 2013. Said vote shall be
23 taken by standing vote or by paper ballot. Acceptance of this act shall be by majority vote. Any
24 action taken in the year 2013 at an annual or special financial town meeting shall be as valid as if
25 this act were in effect at the time the warrant for said town meeting was published and at the time
26 said annual or special financial town meeting took place, and any ordinance enacted pursuant to
27 this act shall apply to any application for exemption filed during 2013. After said financial town
28 meeting, the town clerk shall forthwith certify to the secretary of state the result of the vote.

29 SECTION 3. This section and Section 2 of this act shall take effect upon passage, and the
30 remaining section shall take effect upon approval by the qualified electors of Richmond.

=====
LC02315
=====