

2014 -- S 2461

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2014

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A N A C T

RELATING TO TAXATION -- REAL ESTATE CONVEYANCE TAX

Introduced By: Senators Crowley, Goldin, Miller, Pichardo, and Metts

Date Introduced: February 27, 2014

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-25-1 of the General Laws in Chapter 44-25 entitled "Real Estate
2 Conveyance Tax" is hereby amended to read as follows:

3 **44-25-1. Tax imposed -- Payment -- Burden.** -- (a) There is imposed, on each deed,
4 instrument, or writing by which any lands, tenements, or other realty sold is granted, assigned,
5 transferred, or conveyed to, or vested in, the purchaser or purchasers, or any other person or
6 persons, by his or her or their direction, when the consideration paid exceeds one hundred dollars
7 (\$100), a tax at the rate of ~~two dollars (\$2.00)~~ two dollars and fifty cents (\$2.50) for each five
8 hundred dollars (\$500) or fractional part of it which is paid for the purchase of the property
9 (inclusive of the value of any lien or encumbrance remaining at the time of sale), which tax is
10 payable at the time of making, execution, delivery, acceptance or presenting for recording of the
11 instrument. In the absence of an agreement to the contrary, the tax shall be paid by the grantor.

12 (b) In the event no consideration is actually paid for the lands, tenements, or realty, the
13 instrument of conveyance shall contain a statement to the effect that the consideration is such that
14 no documentary stamps are required.

15 (c) The tax administrator shall contribute to the distressed community relief program the
16 sum of thirty cents (\$.30) per two dollars (\$2.00) of the face value of the stamps to be distributed
17 pursuant to section 45-13-12, and to the affordable housing rental subsidy account the sum of
18 fifty cents (\$.50) per two dollars and fifty cents (\$2.50) of the face value of the stamps to be
19 distributed pursuant to § 35-3-22 and chapter 11.2 of title 42. The state shall retain sixty cents

1 (\$0.60) for state use. The balance of the tax shall be retained by the municipality collecting the tax.
2 Provided, however, in fiscal years 2004 and 2005, from the proceeds of this tax, the tax
3 administrator shall deposit as general revenues the sum of ninety cents (\$0.90) per two dollars
4 (\$2.00) of the face value of the stamps. The balance of the tax is retained by the municipality
5 collecting the tax.

6 SECTION 2. This act shall take effect on July 1, 2014.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO TAXATION -- REAL ESTATE CONVEYANCE TAX

1 This act would increase the real estate conveyance tax from two dollars (\$2.00) to two
2 dollars and fifty cents (\$2.50) per five hundred dollars (\$500) of the sale price, with the increase
3 to go to the affordable housing rental subsidy account.

4 This act would take effect on July 1, 2014.

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