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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2015

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A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION --TIVERTON
ELDERLY EXEMPTION

Introduced By: Senators Felag, Ottiano, and DiPalma

Date Introduced: March 05, 2015

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-3-16 of the General Laws in Chapter 44-3 entitled "Property
2 Subject to Taxation" is hereby amended to read as follows:

3 **44-3-16. Elderly -- Freeze of tax rate and valuation.** -- (a) The city or town councils of
4 the various cities and towns except the towns of West Warwick, Exeter, Coventry and Bristol
5 may provide, by ordinance, for the freezing of the rate and valuation of taxes on real property
6 located therein to any person who is sixty-five (65) years or older or to any person who is totally
7 and permanently disabled regardless of age and who does not have income from all sources in
8 excess of four thousand dollars (\$4,000) per year, or in the case of the town of Johnston to any
9 person who is sixty-five (65) years or older or to any person who is totally and permanently
10 disabled regardless of age and who does not have income from all sources in excess of six
11 thousand dollars (\$6,000) per year, and a total income of seventy-two hundred dollars (\$7,200)
12 for two (2) or more persons living in that dwelling, or in the case of the city of Cranston to any
13 person who is sixty-five (65) years or older or to any person who is totally and permanently
14 disabled regardless of age and who does not have income from all sources in excess of twenty
15 thousand dollars (\$20,000) per year, or a lesser figure as determined by the city council of the city
16 of Cranston and a total income of twenty-three thousand dollars (\$23,000), or a lesser figure as
17 determined by the city council of the city of Cranston, for two (2) or more persons living in that
18 dwelling; provided, that the freeze of rate and valuation on real property applies only to owner

1 occupied single or two (2) family dwellings in which the person resides; and provided, further,
2 that the exemption is not allowed unless the person entitled to it has presented to the assessors, on
3 or before the last day on which sworn statements may be filed with the assessors for the year for
4 which the tax freeze is claimed, or for taxes assessed December 31, 2009, the deadline is April
5 15, 2010, evidence that he or she is entitled, which evidence shall stand as long as his or her legal
6 residence remains unchanged. The exemptions shall be in addition to any other exemption
7 provided by law, and provided, further, that the real estate is not taken from the tax rolls and is
8 subject to the bonded indebtedness of the city or town.

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

14 (i) An exemption of three hundred seventy-five dollars (\$375) for those having a gross
15 annual income from all sources of \$0 to \$15,000;

16 (ii) An exemption of two hundred eighty dollars (\$280) for those having a gross annual
17 income from all sources of \$15,001 to \$20,000;

18 (iii) An exemption of two hundred thirty-five dollars (\$235) for those having a gross
19 annual income from all sources of \$20,001 to \$25,000;

20 (iv) An exemption of one hundred ninety dollars (\$190) for those having a gross annual
21 income from all sources of \$25,001 to \$30,000;

22 (v) An exemption of one hundred dollars (\$100) for those having a gross annual income
23 from all sources of \$30,001 to \$35,000.

24 (2) Provided, that the exemption schedule applies only to single family dwellings in
25 which the person resides; provided, further, that the person acquired the property for actual
26 consideration paid or inherited the property; provided, further, that the person has resided in the
27 town of West Warwick for a period of three (3) years ending with the date of assessment for the
28 year for which exemption is claimed; and provided, further, that the exemption is not allowed
29 unless the person entitled to it has presented to the assessors, on or before the last day on which
30 sworn statements may be filed with the tax assessor for the year for which the exemption is
31 claimed, evidence that he or she is entitled, which evidence shall stand as long as his or her
32 residence remains unchanged. In the case of married persons, the age requirement will be met as
33 soon as either the husband or wife reaches the age of sixty-five (65) years and in the event the
34 husband passes away, a widow sixty-two (62) years of age to sixty-five (65) years of age is

1 allowed the exemption as long as she remains unmarried.

2 (3) Those persons granted tax relief under chapter 255 of the Public Laws of 1972 have
3 the option of retaining their current tax freeze or abandoning it to seek relief under this
4 subsection.

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

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

25 (e) The town council of the town of Coventry is authorized in the ordinance or
26 ordinances to provide that any person who obtains an exemption pursuant to the ordinance to
27 which the person is not entitled by the filing or making of any false statement or the proffering of
28 any document or other writing known by the person to have been altered, forged, or to contain
29 any false or untrue information is liable to the town of Coventry for an amount equal to double
30 the amount of reduction in taxes resulting from the exemption, which amount is recoverable by
31 the town in a civil action.

32 (f) The town council of the town of Exeter may provide, by ordinance, for the freezing of
33 the rate and valuation of taxes on real property located in the town to any qualified person who is
34 sixty-five (65) years or older regardless of income, or to any person who is totally and

1 permanently disabled regardless of age, and income, provided, that the freeze of rate and
2 valuation on real property applies only to single family dwellings in which the person resides; and
3 provided, further, that the person acquired the property for actual consideration paid or inherited
4 the property; and provided that the qualified person has presented to the assessors, on or before
5 the last day on which sworn statements may be filed with the assessors for the year for which the
6 exemption is claimed, evidence that he or she is entitled, which evidence shall stand as long as his
7 or her legal residence remains unchanged. The stabilization of resulting tax assessments shall be
8 subject to reasonable definitions, terms and conditions as may otherwise be prescribed by
9 ordinance. The exemption is in addition to any other exemption provided by law, and provided,
10 further, that the real estate is not taken from the tax rolls and is subject to the bonded
11 indebtedness of the town.

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

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

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

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

31 (4) The owner of the property or a tenant for life or for a term of years who meets the
32 qualifications previously enumerated is entitled to pay the tax levied on the property for the first
33 year in which the claim for tax relief is filed and approved. For each subsequent year the taxpayer
34 shall meet the qualifications hereafter enumerated, the taxpayer shall be entitled to continue to

1 pay the tax or the lesser amount as is levied.

2 (h) The town council of the town of Tiverton may, by ordinance, ~~exempt from taxation~~
3 provide for a tax credit on the real property and/or mobile homes situated in the town which is
4 owned and occupied as the principal residence by any one or more persons sixty-five (65) years
5 of age or over ~~by one who is totally and permanently disabled, regardless of age~~, domiciled in the
6 town of Tiverton, upon terms and conditions as may be established by the town council in the
7 ordinance.

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

12 ~~(i) An exemption not to exceed fifty thousand dollars (\$50,000) for those having an~~
13 ~~adjusted gross income of zero (0) to fifteen thousand dollars (\$15,000);~~

14 ~~(ii) An exemption not to exceed thirty five thousand dollars (\$35,000) for those having~~
15 ~~an annual adjusted income of fifteen thousand one dollars (\$15,001) to eighteen thousand dollars~~
16 ~~(\$18,000);~~

17 ~~(iii) An exemption not to exceed twenty five thousand dollars (\$25,000) for those having~~
18 ~~an annual adjusted income of eighteen thousand one dollars (\$18,001) to twenty two thousand~~
19 ~~dollars (\$22,000);~~

20 ~~(iv) An exemption not to exceed twenty thousand dollars (\$20,000) for those having an~~
21 ~~annual adjusted income of twenty two thousand one dollars (\$22,001) to thirty thousand dollars~~
22 ~~(\$30,000).~~

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

32 (3) In the case of married persons, the age requirement will be met as soon as either the
33 husband or wife reaches the age of sixty-five (65) years, and in the event ~~the husband~~ a spouse
34 passes away, a widow(er) sixty-two (62) years of age to sixty-five (65) years of age is allowed the

1 ~~exemption~~ tax credit as long as she remains unmarried.

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

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

21 SECTION 2. 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 -- PROPERTY SUBJECT TO TAXATION --TIVERTON
ELDERLY EXEMPTION

1 This act would amend the town of Tiverton's elderly low income tax exemption in order
2 to provide a tax credit instead of an exemption, to taxpayers in the town of Tiverton sixty-five
3 (65) years of age or older. The act would also repeal the tax exemption schedule and instead
4 would allow the Tiverton town council to establish its own schedule of tax credits for citizens
5 sixty-five (65) years of age or older.

6 This act would take effect upon passage.

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