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S T A T E   O F   R H O D E   I S L A N D

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N   A C T

RELATING TO TAXATION -- VETERANS' EXEMPTIONS

Introduced By: Senators Lombardi, Gallo, and Miller

Date Introduced: May 11, 2017

Referred To: Senate Special Legislation and Veterans Affairs

It is enacted by the General Assembly as follows:

SECTION 1. Section 44-3-4 of the General Laws in Chapter 44-3 entitled "Property Subject to Taxation" is hereby amended to read as follows:

44-3-4. Veterans' exemptions.

(a) (1) The property of each person who served in the military or naval service of the United States in the war of the rebellion, the Spanish-American war, the insurrection in the Philippines, the China-relief expedition, or World War I, and the property of each person who served in the military or naval service of the United States in World War II at any time during the period beginning December 7, 1941, and ending on December 31, 1946, and the property of each person who served in the military or naval services of the United States in the Korean conflict at any time during the period beginning June 27, 1950, and ending January 31, 1955, or in the Vietnam conflict at any time during the period beginning February 28, 1961, and ending May 7, 1975, or who actually served in the Grenada or Lebanon conflicts of 1983-1984, or the Persian Gulf conflict, the Haitian conflict, the Somalian conflict, and the Bosnian conflict, at any time during the period beginning August 2, 1990, and ending May 1, 1994, or in any conflict or undeclared war ~~for which a campaign ribbon or expeditionary medal was earned,~~ and who was honorably discharged from the service, or who was discharged under conditions other than dishonorable, or who, if not discharged, served honorably, or the property of the unmarried widow or widower of that person, is exempted from taxation to the amount of one thousand dollars ($1,000), except in:

(i) Burrillville, where the exemption is four thousand dollars ($4,000);

(ii) Cumberland, where the town council may, by ordinance, provide for an exemption of a maximum of twenty-three thousand seven hundred seventy-two dollars ($23,772);

(iii) Cranston, where the exemption shall not exceed three thousand dollars ($3,000);

(iv) Jamestown, where the town council may, by ordinance, provide for an exemption not exceeding five thousand dollars ($5,000);

(v) Lincoln, where the exemption shall not exceed ten thousand dollars ($10,000); and where the town council may also provide for a real estate tax exemption not exceeding ten thousand dollars ($10,000) for those honorably discharged active duty veterans who served in Operation Desert Storm;

(vi) Newport, where the exemption is four thousand dollars ($4,000);

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

(viii) North Kingstown, where the exemption is ten thousand dollars ($10,000);

(ix) North Providence, where the town council may, by ordinance, provide for an exemption of a maximum of five thousand dollars ($5,000);

(x) [As amended by P.L. 2015, ch. 168, § 1]. Smithfield, where the exemption is ten thousand dollars ($10,000);

(x) [As amended by P.L. 2015, ch. 179, § 1]. Smithfield, where the exemption is four thousand dollars ($4,000). Provided, effective July 1, 2016, the Smithfield town council may, by ordinance, provide for an exemption of a maximum of ten thousand dollars ($10,000);

(xi) Warren, where the exemption shall not exceed five thousand five hundred dollars ($5,500) on motor vehicles, or nine thousand five hundred eighty-four dollars ($9,584) on real property;

(xii) Westerly, where the town council may, by ordinance, provide an exemption of the total value of the veterans' real and personal property to a maximum of forty thousand five hundred dollars ($40,500);

(xiii) Barrington, where the town council may, by ordinance, provide for an exemption of six thousand dollars ($6,000) for real property;

(xiv) Exeter, where the exemption is five thousand dollars ($5,000);

(xv) Glocester, where the exemption shall not exceed thirty thousand dollars ($30,000);

(xvi) West Warwick, where the city council may, by ordinance, provide for an exemption of up to ten thousand dollars ($10,000);

(xvii) Warwick, where the city council may, by ordinance, provide for an exemption of a maximum of four thousand dollars ($4,000);

(xviii) [As added by P.L 2016, ch. 238, § 1]. Charlestown, where the town council may, by ordinance, provide for an additional exemption of a maximum of one hundred fifty dollars ($150) to any veteran of the United States armed services, regardless of their qualified service dates, who was honorably discharged, or to the unmarried widow or widower of that person who is not currently receiving this statutory exemption;

(xix) [As added by P.L 2016, ch. 268, § 1]. Charlestown, where the town council may, by ordinance, provide for an additional tax credit of one hundred fifty dollars ($150) to any veteran of the United States armed services, regardless of their qualified service dates, who was honorably discharged, or to the unmarried widow or widower of that person who is not currently receiving this statutory exemption; and

(xx) Narragansett, where the town council may, by ordinance, provide for an exemption of a maximum of twenty thousand dollars ($20,000) from the assessed value of real property, or twelve thousand dollars ($12,000) from the assessed value of a motor vehicle.

(2) The exemption is applied to the property in the municipality where the person resides, and if there is not sufficient property to exhaust the exemption, the person may claim the balance in any other city or town where the person may own property; provided, that the exemption is not allowed in favor of any person who is not a legal resident of the state, or unless the person entitled to the exemption has 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 exemption is claimed, evidence that he or she is entitled, which evidence shall stand so long as his or her legal residence remains unchanged; provided, however, that in the town of South Kingstown, the person entitled to the exemption shall present to the assessors, at least five (5) days prior to the certification of the tax roll, evidence that he or she is entitled to the exemption; and, provided, further, that the exemption provided for in this subdivision to the extent that it applies in any city or town, shall be applied in full to the total value of the person's real and tangible personal property located in the city or town; and, provided, that there is an additional exemption from taxation in the amount of one thousand dollars ($1,000), except in:

(i) Central Falls, where the city council may, by ordinance, provide for an exemption of a maximum of seven thousand five hundred dollars ($7,500);

(ii) Cranston, where the exemption shall not exceed three thousand dollars ($3,000);

(iii) Cumberland, where the town council may, by ordinance, provide for an exemption of a maximum of twenty-two thousand five hundred dollars ($22,500);

(iv) Lincoln, where the exemption shall not exceed ten thousand dollars ($10,000);

(v) Newport, where the exemption is four thousand dollars ($4,000);

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

(vii) North Providence, where the town council may, by ordinance, provide for an exemption of a maximum of five thousand dollars ($5,000);

(viii) Smithfield, where the exemption is four thousand dollars ($4,000);

(ix) Warren, where the exemption shall not exceed eleven thousand dollars ($11,000); and

(x) Barrington, where the town council may, by ordinance, provide for an exemption of six thousand dollars ($6,000) for real property; of the property of every honorably discharged veteran of World War I or World War II, Korean or Vietnam, Grenada or Lebanon conflicts, the Persian Gulf conflict, the Haitian conflict, the Somalian conflict and the Bosnian conflict at any time during the period beginning August 2, 1990, and ending May 1, 1994, or in any conflict or undeclared war ~~for which a campaign ribbon or expeditionary medal was earned,~~ who is determined by the Veterans Administration of the United States of America to be totally disabled through service connected disability and who presents to the assessors a certificate from the veterans administration that the person is totally disabled, which certificate remains effectual so long as the total disability continues.

(3) Provided, that:

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

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

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

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

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

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

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

(viii) West Warwick town council may exempt the real property of each of the totally disabled persons in an amount of two hundred dollars ($200); and

(ix) Westerly town council may, by ordinance, provide for an exemption on the total value of real and personal property to a maximum of forty-six thousand five hundred dollars ($46,500).

(4) There is an additional exemption from taxation in the town of:

Warren, where its town council may, by ordinance, provide for an exemption not exceeding eight thousand two hundred fifty dollars ($8,250), of the property of every honorably discharged veteran of World War I or World War II, or Vietnam, Grenada or Lebanon conflicts, the Persian Gulf conflict, the Haitian conflict, the Somalian conflict and the Bosnian conflict, at any time during the period beginning August 2, 1990, and ending May 1, 1994, or in any conflict or undeclared war ~~for which a campaign ribbon or expeditionary medal was earned,~~ who is determined by the Veterans' Administration of the United States of America to be partially disabled through a service connected disability and who presents to the assessors a certificate that he is partially disabled, which certificate remains effectual so long as the partial disability continues. Provided, however, that the Barrington town council may exempt real property of each of the above named persons in the amount of three thousand dollars ($3,000); Warwick city council may, by ordinance, exempt real property of each of the above-named persons and to any person who served in any capacity in the military or naval service during the period of time of the Persian Gulf conflict, whether or not the person served in the geographical location of the conflict, in the amount of four thousand dollars ($4,000).

(5) Lincoln . There is an additional exemption from taxation in the town of Lincoln for the property of each person who actually served in the military or naval service of the United States in the Persian Gulf conflict and who was honorably discharged from the service, or who was discharged under conditions other than dishonorable, or who, if not discharged, served honorably, or of the unmarried widow or widower of that person. The exemption shall be determined by the town council in an amount not to exceed ten thousand dollars ($10,000).

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

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

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

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

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

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

(6) Westerly, where the town council may, by ordinance, provide for an exemption of a maximum of forty thousand five hundred dollars ($40,500);

(7) Lincoln, where the town council may, by ordinance, provide for an exemption of a maximum of fifteen thousand dollars ($15,000); and

(8) Narragansett, where the town council may, by ordinance, provide for an exemption of a maximum of fifty thousand dollars ($50,000).

(c) In addition to the previously provided exemptions, any veteran of the military or naval service of the United States who is determined, under applicable federal law by the Veterans' Administration of the United States to be totally disabled through service-connected disability may, by ordinance, passed in the city or town where the veteran's property is assessed, receive a ten thousand dollar ($10,000) exemption from local taxation on his or her property whether real or personal and if the veteran owns real property may be exempt from taxation by any fire and/or lighting district; provided, that in the town of: North Kingstown, where the amount of the exemption shall be eleven thousand dollars ($11,000) commencing with the December 31, 2002, assessment; and for the town of Westerly, where the amount of the exemption shall be thirty-nine thousand dollars ($39,000) commencing with the December 31, 2005, assessment; and in the town of Cumberland, where the amount of the exemption shall not exceed forty-seven thousand five hundred forty-four dollars ($47,544); and the town of Narragansett, where the amount of the exemption shall not exceed twenty thousand dollars ($20,000) from the assessed value of real property or twelve thousand dollars ($12,000) from the assessed value of a motor vehicle; and in the city of Cranston, commencing with the December

31, 2016, assessment, where the exemption will not exceed two hundred fifty thousand dollars ($250,000) and be extended to the unmarried widow or widower of such veteran.

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

(e) In addition to the previously provided exemptions, there may by ordinance passed in the city or town where the person's property is assessed, be an additional fifteen thousand dollars ($15,000) exemption from local taxation on real and personal property for any veteran of military or naval service of the United States or the unmarried widow or widower of person who has been or shall be classified as, or determined to be, a prisoner of war by the Veterans' Administration of the United States, except in:

(1) Westerly, where the town council may, by ordinance, provide for an exemption of a maximum of sixty-eight thousand dollars ($68,000);

(2) Cumberland, where the town council may by ordinance provide for an exemption of a maximum of forty-seven thousand five hundred forty-four dollars ($47,544); and

(3) Narragansett, where the town council may, by ordinance, provide for an exemption of a maximum of forty thousand dollars ($40,000).

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

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

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

(i) In addition to the previously provided exemption, any veteran who is discharged from the military or naval service of the United States under conditions other than dishonorable, or an officer who is honorably separated from military or naval service, who is determined, under applicable federal law by the Veterans Administration of the United States to be totally and permanently disabled through a service-connected disability, who owns a specially adapted homestead that has been acquired or modified with the assistance of a special adaptive housing grant from the Veteran's Administration and that meets Veteran's Administration and Americans with disability act guidelines from adaptive housing or that has been acquired or modified using proceeds from the sale of any previous homestead that was acquired with the assistance of a special adaptive housing grant from the veteran's administration, the person or the person's surviving spouse is exempt from all taxation on the homestead. Provided, that in the town of Westerly where the amount of the above referenced exemption shall be forty-six thousand five hundred dollars ($46,500).

(j) The town of Coventry may provide by ordinance a one thousand dollars ($1,000) exemption for any person who is an active member of the armed forces of the United States.

SECTION 2. This act shall take effect upon passage.

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EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

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RELATING TO TAXATION -- VETERANS' EXEMPTIONS

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This act would eliminate the requirement that a service person serving in conflicts or undeclared wars receive a campaign ribbon or expeditionary medal in order to receive a property tax exemption.

This act would take effect upon passage.

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