

2018 -- S 2748 SUBSTITUTE A AS AMENDED

=====
LC003100/SUB A
=====

STATE OF RHODE ISLAND

**IN GENERAL ASSEMBLY
JANUARY SESSION, A.D. 2018**



A N A C T

RELATING TO TAXATION - LEVY AND ASSESSMENT OF LOCAL TAXES

Introduced By: Senator Ryan W. Pearson

Date Introduced: March 27, 2018

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-12.1 of the General Laws in Chapter 44-5 entitled "Levy and
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 **44-5-12.1. Assessment of tangible personal property.**

4 (a) All tangible personal property subject to taxation shall be assessed for taxation based
5 on the original purchase price (new or used) including all costs such as freight and installation.
6 Assets will be classified and depreciated as defined in this section.

7 (b) The following classification and depreciation table shall be used in determining the
8 assessed value of tangible personal property.

9 State of Rhode Island Tangible Property Classification

10 Class of Assets	Class I Short Life	Class II Mid-Life	Class III Long Life
11 Age	1-5 yrs	6-12 yrs	13+ yrs
12 1	95	95	95
13 2	80	90	90
14 3	60	80	85
15 4	30	70	80
16 5	20	60	75
17 6	20	50	70
18 7	20	40	65
19 8	20	30	60

1	9	20	30	55
2	10	20	30	50
3	11	20	30	45
4	12	20	30	40
5	13	20	30	35
6	14	20	30	30
7	15+	20	30	30

8 Assets Shall Not be Trended

9 (c) Assets shall be classified on an annual basis by the Rhode Island Association of
10 Assessing Officers' Personal Property Committee based on the following table:

11	INDUSTRY GROUP IN YEARS	CLASS
12	Aerospace industry	II
13	Agriculture machinery and equipment	II
14	cotton ginning	II
15	Aircraft and all helicopters	II
16	Amusement and theme parks	II
17	Apparel and fabricated textile manufacturing	II
18	Automobile repair shops	II
19	Bakeries and confectionery production	II
20	Barber and beauty shops	II
21	Billboards	II III
22	Brewery equipment <u>not used directly in manufacturing</u>	II
23	Cable television, headend facilities <u>Cable television: All equipment including</u>	
24	<u>set top boxes, remotes, and other related equipment</u>	II
25	<u>Aerial, underground, and drops, including MDUS.</u>	III
26	microwave systems	II
27	program origination	II
28	service and test	II
29	subscriber connection and distribution	II
30	Canneries and frozen food production	II
31	Cement manufacture <u>processing</u>	III
32	Chemical and allied production	II
33	Clay products manufacturing <u>processing</u>	III
34	Clocks and watches, manufacturing	II

1	electronic instrumentation	I
2	Cold storage and ice-making equipment	III
3	Cold storage warehouse equipment	II
4	Computers, personal computers (PC), laptops, tablets, cellphones,	
5	mainframe/servers, peripherals, keyboard, mouse,	I
6	mainframe	I/II
7	peripherals	I
8	Condiments, manufacturing and processing	II
9	Construction equipment, general construction, backhoes, forklifts, loaders,	
10	cranes, unregistered vehicles	II
11	Dairy products manufacturing processing	II
12	Data handling equipment, except computers	II
13	Printers, copiers, bridges, routers and gateways	<u>II</u>
14	Distilling	II
15	Electrical equipment not used in manufacturing	II
16	Electronic companies, steam production	III
17	other production, combined cycle	III
18	gas turbines	III
19	nuclear production	III
20	transmission	III
21	distribution	III
22	Electronic equipment manufacturing	I <u>II</u>
23	Fabricated metal products/ special tools	II
24	special tools	I
25	Fishing equipment, excluding boats and barges, lines, nets,	I
26	Food and beverage production	II
27	special handling devices	I
28	Fur processing	II
29	Gas distribution, total distribution equipment	III
30	Optional for equipment by category:	
31	mains and services, plastic	III
32	mains and services, steel	III
33	meters, regulators, installations	III
34	other distribution equipment	III

1	Glass and glass products/ special tools	II
2	special tools	I
3	Grain and grain mill products manufacture processing	III
4	Gypsum products	III
5	Hand tools	I II
6	Hospital furnishings and equipment	II
7	Hotel and motel furnishings and equipment	II
8	Jewelry products and pens	II
9	Knitwear and knit products, ex. work uniforms	I
10	Laundry equipment	II
11	Leather and leather products	II
12	Logging, timber cutting	I/II II
13	Machinery manufacturing, except, as otherwise listed	II
14	Marine construction	II
15	Meatpacking	II
16	Medical and dental supply production	II
17	Metalworking machinery manufacturing processing	II
18	Mining and quarrying	II
19	Motion picture and television production	II
20	Motor vehicle and parts/ special tools manufacturing	II
21	special tools	I
22	Office furniture and equipment	II
23	Optical lenses and instrument manufacturing processing	II
24	Paints and varnishes	I
25	Paper and pulp manufacturing	II
26	—converted paper, paperboard and pump	II
27	Petroleum and natural gas, drilling, onshore	II
28	drilling, offshore	II
29	—exploration and production	II
30	petroleum refining	III
31	pipeline transportation	III
32	Plastics manufacturing	I/II
33	Plastic products manufacturing processing/special tools	II
34	special tools	I

1	Primary metals production, nonferrous and foundry products	III
2	special tools	I III
3	Primary steel mill products	III
4	Printing and publishing	II
5	Professional and scientific instruments	II
6	Radio and television, broadcasting	I/II II
7	Railroad transportation equipment manufacturing	II
8	locomotive manufacturing	II
9	Recreation and amusement	II
10	Retail trades, fixtures and equipment	II
11	Residential furniture	II
12	Restaurant and bar equipment	II
13	Restaurant equipment, fast foods	II
14	Rubber products manufacturing <u>processing/special tools</u>	II
15	special tools	I
16	Sawmills, permanent/ <u>portable</u>	II
17	portable	I
18	Service establishments	II
19	Ship and boat building machinery and equipment/ <u>special tools</u>	II
20	special tools	I
21	Soft drink manufacture <u>processing</u> and bottling	II
22	Steam production and distribution	III
23	Stone products manufacturing <u>processing</u>	III
24	Sugar and sugar products manufacturing	III
25	Telecommunications, local exchange <u>and interstate</u>	<u>II</u>
26	analog switching	I/II II
27	digital switching	I/II
28	circuit, digital, <u>analog, optic</u>	I/II II
29	circuit, analog	II
30	circuit, optic	I/II
31	other central office equipment	I/II
32	information/origination equipment	I/II
33	smart phones	I
34	metallic cable	II III

1	fiber cable, <u>poles, conduit</u>	III
2	poles	III
3	conduit	III
4	Telecommunications, interstate interexchange analog switching	I/II
5	digital switching	I/II
6	metallic cable	II
7	fiber cable	III
8	poles	III
9	conduit	III
10	all other equipment	I/II II
11	Telecommunications, cellular	
12	analog <u>Analog/digital</u> switching	I/II II
13	digital switching	I/II
14	radio frequency channel and control	I/II II
15	power equipment	II
16	antennae	II
17	towers	III
18	transmission equipment	I/II II
19	cellular phones	I
20	Textile products, including finishing and dyeing	II
21	manufacture of nonwoven fabrics	II
22	manufacture of yarn <u>Yarn</u> , thread and woven fabrics	II
23	manufacture of textured yarns	II
24	Theater equipment	II
25	Tobacco and tobacco products	III
26	Vegetable oil products	III
27	<u>Utilities/power production</u>	III
28	<u>Generation, transmission, or distribution equipment</u>	III
29	Waste reduction and resource recovery	II
30	Water transportation	III
31	vessels, barges and tugs	III
32	Water utilities	III
33	Wharves, docks and piers	III
34	Wholesale trade fixtures and equipment	II

1 Wood products and furniture manufacturing II
2 (d) Any industry, group, or asset not enumerated in section (b) of this section, shall be
3 categorized as class II.
4 SECTION 2. This act shall take effect upon passage.

=====
LC003100/SUB A
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TAXATION - LEVY AND ASSESSMENT OF LOCAL TAXES

- 1 This act would revise the list of personal property subject to local taxation and provide
- 2 greater clarity to businesses in the state concerning such taxes.
- 3 This act would take effect upon passage.

=====
LC003100/SUB A
=====