LC002088

2019 -- S 0590

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

AN ACT

RELATING TO TAXATION - SURETY BOND REQUIRED FOR TAX CREDITS

Introduced By: Senators Lombardi, Ciccone, Lombardo, McCaffrey, and Ruggerio

Date Introduced: March 14, 2019

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1	SECTION 1. Title 44 of the General Laws entitled "TAXATION" is hereby a	amended by

2 adding thereto the following chapter:

3	CHAPTER 70
4	SURETY BOND REQUIRED FOR TAX CREDITS
5	44-70-1. Surety bond required for tax credits.
6	The awarding of any tax credit under this title shall require that any real estate developer
7	or owner developing a project or development with a value of five million dollars (\$5,000,000) or
8	greater, state by sworn affidavit that there are no outstanding liens on any properties owned by
9	that developer or owner, and file with the proper authority good and sufficient bond with surety
10	furnished by any surety company authorized to do business in the state, conditioned upon the
11	payment for labor performed and material furnished in connection therewith. Waiver of the
12	bonding requirements of this section is expressly prohibited.

13 SECTION 2. This act shall take effect upon passage.

LC002088

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO TAXATION - SURETY BOND REQUIRED FOR TAX CREDITS

This act would require an owner or developer of a project valued at or above five million
dollars (\$5,000,000) or more to attest by sworn affidavit that the properties have no outstanding
liens and to file a surety bond conditioned upon payment for labor and materials of the project,
and any waiver of the bond is prohibited.
This act would take effect upon passage.

LC002088