

2023 -- H 5753

LC001666

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2023

A N A C T

RELATING TO TAXATION -- SMALL BUSINESS TANGIBLE PROPERTY TAX RELIEF
ACT

Introduced By: Representatives Rea, Costantino, Edwards, Casey, Chippendale, Hull,
Roberts, Fellela, and Place

Date Introduced: February 21, 2023

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Title 44 of the General Laws entitled "TAXATION" is hereby amended by
2 adding thereto the following chapter:

3 CHAPTER 5.3

4 SMALL BUSINESS TANGIBLE PROPERTY TAX RELIEF ACT

5 **44-5.3-1. Statewide tangible property tax exemption.**

6 (a) Notwithstanding the provisions of chapter 5 of this title or any other provisions to the
7 contrary, in an effort to provide relief for small businesses, and to promote economic development,
8 all ratable, tangible personal property not otherwise exempt from taxation shall be exempt from
9 taxation up to two hundred fifty thousand dollars (\$250,000) of assessed value.

10 (b) Cities, towns and fire districts may increase the rate of tax on tangible personal property
11 assessed in excess of two hundred fifty thousand dollars (\$250,000), in order to recover the amount
12 of lost tax revenues due to the exemption in subsection (a) of this section.

13 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 -- SMALL BUSINESS TANGIBLE PROPERTY TAX RELIEF
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1 This act would exempt from taxation the tangible personal property of small businesses up
2 to two hundred fifty thousand dollars (\$250,000) of assessed value. This act would also allow cities,
3 towns, and fire districts to increase the tax rate on tangible personal property assessed in excess of
4 two hundred fifty thousand dollars (\$250,000) in order to recover the amount of lost tax revenues
5 resulting from the exemption.

6 This act would take effect upon passage.

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