

2025 -- H 5285

LC000786

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION

Introduced By: Representatives Morales, Biah, Batista, DeSimone, Diaz, Sanchez, Slater,
J. Lombardi, Chippendale, and Place

Date Introduced: January 31, 2025

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-3 of the General Laws entitled "Property Subject to Taxation" is
2 hereby amended by adding thereto the following section:

3 **44-3-70. Municipal taxation on an endowment of a private institution of higher**
4 **education.**

5 (a) Each city and town, by ordinance adopted by the city or town council, may wholly or
6 partially impose a tax, of not more than two percent (2%), on the endowment of a private institution
7 of higher education that is in excess of one billion dollars (\$1,000,000,000).

8 (b) All tax revenues generated pursuant to this section shall be deposited in a restricted
9 receipt account, by the city or town, to be used for the public school district of that municipality.

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

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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1 This act would authorize a host city or town to impose a two percent (2%) tax on the
2 endowment of a private institution of higher education that is in excess of one billion dollars
3 (\$1,000,000,000), to be used only for the host public school district.

4 This act would take effect upon passage.

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