

2025 -- S 0723

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

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A N A C T

RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES

Introduced By: Senators Thompson, Murray, Tikoian, Appollonio, and Pearson

Date Introduced: March 07, 2025

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-13.11 of the General Laws in Chapter 44-5 entitled "Levy and  
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 **44-5-13.11. Qualifying low-income housing — Assessment and taxation.**

4 (a) Any residential property that has been issued an occupancy permit on or after January  
5 1, 1995, after substantial rehabilitation as defined by the U.S. Department of Housing and Urban  
6 Development and is encumbered by a covenant recorded in the land records in favor of a  
7 governmental unit or Rhode Island housing and mortgage finance corporation restricting either or  
8 both the rents that may be charged to tenants of the property or the incomes of the occupants of the  
9 property, is subject to a tax that equals eight percent (8%) of the property's previous years' gross  
10 scheduled rental income or a lesser percentage as determined by each municipality.

11 (b) Any city or town whose low- or moderate-income housing units exceeds the ten percent  
12 (10%) threshold outlined under chapter 53 of title 45 ("low and moderate income housing") shall  
13 be exempt from the provisions of subsection (a) of this section for any and all properties that have  
14 been issued an occupancy permit after December 31, 2024; provided, further, that any local city or  
15 town council may, by passage of a resolution, elect not to be exempted under the provisions of  
16 subsection (a) of this section.

1 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 exempt certain cities and towns whose communities exceed the low-and
- 2 moderate-income housing threshold from the tax of the previous year's gross scheduled rental
- 3 income.
- 4           This act would take effect upon passage.

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