

**2026 -- S 2259**

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LC004476

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**S T A T E   O F   R H O D E   I S L A N D**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2026**

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**A N   A C T**

**RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES**

Introduced By: Senators Pearson, Gallo, DiPalma, and Thompson

Date Introduced: January 23, 2026

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1        SECTION 1. Chapter 44-5 of the General Laws entitled "Levy and Assessment of Local  
2        Taxes" is hereby amended by adding thereto the following section:

3        **44-5-91. Homestead exemption.**

4        (a) Notwithstanding any other provision in this chapter to the contrary, any municipality,  
5        by ordinance, duly enacted, is authorized to annually fix the amount, if any, of a homestead  
6        exemption with respect to assessed value from local taxation on taxable real property used for  
7        residential purposes and to grant homestead exemptions to the owner or owners of residential real  
8        estate in an amount not to exceed twenty percent (20%) of the assessed value. The exemption only  
9        applies to property used exclusively for residential purposes, and improved with a dwelling  
10        containing less than four (4) units. In order to determine compliance with the homestead exemption  
11        as outlined in this section, the municipality shall provide, by ordinance, rules and regulations  
12        governing eligibility for the exemption established by this section.

13        (b) In the event property granted an exemption under this section is sold or transferred  
14        during the year for which the exemption is claimed, the municipality, upon approval of its city or  
15        town council, may provide for a proration of the homestead exemption in cases where title to  
16        property passes from those not entitled to claim an exemption to those who are entitled to claim an  
17        exemption.

18        (c) Notwithstanding the provisions of subsection (a) of this section, any municipality that,  
19        prior to the enactment of this section, has granted its residents a homestead exemption at a different

1      or higher rate, shall be exempt from the limitations imposed in that subsection.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
A N A C T  
RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES

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- 1        This act would permit every municipality in the state to offer a homestead tax exemption
- 2        of up to twenty percent (20%) of assessed value on residential properties, and would also provide
- 3        that municipalities that grant greater exemptions would not be limited by this section.
- 4        This act would take effect upon passage.

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