

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 234

Approved May 11, 2001

RESOLVED, That the Members of the Providence City Council
hereby endorse and urge Passage by the General Assembly of Senate Bill
2001-S 0759 and House Bill 2001-H 5806 Relating to Uniform Commercial
Code-- Leases, in substantially the form attached.

IN CITY COUNCIL
MAY 10, 2001
READ AND PASSED

Delbert A. Gonyea
PRES. Acting
Michael R. Clement
CLERK

APPROVED

MAY 11 2001
Vincent A. Cianci
MAYOR

RECD AND PASSED
IN CILA CONACT

6 RES.

CLERK

IN CITY COUNCIL
APR 5 2001
FIRST READING
REFERRED TO COMMITTEE ON
STATE LEGISLATION
Michael R. Clement CLERK
BG

THE COMMITTEE ON
State Legislation
Recommends Approval
Carol Bestrich
May 2, 2001 Clerk

Commissioner Allen (By request)

LC02345

STATE OF RHODE ISLAND

01-S 0759

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2001

A N A C T

RELATING TO UNIFORM COMMERCIAL CODE -- LEASES

01-S 0759

Introduced By: Senators Igliozi, Ruggerio, Goodwin
and Walton

Date Introduced: February 14, 2001

Referred To: Senate Committee on Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 6A-2.1 of the General Laws entitled "Leases" is hereby amended
2 by adding thereto the following section:

3 6A-2.1-222. Effect of tax increase on lease payments. -- No lease relating to
4 residential real estate shall contain a provision which obligates a lessee to make payments to the
5 lessor on account of an increased real estate tax levied during the term of the lease, unless such
6 provision expressly sets forth:

7 (1) that the lessee shall be obligated to pay only that proportion of such increased tax as
8 the unit leased by him bears to the whole of the real estate so taxed;

9 (2) the exact percentage of any such increase which the lessee shall pay; and

10 (3) that if the lessor obtains an abatement of the real estate tax levied on the whole of the
11 real estate of which the unit leased by the lessee is a part, a proportionate share of such
12 abatement, less reasonable attorney's fees, if any, shall be refunded to said lessee. Any provision
13 of a lease in violation of the provision of this section shall be deemed to be against public policy
14 and void.

15 If the exact percentage of any such increased tax contained in such a provision is found
16 to exceed that proportion of such increased tax as the lessee's unit bears to the whole of the real
17 estate so taxed, then the lessor shall return to the lessee that amount of the tax payment collected
18 from the lessee which exceeded the lessee's proportionate share of the increased tax, plus interest

01-S 0759

1 calculated at the rate of five percent (5%) per year from the date of collection.

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

LC02345

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO UNIFORM COMMERCIAL CODE -- LEASES

1 This act provides regulations when a lease provision may obligate a lessee to make

2 payments to a lessor on account of an increased real estate tax levy.

3 This act would take effect upon passage.

STATE OF RHODE ISLAND
IN GENERAL ASSEMBLY **01-H 5806**

JANUARY SESSION, A.D. 2001

A N A C T

RELATING TO UNIFORM COMMERCIAL CODE -- LEASES

2001-H 5806

Introduced By: Reps. Tejada, Almeida, Slater, Lima and
Cicilline

Date Introduced: February 6, 2001

Referred To: Committee on Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 6A-2.1 of the General Laws entitled "Leases" is hereby amended
2 by adding thereto the following section:

3 6A-2.1-222. Effect of tax increase on lease payments. -- No lease relating to
4 residential real estate shall contain a provision which obligates a lessee to make payments to the
5 lessor on account of an increased real estate tax levied during the term of the lease, unless such
6 provision expressly sets forth:

7 (1) that the lessee shall be obligated to pay only that proportion of such increased tax as
8 the unit leased by him bears to the whole of the real estate so taxed;

9 (2) the exact percentage of any such increase which the lessee shall pay; and

10 (3) that if the lessor obtains an abatement of the real estate tax levied on the whole of the
11 real estate of which the unit leased by the lessee is a part, a proportionate share of such
12 abatement, less reasonable attorney's fees, if any, shall be refunded to said lessee. Any provision
13 of a lease in violation of the provision of this section shall be deemed to be against public policy
14 and void.

15 If the exact percentage of any such increased tax contained in such a provision is found
16 to exceed that proportion of such increased tax as the lessee's unit bears to the whole of the real
17 estate so taxed, then the lessor shall return to the lessee that amount of the tax payment collected
18 from the lessee which exceeded the lessee's proportionate share of the increased tax, plus interest

01-H 5806

1 calculated at the rate of five percent (5%) per year from the date of collection.

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

LC01694

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO UNIFORM COMMERCIAL CODE -- LEASES

1 This act provides regulations when a lease provision may obligate a lessee to make
2 payments to a lessor on account of an increased real estate tax levy.

3 This act would take effect upon passage.