

CHAPTER 2024-35

No.320 **AN ORDINANCE PROVIDING FOR THE ASSESSMENT AND COLLECTION OF 2024 TAXES IN A SUM NOT LESS THAN THREE HUNDRED EIGHTY ONE MILLION TWENTY-SIX THOUSAND SEVEN HUNDRED TWELVE DOLLARS (\$381,026,712) AND NOT MORE THAN THREE HUNDRED NINETY-SIX MILLION TWO HUNDRED TWENTY-ONE THOUSAND FOUR HUNDRED THREE DOLLARS (\$396,221,403), BEING ONE HUNDRED PERCENT (100%) OF THE 2024-2025 FISCAL YEAR TAX COLLECTIONS, AMENDING SECTION 21-182 OF THE CODE OF ORDINANCES TO SET THE RATES FOR FISCAL YEAR 2024-2025 AND AMENDING SECTION 21-126 OF THE CODE OF ORDINANCES TO SET THE EXEMPTIONS FOR FISCAL YEAR 2024-2025**

Approved June 28, 2024

Be it ordained by the City of Providence:

SECTION 1. The City Council of the City of Providence hereby orders the assessment and collection of a tax on the ratable real estate and tangible personal property, in a sum not less than THREE HUNDRED EIGHTY-ONE MILLION TWENTY-SIX THOUSAND SEVEN HUNDRED TWELVE DOLLARS (\$381,026,712) and not more than THREE HUNDRED NINETY-SIX MILLION TWO HUNDRED TWENTY-ONE THOUSAND FOUR HUNDRED THREE DOLLARS (\$396,221,403), being one hundred percent (100%) of the 2024-2025 tax year tax collection. Said tax is for ordinary expense charges and for the payment of interest and indebtedness in whole or in part of the City of Providence and for other purposes.

SECTION 2. The City Assessor shall assess and apportion said tax on inhabitants and ratable real estate and tangible personal property of said City as of December 31, 2023, at midnight Eastern Standard Time, according to law, and shall on completion of said assessment, date and sign, and shall make out and certify to the Collector of the City of Providence, on or before June 15, 2023, or as permitted or extended by law, a complete listing containing: (1) the names of persons taxed and the total value of all real estate taxed to each; (2) the amount of the personal estate, except manufacturer's machinery and equipment, assessed against each person; and, (3) on said real estate, personal estate opposite the name of the person or persons assessed.

The assessment of real estate and personal estate shall appear on separate lists.

Said taxes shall be due and payable on and between July 1, 2024, and July 24, 2024, and all taxes remaining unpaid as of said last named day shall carry until collected a penalty at the rate of twelve percent (12%) per annum upon such unpaid real estate and personal estate.

Said taxes may be paid in four (4) installments, the first installment of twenty-five percent (25%) on or before the July 24, 2024, and the remaining installments as follows:

Twenty-five percent (25%) on October 24, 2024

Twenty-five percent (25%) on January 24, 2025

Twenty-five percent (25%) on April 24, 2025

Each installment of taxes, if paid on or before the last day of each installment period successively and in order, shall be free from any charge for interest. If the first installment or any succeeding installment of taxes is not paid by the last date of the respective installment period, the immediate payment of only that late installment shall at once become due and payable and carries, until collected, a penalty at the rate of twelve percent (12%) per annum on the entire unpaid balance on said real estate and personal estate.

The City Collector shall by advertisement in a public newspaper of the City notify all persons assessed to pay their respective taxes at his/her office; said Collector shall attend daily, Saturdays, Sundays, and holidays excepted, at his/her office from 8:30 a.m. to 4:00 p.m. to receive taxes.

SECTION 3. This ordinance is enacted pursuant to Rhode Island General Laws 44-5-2(a).

SECTION 4. Section 21-182 of the Code of Ordinances, entitled "Apportionment of taxes," is amended as follows:

Section 21-182-Apportionment of taxes

(a) The following tax classification plan is hereby adopted with the following limitations:

- (1) The designated classes of property shall be limited to the three (3) classes as defined in subsection (b).
- (2) The tax rate for Class 2 shall not be more than two (2) times the tax rate of Class 1; ~~and~~ the tax rate for Class 3 shall not be more than three (3) times the tax rate of Class 1; and the tax rate for Class 2 shall not be more than three and one-half (3½) times the effective owner-occupied tax rate of Class 1, whether by homestead exemption or separate rates.
- (3) The provisions of chapter 35 of title 45 relating to property tax and fiscal disclosure apply to the reporting of, and compliance with, this classification plan.

(b) The Classes of property within this plan are as follows:

- (1) *Class 1.* Residential real estate consisting of no more than five (5) dwelling units, land classified as open space, and dwellings on leased land including mobile homes. This class includes residential properties containing partial commercial or business uses with no more than five (5) dwelling units; provided, that for the properties with both residential and commercial or business uses, the residential tax rate will be applied to the residential portion and the commercial tax rate will be applied to the commercial portion. A homestead exemption is authorized for eligible properties within this class as defined in subsection (d):
- (2) *Class 2.* Commercial and industrial real estate, residential properties containing partial commercial or business uses; and residential real estate of more than five (5) dwelling units. Properties containing partial commercial or business uses and residential real estate of more than five (5) dwelling units shall be included within this class.
- (3) *Class 3.* All ratable tangible personal property.

(c) The Tax Rates within this plan are as follows:

- (1) The non-owner occupied tax rate applicable to Class 1 shall be \$18.35 per \$1,000 of assessed value. For eligible properties as defined in subsection (d), Owner-occupied rate shall be \$10.46 per \$1,000 of assessed value.
- (2) The tax rates applicable to Class 2 shall be \$35.10 per \$1,000 of assessed value.
- (3) The tax rates applicable to Class 3 shall be \$53.40 per \$1,000 of assessed value.

(d) *Homestead exemption or owner-occupied eligibility:*

- (1) To be eligible for the homestead exemption or the owner-occupied rate, effective as to the assessment date of December 31 at midnight, an applicant must file with the city assessor no later than March 15 a application, together with a declaration, and present evidence, under oath, as to the owner-occupied and/or non-owner-occupied status together with any other proof of residency and ownership and to provide that information in any manner which may be required by the city assessor; except, that in the case of new construction of, or renovation of no less than thirty (30) percent of the prior year's assessment of improvements, as certified by the Providence building official, of foreclosed upon existing structures for affordable owner-occupied residential property, eligibility for the homestead exemption or owner-occupied rate shall be determined upon application on or after the date of the execution of a purchase and sales agreement for a specific property, but no later than sixty (60) days of its sale, applied on a pro rata basis for the remainder of the current tax year as if the owner-occupied rate had been granted as of the prior December 31 assessment date. "Affordable residential property" shall mean property determined to be affordable under the rules and regulations of the department of planning and development.

- (2) Only natural person(s) are qualified to receive a homestead exemption or owner-occupied rate. Real property, which is partially or wholly owned by a business, an institution, a nonprofit organization, a financial institution that has foreclosed on real estate, including, without limitation, HUD and Rhode Island Housing and Mortgage Finance Corporation, or any other such public or private entity, do not qualify for a homestead exemption or owner-occupied rate.
- (3) For good cause, the city assessor may, with advice of the board of tax assessment review accept and grant:
 - (i) Applications for homestead exemption or owner-occupied rate after the filing deadline for the current or previous year's taxes only
 - (ii) Applications from an entity and its shareholder(s)/member(s)/owner(s), as the case may be, upon receiving a sworn declaration from said person(s) that he/she/they primarily resided in the subject real estate as of the applicable assessment date, and that the ownership of the subject property is in said entity's name solely for estate purposes.
- (4) Applicants may only qualify for one (1) homestead exemption or owner-occupied rate in the city at any one point in time. In addition, an owner of real estate in the City of Providence must meet all of the following requirements in order to qualify for a homestead exemption or the owner-occupied rate:
 - (i) Neither the homestead applicant nor the applicant's spouse is receiving a homestead exemption or an owner-occupied rate for another piece of real property, located elsewhere in the State of Rhode Island, or in any other state of the United States, for the same period of time the owner is seeking the homestead exemption for property owned in Providence; unless during that time the owner is either legally separated or divorced from the spouse during some or all of the period in which they are claiming more than one homestead exemption or owner occupied rate;
 - (ii) The applicant has filed with the Providence Tax Assessor a current listing of all motor vehicles with foreign registrations that the applicant owns as required by R.I.G.L. § 31-7-1. If an applicant currently receiving the homestead exemption or owner-occupied rate has at least one (1) motor vehicle registered to the same address as the property receiving the rate, then the tax collector shall presume that these requirements have been complied with; however, the tax collector shall have the authority to investigate whether other circumstances (such as the ownership of additional motor vehicles registered elsewhere) indicate noncompliance that overcomes this presumption. If an applicant currently receiving the homestead exemption or owner-occupied rate does not have any motor vehicles registered to the same address, the tax collector may take appropriate action to ascertain compliance with these requirements and to revoke the homestead exemption or owner-occupied rate, both prospectively and retroactively as necessary to the enactment of this section.
 - (iii) The homestead exemption or owner-occupied rate attaches to the owner(s) of the real property not to the real property itself.
 - (iv) The city assessor shall deny an application for the homestead exemption or owner-occupied rate if the city assessor determines that an execution of record based upon a judgment of the housing court for a real estate code violation(s) against the applicant remains unsatisfied.
 - (v) Upon purchase of a residence, a homeowner may apply for a homestead exemption or owner-occupied rate as of the date of purchase for the current tax year, notwithstanding the fact that applicant did not own the property as of December 31 of the prior year. The exemption will be granted pro rata for the number of days the applicant owns the property during the year in which the home is purchased. In the event the subject property is sold or transferred during the year for which the homestead exemption or owner-occupied rate is claimed, the homestead exemption or owner-occupied rate is removed for that portion of the year following the sale or transfer should the new buyer not apply and be granted a homestead exemption or owner-occupied rate. The buyer or transferee shall be

liable to the city for any tax benefit wrongfully received after the date of sale or transfer.

- (vi) If the taxpayer knowingly gives misinformation as to ownership and/or occupancy of the real estate and/or ownership of motor vehicles on his/her application the city assessor may, in such event, remove the homestead exemption or owner-occupied rate and recalculate the tax for the period in question and in addition charge the taxpayer the maximum interest permitted by law. If the taxpayer provides incorrect information, knowingly or not, the city assessor may remove the homestead exemption or owner-occupied rate and may impose back taxes up to the full amount owed for the period in question.
- (5) The city assessor is empowered to promulgate any further rules and regulations which he/she deems necessary to carry out the intent and purpose of this section as it relates to the homestead exemption or owner-occupied rate.

SECTION 5. In keeping with the authorization provided in Rhode Island General Laws 44-3-31 and 44-3-24, Section 21-126 of the Providence Code of Ordinances is hereby amended as follows:

- (a) The amount of the following exemptions with respect to the assessed value from local taxation on taxable property is fixed as follows:
 - (1) Veterans as defined in Section 44-3-4 of the General Laws of Rhode Island and the un-remarried widow or widower of such veterans at eight thousand one hundred eighty-two dollars (\$8,338).
 - (2) Blind persons as defined in Section 44-3-12 of the General Laws of Rhode Island at forty-nine thousand two hundred fifty-one dollars (\$50,191).
 - (3) Veterans who are totally disabled as defined in Section 44-3-4, of the General Laws of Rhode Island at sixteen thousand four hundred seventeen dollars (\$16,730).
 - (4) Gold Star Parents as defined in Section 44-3-5 of the General Laws of Rhode Island at twenty-four thousand five hundred ninety-nine dollars (\$25,068).
 - (5) Specially adapted housing for paraplegic veterans as defined in Section 44-3-4 of the General Laws of Rhode Island at eighty-two thousand and thirty-two dollars (\$83,597).
 - (6) For any person sixty-five (65) years of age or over at thirty-two thousand and eighty-six dollars (\$32,698).
 - (7) For persons who are one hundred percent (100%) disabled as determined pursuant to Title II and Title XVI of the Social Security Act, 42 U.S.C. § 401 et seq., and 42 U.S.C. § 1381 et seq., as amended, or who, by reason of their being one hundred percent (100%) disabled, are receiving disability payments from sources other than the social security administration (such as employees of the railroad, federal civil service, postal service, and the Providence police and fire departments) at twenty-six thousand six hundred eighty-four dollars (\$27,193).
 - (8) For any person sixty-two (62) through sixty-four (64) years of age, who is receiving social security benefits, twenty-four thousand six hundred eighty-four dollars (\$25,068).
 - (9) Prisoners of War who are veterans of military or naval service of the United States of America, as defined in Section 44-3-4(e) of the General Laws of Rhode Island and the unmarried widow or widower of such prisoner of war at forty-one thousand and sixteen dollars (\$41,798).

- (b) Any such increase in exemption provided for in subsection (a) over the amount heretofore provided by general or special law shall apply only to real property
- (c) Pursuant to Rhode Island General Laws § 44-5.3.1, there is instituted an exemption on the aggregate amount of all ratable, tangible personal property not otherwise exempt from taxation in the amount of fifty thousand dollars (\$50,000).

SECTION 6. This ordinance shall take effect upon its passage.

IN CITY COUNCIL
JUN 20 2024
FIRST READING
READ AND PASSED
Sina L. Mastrosianni
CLERK

IN CITY
COUNCIL
JUN 27 2024
FINAL READING
READ AND PASSED
Rachel M. Miller
RACHEL M. MILLER, PRESIDENT
Sina L. Mastrosianni
CLERK

I HEREBY APPROVE.

Butt P. S.
Mayor

Date: 6/28/24