

RESOLUTION OF THE CITY COUNCIL

No. 332

Approved May 12, 1995

RESOLVED, That the City Council endorses and urges passage by the General Assembly of House Bill 95-H 6776 - An Act Relating to Towns and Cities - Appropriations in Lieu of Taxes, in substantially the form attached.

IN CITY COUNCIL
MAY 9 1995
READ AND PASSED
Evelyn V. Fargnoli
ACTING PRES.
Michael A. Clement
CLERK

APPROVED
MAY 12 1995
Vincent A. Leavitt
MAYOR

THE COMMITTEE ON
LEGISLATIVE MATTERS
RECOMMENDS PASAGE
Richard K. Clement
May 1, 1995
Clerk

PD617

95-H 6776

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. 1995

A N A C T

RELATING TO TOWNS AND CITIES --
APPROPRIATIONS IN LIEU OF TAXES

95-H 6776

Introduced By: Reps. Moura, Metts,
Smith, Montanaro and DeSimone
Date Introduced: March 7, 1995

Referred To: Committee on Finance

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Section 45-13-5.1 of the General Laws in Chapter
2 45-13 entitled "State Aid" is hereby amended to read as follows:
- 3 45-13-5.1. Appropriations in lieu of property tax from private
4 institutions of higher education and private hospitals exempt from
5 taxation by state law. -- (a) In lieu of the amount of local real
6 property tax on real property owned by any private nonprofit institu-
7 tion of higher education or any nonprofit hospital facility or any
8 state owned and operated hospital, veterans' residential facility or
9 correctional facility occupied by more than one hundred (100) resi-
10 dents which may have been or will be exempted from taxation by appli-
11 cable state law, exclusive of any such facility operated by the fed-
12 eral government, the state of Rhode Island or any subdivision thereof,
13 the general assembly shall annually appropriate for payment to the
14 several cities and towns in which the property lies a sum equal to
15 twenty-five percent (25%) of all tax that would have been collected
16 had the property been taxable.
- 17 (b) As used in this section "private nonprofit institution of

1 higher education" means any such institution engaged primarily in edu-
2 cation beyond the high school level, the property of which is exempt
3 from property tax under any of the subdivisions and "nonprofit hospi-
4 tal facility" means any nonprofit hospital licensed by the state and
5 which is used for the purpose of general medical, surgical or psychi-
6 atric care and treatment.

7 (c) The grant payable to any municipality under the provision of
8 this section shall be equal to twenty-five percent (25%) of the prop-
9 erty taxes which, except for any exemption to any institution of
10 higher education or general hospital facility, would have been paid
11 with respect to that exempt real property on the assessment list in
12 the municipality for the assessment date of December 31, 1986 and with
13 respect to such exempt real property appearing on an assessment list
14 in the municipality on succeeding assessment dates.

15 (d) The state budget offices shall include the amount of the
16 annual grant in the state budget for the fiscal year commencing July
17 1, 1988 and each fiscal year thereafter. The amount of the grant pay-
18 able to each municipality in any year in accordance with this section
19 shall be reduced proportionately in the event that the total of those
20 grants in each year exceeds the amount appropriated for the purposes
21 of this section with respect to that year. The amount paid on or
22 after July 1, 1995 shall be at the twenty-five percent (25%) rate
23 specified in section (c).

24 (e) Distribution of appropriations shall be made by the state on
25 or before July 31 of 1988 and each July 31 thereafter and the payments
26 may be counted as a receivable by any city or town for a fiscal year
27 ending the preceding June 30.

28 (f) Any act or omission by the state with respect to this chapter
29 shall in no way diminish the duty of any town or municipality to pro-
30 vide public safety or other ordinary services to the properties or
31 facilities of the type listed in subsection (a).

32 (g) Provided, however, that payments authorized pursuant to this
33 section shall be reduced pro rata, for such period of time that the

1 municipality suspends or reduces essential services to eligible facil-
2 ities. For the purposes of this section "essential services" shall
3 include, but not be limited to, police, fire and rescue.

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

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95-H 6776

EXPLANATION
BY THE LEGISLATIVE COUNCIL

OF

AN ACT

RELATING TO TOWNS AND CITIES --
APPROPRIATIONS IN LIEU OF TAXES

- 1 This act changes the amount of the general assembly appro-
- 2 priation in lieu of property tax from certain exempt private and
- 3 state properties.
- 4 This act would take effect upon passage.

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