

# City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

## CHAPTER 2004-32

No. 339

### AN ORDINANCE

PROVIDING FOR THE ASSESSMENT AND COLLECTION OF 2004 TAXES IN A SUM NOT LESS THAN TWO HUNDRED FORTY FIVE MILLION DOLLARS (\$245,000,000) AND NOT MORE THAN TWO HUNDRED SIXTY FIVE MILLION (\$265,000,000) BEING BASED ON A ONE HUNDRED PERCENT (100%) OF THE 2004-2005 FISCAL YEAR TAX COLLECTIONS, AMENDING SECTION 21-182 OF THE CODE OF ORDINANCES TO REFLECT THE NEW TAX CLASSIFICATION PLAN APPROVED BY THE RHODE ISLAND GENERAL ASSEMBLY, AMENDING SECTION 21-126 OF THE CODE OF ORDINANCES TO RAISE THE PERSONAL EXEMPTIONS, AND SETTING THE HOMESTEAD RATES FOR FISCAL YEAR 2005

Approved July 30, 2004

### *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, as well as orders the assessment and collection of an excise tax on all registered motor vehicles, in a sum not less than TWO HUNDRED FORTY FIVE MILLION DOLLARS (\$245,000,000) AND NOT MORE THAN TWO HUNDRED SIXTY-FIVE MILLION (\$265,000,000) being one hundred percent (100%) of the 2004-2005 year tax collection, as amended; said tax is for ordinary expense charges and for the payment of interest and indebtedness in whole or in part of said City and for other purposes authorized by law.

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 the 31<sup>st</sup> day of December AD 2003 midnight, Eastern Standard Time, as well as assess and apportion said excise tax on owners of registered motor vehicles in the City of Providence during calendar year 2003, according to law, and shall on completion of said assessment, date and sign, and shall make out and certify to the City Collector of the City of Providence, on or before the 15<sup>th</sup> day of June, AD 2004 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) the amount of said motor vehicle excise assessment against each person, on said real estate, personal estate and motor vehicle opposite the name of the person or persons assessed.

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

Said taxes shall be due and payable on and between the first day of July, AD 2004, next, and the twenty fourth day of July, AD 2004, next, and all taxes remaining paid said last named day shall carry until collected a penalty at the rate of twelve per centum (12%) per annum upon such unpaid real estate, personal estate and excise taxes.

Said taxes may be paid in four installments, the first installment of twenty-five per centum (25%) on or before the twenty-sixth day of July, AD 2004, next, and the remaining installments as follows:

Twenty-five per centum (25%) on the  
Twenty-fifth day of October, AD 2004  
Twenty-five per centum (25%) on the  
Twenty-fourth day of January, AD 2005  
Twenty-five per centum (25%) on the  
Twenty-fifth day of April, AD 2005

No.

CHAPTER  
AN ORDINANCE

IN CITY COUNCIL  
APR 25 2004  
FIRST READING  
REFERRED TO COMMITTEE ON  
FINANCE  
Michael R. Clement  
CLERK

THE COMMITTEE ON

Finance

Recommends

Ann M. Helton Con't

CLERK

5-7-04	6-10-04	7-7-04-mrc
5-28-04	6-15-04	7-8-04 AMS
5-29-04	6-16-04	7-14-04
5-30-04	6-17-04	7-15-04 P. Hy
6-1-04	6-22-04	
6-2-04	6-24-04-mrc	
6-3-04	6-29-04-mrc	
6-8-04	6-30-04-mrc	
6-9-04		

THE COMMITTEE ON  
FINANCE

Approves Passage of  
The Within Ordinance,

Ann M. Helton

Clerk

7-15-04

As Amended

Each installment period successively and in order shall be free from any charges for interest. Provided, however, the option to pay taxes in quarterly installments shall not apply to any tax levied in an amount not in excess of \$100.00. If the first installment or any succeeding installment of taxes is not paid by the last day of the respective installment period or periods as they occur, then the whole tax or remaining unpaid balance of the tax, as the case may be, shall immediately become due and payable and shall carry until collected a penalty at the rate of twelve per centum (12%) per annum on said real estate, personal estate and excise taxes.

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 eight-thirty o'clock a.m. to four o'clock 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:

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

(1) The designated classes of property shall be limited to the four (4) classes as defined in subsection (b).

(2) The tax rate for Class 2 shall not be more than two times the tax rate of Class 1, without regard to any applicable homestead exemption; the tax rate applicable to Class 3 shall not exceed the tax rate of Class 1 by more than two hundred percent (200%).

(3) Notwithstanding subdivisions (a)(2), the tax rate applicable to wholesale and retail inventory within Class 3 as defined in subsection (b) are governed by General Laws, section 44-3-19.1.

(4) Notwithstanding subdivisions (a)(2), tax rates applicable to motor vehicles within Class 4 as defined in subsection (b) are governed by General Laws, section 44-34.1-1.

(5) The provisions of General Laws, chapter 35 of title 44 relating to property tax and fiscal disclosure applies to the reporting of and compliance with these classifications.

(b) *Classes of property.*

(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 may also include residential properties containing partial commercial or business uses and residential real estate of more than five (5) dwelling units. A homestead exemption is authorized within this class as follows: (a) owner-occupied residential real estate may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation; except that owner-occupied residential real estate consisting of more than five (5) units may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation attributable to the first five (5) units. Owner-occupied mixed use real estate may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation attributable to the first five (5) units of the residential portion of such real estate; or (b) in the case of non-owner-occupied residential real estate consisting of five (5) dwelling units or

less an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation may be granted. Non-owner-occupied residential real estate consisting of more than five (5) dwelling units may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation attributable to the first five (5) units. Non-owner-occupied mixed used real estate may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation attributable to the first five (5) units of the residential portion of such real estate. The percentage reduction in valuation of residential real estate pursuant to the homestead exemption shall apply to residential real estate containing five (5) or fewer dwelling units. In the case of multiple dwellings containing more than five (5) dwelling units, the percentage reduction in valuation shall be applied to the result of dividing the assessed valuation by the number of dwelling units in the multiple dwelling and multiplying the quotient by five (5).

The granting of an application for an owner-occupied or non-owner-occupied homestead exemption as referenced above as (a) or (b) is subject to the following limitations:

- a. To be eligible for an (a) or (b) type homestead exemption, effective as to the assessment date of December 31 at midnight an applicant must file with the city assessor no later than July 31 a homestead exemption application, together with a declaration and present evidence, under oath or affirm, as to the owner-occupied or non-owner-occupied status together with any other proof of residency or ownership which may be required by the city assessor, except that for the assessment year ending December 31, 2000 the city assessor may utilize the data collected during the revaluation of real property for the assessment date of December 31, 2000 to establish the applicable type of homestead exemption.
- b. Only natural person(s) are qualified to receive the type (a) owner-occupied residential real estate homestead exemption. Real property which is partially or wholly owned by a business; an institution, a non-profit organization, a financial institution that has foreclosed on real estate, including HUD and Rhode Island Housing and Mortgage Finance Corporation or any other such public or private entity do not qualify for a type (a) owner-occupied homestead exemption.
- c. Only a natural person(s) may qualify for one (1) type (a) owner-occupied homestead exemption in the city at any one (1) point in time.
- d. The homestead exemption (a) or (b) attaches to the owner(s) of the real property not to the real property itself. If the owner-occupancy status changes, the tax will be prorated as of the date of the change in ownership.
- e. The city assessor shall deny an application for the homestead exemption filed under either type (a) or (b) 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.
- f. In the event the property granted an exemption is sold or transferred during the year for which the homestead exemption is claimed, the exemption is void for that portion of the year following the sale or transfer. The buyer or transferee shall be liable to the city for any tax benefit received after the date of sale or transfer.
- g. If the taxpayer knowingly gives misinformation as to ownership and/or occupancy of the real estate on his/her application for a homestead exemption, the city assessor may, in such event, remove the homestead exemption and recalculate the tax for the period in question and in addition charge the taxpayer the maximum interest permitted by law.

h. 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 ordinance as it relates to the homestead exemption.

(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 may be included in class 1.

(3) *Class 3.* All ratable tangible personal property.

(4) *Class 4.* Motor vehicles and trailers subject to the excise tax created by General Laws, title 44, chapter 34.

(c) The city, pursuant to General Laws, section 44-5-11.8(c), adopts a tax rate for Class 2 which shall not be more than two times the tax rate of Class 1, without regard to any applicable homestead exemption; the tax rate applicable to Class 3 shall not exceed the tax rate of Class 1 by more than two hundred percent (200%).

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

Notwithstanding any other provisions of general or special law to the contrary, the amount of the following exemptions with respect to the assessed value from local taxation on taxable property is fixed as follows:

(a) Veterans as defined in Section 44-3-4 of the General Laws of Rhode Island and the unmarried widow or widower of such veterans at four thousand five hundred dollars (\$4,500.00)

(b) Blind persons as defined in Section 44-3-12 of the General Laws of Rhode Island at twenty-seven thousand dollars (\$27,000.00).

(c) Veterans who are totally disabled as defined in Section 44-3-4 at nine thousand dollars (\$9,000.00).

(d) Gold Star Parents as defined in Section 44-3-5 of the General Laws of Rhode Island at thirteen thousand five hundred dollars (\$13,500.00).

(e) Specially adapted housing for paraplegic veterans as defined in Section 44-3-4 of the General Laws of Rhode Island at forty-five thousand dollars (\$45,000.00).

(f) For any person sixty-five (65) years of age or over at fifteen thousand dollars (\$15,000.00);

(g) 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 thirteen thousand five hundred dollars (\$13,500.00).

(h) For any person sixty-two (62) through sixty-four (64) years of age, who is receiving social security benefits, thirteen thousand five hundred dollars (\$13,500.00).

Provided, however, that any such increase in exemption provided for herein over the amount heretofore provided by general or special law shall apply only to real property.

Section 6. Effective for Fiscal Year 2005, and until changed, the homestead exemption shall be set as follows:

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. A homestead exemption is authorized within this class as follows: (a) owner-occupied residential real estate may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation; except that owner-occupied residential real estate consisting of more than five (5) units may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation attributable to the first five (5) units. Owner-occupied mixed use real estate may be granted an exemption in an amount not to exceed fifty (50) per cent of the assessed valuation attributable to the first five (5) units of the residential portion of such real estate; or (b) in the case of non-owner-occupied residential real estate consisting of five (5) dwelling units or less an exemption in an amount not to exceed thirty-three (33) per cent of the assessed valuation may be granted. Non-owner-occupied residential real estate consisting of more than five (5) dwelling units may be granted an exemption in an amount not to exceed thirty-three (33) per cent of the assessed valuation attributable to the first five (5) units. Non-owner-occupied mixed used real estate may be granted an exemption in an amount not to exceed thirty-three (33) per cent of the assessed valuation attributable to the first five (5) units of the residential portion of such real estate. The percentage reduction in valuation of residential real estate pursuant to the homestead exemption shall apply to residential real estate containing five (5) or fewer dwelling units. In the case of multiple dwellings containing more than five (5) dwelling units, the percentage reduction in valuation shall be applied to the result of dividing the assessed valuation by the number of dwelling units in the multiple dwelling and multiplying the quotient by five (5).

Section 7. This ordinance shall take effect upon its passage.

**IN CITY COUNCIL**  
JUL 21 2004  
**FIRST READING**  
**READ AND PASSED**  
*Michael R. Clement*  
CLERK

**IN CITY COUNCIL**  
JUL 26 2004  
**FINAL READING**  
**READ AND PASSED**  
*Michael R. Clement*  
PRESIDENT  
*Michael R. Clement*  
CLERK

**APPROVED**  
*[Signature]* 7/30/04  
**MAYOR**