

CHAPTER 2025-30

No. 326 **AN ORDINANCE PROVIDING FOR THE ASSESSMENT AND COLLECTION OF 2025 TAXES IN A SUM NOT LESS THAN THREE HUNDRED NINETY-SIX MILLION TWO HUNDRED ELEVEN THOUSAND FORTY FOUR DOLLARS (\$396,211,044) AND NOT MORE THAN FOUR HUNDRED NINETEEN MILLION EIGHT HUNDRED SEVENTY-EIGHT THOUSAND FIFTY-ONE DOLLARS (\$419,878,051), 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 2025-2026, AND AMENDING SECTION 21-126 OF THE CODE OF ORDINANCES TO SET THE EXEMPTIONS FOR FISCAL YEAR 2025-2026.**

Approved July 15, 2025

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 NINETY SIX MILLION TWO HUNDRED ELEVEN THOUSAND FORTY-FOUR DOLLARS (\$396,211,044) AND NOT MORE THAN FOUR HUNDRED NINETEEN MILLION EIGHT HUNDRED SEVENTY-EIGHT THOUSAND FIFTY-ONE DOLLARS (\$419,878,051), being one hundred percent (100%) of the 2025-2026 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, 2024, 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, 2025, 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, 2025 and July 24, 2025, 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, 2025, and the remaining installments as follows:

Twenty-five percent (25%) on October 24, 2025
Twenty-five percent (25%) on January 24, 2026
Twenty-five percent (25%) on April 24, 2026

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.

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 2A shall not be more than two (2) times the tax rate of Class 1A; the and the tax rate for Class 2A shall not be more than three and one-half (3½) times the effective owner-occupied tax rate of Class 1A, 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 pursuant to R.I.G.L. 44-5-11.18:
- (1) Class 1A. Residential real estate consisting of one (1) dwelling unit.
 - (2) Class 1B. Residential real estate consisting of two (2) to 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):
 - (3) Class 1C: Residential real estate consisting of six (6) to ten (10) dwelling units: provided that the tax rate for residential use is applied to the residential portion and the commercial tax rate will be applied to the commercial portion.
 - (4) Class 1D: Residential real estate consisting of more than (10) dwelling units: provided that the tax rate for residential use is applied to the residential portion and the commercial tax rate will be applied to the commercial portion.
 - (5) Class 2A. Commercial and industrial real estate.
 - (6) *Class 3.* Properties containing partial commercial or business uses and residential real estate.
 - (7) Class 4. 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 1A shall be \$14.60 per \$1,000 of assessed value. For eligible properties as defined in subsection (d), owner-occupied rate shall be \$8.40 per \$1,000 of assessed value.
 - (2) The non-owner-occupied tax rate applicable to Class 1B shall be \$14.00 per \$1,000 of assessed value. For eligible properties as defined in subsection (d), owner-occupied rate shall be \$7.55 per \$1,000 of assessed value.
 - (3) The tax rate applicable to Class 1C shall be \$26.00 per \$1,000 of assessed value.
 - (4) The tax rate applicable to Class 1D shall be \$28.50 per \$1,000 of assessed value.
 - (5) The tax rates applicable to Class 2A shall be \$29.20 per \$1,000 of assessed value.
 - (6) For Class 3 property, the City shall apply the appropriate residential tax rate to the residential portion of the property and the commercial rate to the commercial portion of the property.
 - (7) The tax rates applicable to Class 4 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 an 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.
- (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.
 - (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 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 homestead exemption or owner-occupied rate attaches to the owner(s) of the real property not to the real property itself.
 - (iii) 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.
 - (iv) 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.

- (v) 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. Pursuant to 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) *Veterans' and military exemptions.* The amount of the following exemptions with respect to the assessed value from local taxation on taxable property of veterans, as defined in Rhode Island General Laws §§ 44-3-4(a) and 44-3-4.2, is fixed as follows:
 - (1) For veterans or their un-remarried widow or widower: \$36,429 of value, but in no event shall the tax savings be more than \$306.00 per applicant.
 - (2) For veterans who are totally disabled, as defined in Rhode Island General Laws § 44-3-4(c): \$73,095 of value, but in no event shall the tax savings be more than \$614.00 per applicant.
 - (3) For veterans who are totally disabled and living in specially adapted housing, as defined in Rhode Island General Laws § 44-3-4(b) (but not qualifying under §§ 44-3-4(i)): \$182,619 of value, but in no event shall the tax savings be more than \$1,534.00 per applicant.
 - (4) For Gold Star Parents, as defined in Rhode Island General Laws § 44-3-5(a): \$54,762 of value, but in no event shall the tax savings be more than \$460.00 per applicant.
 - (5) For prisoners of war or their unmarried widow or widower, as defined in Rhode Island General Laws § 44-3-4(e): \$91,310 of value, but in no event shall the tax savings be more than \$770.00 per applicant.
- (b) *Other exemptions.*
 - (1) For any person sixty-five (65) years of age or over: \$89,286 of value, but in no event shall the tax savings be more than \$750.00 per applicant.
 - (2) 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): \$59,405 of value, but in no event shall the tax savings be more than \$499.00 per applicant.
 - (3) For any person sixty-two (62) through sixty-four (64) years of age who is receiving social security benefits: \$54,762 of value, but in no event shall the tax savings be more than \$499.00 per applicant.

- (c) Any such increase in exemption provided for in subsections (a) or (b) over the amount heretofore provided by general or special law shall apply only to real property within class 1A
- (d) 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
JUL 07 2025
FIRST READING
READ AND PASSED
Jina L. Mastrosianni
CLERK

IN CITY
COUNCIL
JUL 14 2025
FINAL READING
READ AND PASSED
Rachel M. Miller
RACHEL M. MILLER, PRESIDENT
Jina L. Mastrosianni
CLERK

I HEREBY APPROVE.

Burt P. S.
Mayor

Date: 7/15/25