

THE CITY OF PROVIDENCE
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 236

Approved May 11, 2001

STATE OF RHODE ISLAND
CITY OF PROVIDENCE
CITY CLERK
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 0758 and House Bill 2001-H 5544 Relating to Taxation, in substantially the form attached.

IN CITY COUNCIL
MAY 10, 2001
READ AND PASSED

Balbrunn Young
PRES., Acting
Michael S. Bennett
CLERK

APPROVED

MAY 11 2001
Vincent Cianci
MAYOR

READ AND PASSED
IN CITY COUNCIL

PRES.

CLERK

IN CITY COUNCIL
APR 5 2001
FIRST READING
REFERRED TO COMMITTEE ON
STATE LEGISLATION

Michael L. Claver CLERK

THE COMMITTEE ON

State Legislation
Recommends *Approval*
Clare A. Bertucci
May 2, 2001 CLERK

Carrollina Allen (By request)

STATE OF RHODE ISLAND
IN GENERAL ASSEMBLY **01-S 0758**

JANUARY SESSION, A.D. 2001

A N A C T

RELATING TO TAXATION

01-S 0758

Introduced By: Senators Ruggerio, Goodwin and Roney

Date Introduced: February 14, 2001

Referred To: Senate Committee on Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-11.8 of the General Laws in Chapter 44-5 entitled "Levy and
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 44-5-11.8. Tax classification. -- (a) Upon the completion of any comprehensive
4 revaluation in accordance with section 44-5-11.6, any city or town may adopt a tax classification
5 plan by ordinance with the following limitations:

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

8 (2) The effective tax rate applicable to any class shall not exceed by 50% the rate
9 applicable to any other class.

10 (3) Any tax rate changes from one year to the next shall be applied such that the same
11 percentage rate change is applicable to all classes.

12 (4) Notwithstanding subdivisions (a)(2) and (a)(3), the tax rates applicable to wholesale
13 and retail inventory within Class 3 as defined in subsection (b) are governed by section 44-3-
14 29.1.

15 (5) Notwithstanding subdivisions (a)(2) and (a)(3), the tax rates applicable to motor
16 vehicles within Class 4 as defined in subsection (b) are governed by section 44-34.1-1.

17 (6) The provisions of chapter 35 of this title relating to property tax and fiscal disclosure
18 applies to the reporting of and compliance with these classification restrictions.

1 (b) Classes of Property.

2 (1) Class 1: Residential real estate consisting of no more than five (5) dwelling units,
3 land classified as open space, and dwellings on leased land including mobile homes. A
4 homestead exemption provision is also authorized within this class, provided however, that the
5 actual effective rate applicable to property qualifying for this exemption shall be construed as the
6 standard rate for this class against which the maximum rate applicable to another class shall be
7 determined.

8 (2) Class 2: Commercial and industrial real estate, residential properties containing
9 partial commercial or business uses and residential real estate of more than five (5) dwelling
10 units.

11 (3) Class 3: All ratable tangible personal property.

12 (4) Class 4: Motor vehicles and trailers subject to the excise tax created by chapter 34 of
13 this title.

14 (c) Notwithstanding the provisions of subsections (a)(2) and (a)(3), the city council of the
15 city of Providence may by resolution or ordinance provide for and adopt a tax rate on class 3, all
16 ratable tangible personal property, in accordance with the following schedule:

<u>Date of Assessment</u>	<u>Tax rate on all ratable tangible</u>
	<u>personal property shall not</u>
	<u>exceed the percentages as</u>
	<u>indicated below:</u>
<u>December 31, 2000</u>	<u>100% more than the effective tax</u>
	<u>rate applicable to any other class</u>
<u>December 31, 2001</u>	<u>90% more than the effective tax</u>
	<u>rate applicable to any other class</u>
<u>December 31, 2002</u>	<u>80% more than the effective tax</u>
	<u>rate applicable to any other class</u>
<u>December 31, 2003</u>	<u>70% more than the effective tax</u>
	<u>rate applicable to any other class</u>
<u>December 31, 2004</u>	<u>60% more than the effective tax</u>
	<u>rate applicable to any other class</u>
<u>December 31, 2005</u>	<u>50% more than the effective tax</u>
	<u>rate applicable to any other class</u>

1

SECTION 2. This act shall take effect upon passage.

LC02329

01-S 0758

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

RELATING TO TAXATION

- 1 This act would allow the city council of the city of Providence by resolution or ordinance
- 2 to adopt a tax rate on class 3 property.
- 3 This act would take effect upon passage.

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LC02329
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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

01-H 5544

JANUARY SESSION, A.D. 2001

A N A C T

RELATING TO TAXATION

2001-H 5544

Introduced By: Reps. Moura, Palangio, Cicilline, Tejada and Slater

Date Introduced: February 6, 2001

Referred To: Committee on Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-11.8 of the General Laws in Chapter 44-5 entitled "Levy and
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 **44-5-11.8. Tax classification.** -- (a) Upon the completion of any comprehensive
4 revaluation in accordance with section 44-5-11.6, any city or town may adopt a tax classification
5 plan by ordinance with the following limitations:

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

8 (2) The effective tax rate applicable to any class shall not exceed by 50% the rate
9 applicable to any other class.

10 (3) Any tax rate changes from one year to the next shall be applied such that the same
11 percentage rate change is applicable to all classes.

12 (4) Notwithstanding subdivisions (a)(2) and (a)(3), the tax rates applicable to wholesale
13 and retail inventory within Class 3 as defined in subsection (b) are governed by section 44-3-
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15 (5) Notwithstanding subdivisions (a)(2) and (a)(3), the tax rates applicable to motor
16 vehicles within Class 4 as defined in subsection (b) are governed by section 44-34.1-1.

17 (6) The provisions of chapter 35 of this title relating to property tax and fiscal disclosure
18 applies to the reporting of and compliance with these classification restrictions.

1 (b) Classes of Property.

2 (1) Class 1: Residential real estate consisting of no more than five (5) dwelling units,
3 land classified as open space, and dwellings on leased land including mobile homes. A
4 homestead exemption provision is also authorized within this class, provided however, that the
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6 standard rate for this class against which the maximum rate applicable to another class shall be
7 determined.

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13 this title.

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<u>December 31, 2003</u>	<u>70% more than the effective tax</u>
	<u>rate applicable to any other class</u>
<u>December 31, 2004</u>	<u>60% more than the effective tax</u>
	<u>rate applicable to any other class</u>
<u>December 31, 2005</u>	<u>50% more than the effective tax</u>
	<u>rate applicable to any other class</u>

1

SECTION 2. This act shall take effect upon passage.

LC01699

EXPLANATION

BY THE LEGISLATIVE COUNCIL

01-H 5544

OF

A N A C T

RELATING TO TAXATION

- 1 This act would allow the city council of the city of Providence by resolution or ordinance
- 2 to adopt a tax rate on class 3 property.
- 3 This act would take effect upon passage.

LC01699