

# RESOLUTION OF THE CITY COUNCIL

No. 187

Approved April 29, 1996

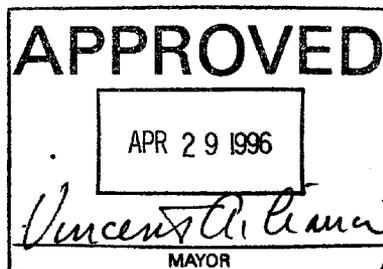
RESOLVED, that the City Council endorses and urges passage by the General Assembly of Senate Bill 96-S 3025 and House Bill 96-H 8206 Relating to Tax Exempt for Artists, in substantially the form attached.

IN CITY COUNCIL

APR 18 1996  
READ AND PASSED

*Evelyn V. Fargnoli*  
ACTING PRES.

*Michael L. Clement*  
CLERK



*Councilman Joseph*

**MARY CITY COUNCIL**  
**MAR 21 1996**  
**FIRST READING**  
**REFERRED TO COMMITTEE ON**  
CLERK

**THE COMMITTEE ON**  
*John M. [Signature]*  
Approves Passage of  
The Within Resolution  
*John M. [Signature]*  
Chairman  
**APR 15 1996**

STATE OF RHODE ISLAND

96-S 3025

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1996

AN ACT

RELATING TO SALES TAX -- EXEMPTION FOR WRITERS,  
COMPOSERS AND ARTISTS

96-S 3025

Introduced By: ~~Senators~~ Perry, Roney and Goodwin

Date Introduced: February 6, 1996

Referred To: Senate Committee on  
Finance

It is enacted by the General Assembly as follows:

- 1 SECTION 1. Chapter 44-18 of the General Laws entitled "Sales and Use
- 2 Taxes - Liability and Computation" is hereby amended by adding the following
- 3 section:
- 4 **44-18-30B. - Exemption from sales tax for writers, composers, artists.**
- 5 Findings:
- 6 The General Assembly makes the following findings of fact:
- 7 (i) The downtown area of the City of Providence has been characterized
- 8 by blighted areas, and dilapidated and abandoned structures.
- 9 (ii) As a result, the downtown area has been designated an economic
- 10 development zone in order to stop the deterioration and stimulate
- 11 economic activity;
- 12 (iii) The Capitol Center area of the City of Providence has become an
- 13 attractive location, especially with the construction of the Providence
- 14 Place Mall;
- 15 (iv) In order to promote, revitalize and redevelop the "Old Downtown" area
- 16 of the City of Providence it is necessary to provide tax exemptions for a
- 17 specified period of time available to this area as it has been designated
- 18 as an economic development zone;
- 19 (v) The development of an active artistic community, especially with the
- 20 inclusion of "artists in residence", in this area would promote economic
- 21 development, revitalization, tourism, employment opportunities and
- 22 encourage business development by providing alternative commercial

1 enterprises while creating a link between the Old Downtown and the  
2 Capital Center Area.

3 B. This section shall only apply to writers, composers and artists residing  
4 or situated within a section of the defined economic development zone within the  
5 City of Providence. For the purposes of this section, a "work" shall mean an  
6 original and creative work, whether written, composed or executed before or after  
7 the passing of this section, which falls into one (1) of the following categories:

- 8 (1) a book or other writing;
- 9 (2) a play or the performance of said play;
- 10 (3) a musical composition or the performance of said composition;
- 11 (4) a painting or other like picture;
- 12 (5) a sculpture;
- 13 (6) traditional and fine crafts;
- 14 (7) the creation of a film or the acting within said film;
- 15 (8) the creation of a dance or the performance of said dance;
- 16 (9) performances, in general.

17 For the purposes of this section, a "work" does not apply to any piece or  
18 performance created or executed for industry oriented or related production.

19 Also, for the purposes of this section, a "work" shall include any product generated  
20 as a result of any of the above categories.

21 C.

22 1. This section shall apply to any individual:

23 (a) who is a resident or has a principal place of business situated in  
24 the section of the economic development zone designated as the arts  
25 and entertainment district in the downtown area of the City of  
26 Providence. The City may designate by ordinance an arts and  
27 entertainment district for the purpose of promoting an active artistic  
28 community. These zones or zone must consist of one or more  
29 contiguous census tract or tracts, or any portion thereof. At least  
30 twenty-five (25%) of the developable land area must be zoned for  
31 commercial or industrial purposes within the designated zone. Plans  
32 for the revitalization of the area shall be duly adopted by the City  
33 Council. Prior to the creation of the zone, a public hearing must be  
34 held.

35 (b) who is determined by the tax administrator, after consideration of  
36 any evidence she/he deems necessary or which is submitted to him/her  
37 by the individual, to have written, composed or executed, either solely  
38 or jointly, a work or works generally recognized as having cultural or  
39 artistic merit. The tax administrator may consult with persons he/she  
40 may deem to be of assistance in making this determination.

41 2. The tax administrator shall not make a determination unless:

42 (a) the individual(s) concerned duly make(s) a claim to the tax  
43 administrator for the sales tax exemption which shall apply to the  
44 works defined in this section; and

45 (b) the individual has complied and continues to comply with any  
46 and all requests made by the tax administrator.

47 D. Any individual to whom this section applies and who duly makes a  
48 claim to the tax administrator shall be entitled to a sales tax exemption from the

1 publication, production or sale of a work or works which would, apart from this  
2 section, be subject to the tax rate imposed by the State of Rhode Island. This  
3 exemption shall be in effect until December 31, 2003.

4 E. When an individual makes a request for such an exemption, the tax  
5 administrator shall be entitled to the following information:

6 1. By serving notices, in writing, requesting him or her to furnish such  
7 information, books, documents or other evidence as may be deemed necessary by  
8 the tax administrator for the purposes of the exemption. The time period in which  
9 to provide said information shall be in the sole discretion of the tax administrator  
10 and specified in the notice; and

11 2. By serving notices, in writing, requiring him or her to make available  
12 all such books, accounts and documents in his or her possession or power relating  
13 to the publication, production or sale of the work. The time period for compliance  
14 shall be in the sole discretion of the tax administrator and specified on the notice.

15 F. In the absence of the above-mentioned notices, the individual(s) is  
16 required to submit an annual certified accounting of the numbers of works sold, the  
17 type of work sold and the date it was purchased. Failure to file this report may, in  
18 the sole discretion of the tax administrator, terminate his/her eligibility for the  
19 exemption.

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

96-S 3025

EXPLANATION  
OF  
AN ACT

RELATING TO SALES TAX EXEMPTION

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- 1        This act would allow the tax administrator to exempt writers, composers
- 2 and artists from sales tax exemption.
- 3        This act shall take effect upon passage.

STATE OF RHODE ISLAND

96-H 8206

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1996

AN ACT

RELATING TO SALES TAX -- EXEMPTION FOR WRITERS,  
COMPOSERS AND ARTISTS

96-H 8206

Introduced By: Reps. Moura, Fox, Costantino, Williams and  
Palangio

Date Introduced: February 6, 1996

Referred To: Committee on Finance

**It is enacted by the General Assembly as follows:**

- 1           SECTION 1. Chapter 44-18 of the General Laws entitled "Sales and Use
- 2 Taxes - Liability and Computation" is hereby amended by adding the following
- 3 section:
- 4           **44-18-30B. - Exemption from sales tax for writers, composers, artists.**
- 5           Findings:
- 6           The General Assembly makes the following findings of fact:
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- 8 by           blighted areas, and dilapidated and abandoned structures.
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- 10           development zone in order to stop the deterioration and stimulate
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- 12           (iii) The Capitol Center area of the City of Providence has become an
- 13           attractive location, especially with the construction of the Providence
- 14           Place Mall;
- 15           (iv) In order to promote, revitalize and redevelop the "Old Downtown" area
- 16           of the City of Providence it is necessary to provide tax exemptions for a
- 17           specified period of time available to this area as it has been designated
- 18           as an economic development zone;
- 19           (v) The development of an active artistic community, especially with the
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96-H 8206

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RELATING TO SALES TAX EXEMPTION

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