

RESOLUTION OF THE CITY COUNCIL

No. 187

Approved April 29, 1996

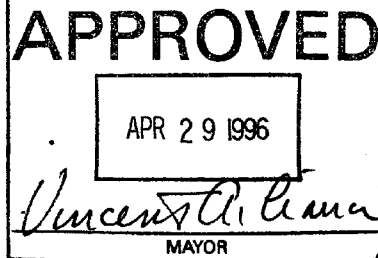
RESOLVED, that the City Council endorses and urges passage by the General Assembly of Senate Bill 96-S 3025 and House Bill 96-H 8206 Relating to Tax Exempt for Artists, in substantially the form attached.

IN CITY COUNCIL

APR 18 1996
READ AND PASSED

Evelyn V. Fargnoli
ACTING PRES.

Michael R. Clement
CLERK



City Council
MAR 21 1996
FIRST READING
REFERRED TO COMMITTEE ON
CLERK

THE COMMITTEE ON
John M. Deane
Approves Passage of
The Within Resolution
John M. Deane
Chairman
APR 15 1996

Councilman Deane

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 GoodwinDate Introduced: February 6, 1996Referred 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

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

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

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

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

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

C.

1. This section shall apply to any individual:

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

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

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

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

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

D. Any individual to whom this section applies and who duly makes a 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

* * *

- 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:

- 7 by (i) The downtown area of the City of Providence has been characterized
8 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
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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
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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;
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19 Also, for the purposes of this section, a "work" shall include any product generated
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25 and entertainment district in the downtown area of the City of
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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.

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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
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40 may deem to be of assistance in making this determination.

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

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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

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11 2. By serving notices, in writing, requiring him or her to make available
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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
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19 exemption.

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96-H 8206

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.