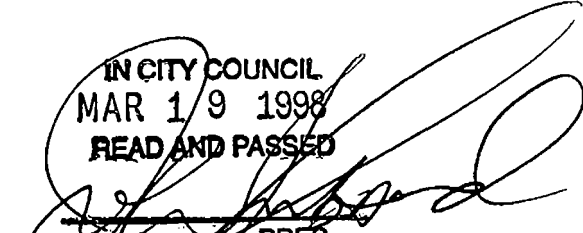





RESOLUTION OF THE CITY COUNCIL

No. 212

Approved March 27, 1998

RESOLVED, That the City Council hereby endorses and urges passage by the General Assembly of An Act relating to a Study Commission for PRA Legislation, in substantially the form attached.

IN CITY COUNCIL
MAR 19 1998
READ AND PASSED

ACTING PRES.

CLERK


APPROVED
MAR 27 1998

MAYOR

IN CITY COUNCIL
MAR 5 1998
FIRST READING
REFERRED TO COMMITTEE ON
STATE LEGISLATION

Michael R. Clement
Clerk

THE COMMITTEE ON
State Legislation
Recommends
Barbara A. Cawson
Clerk
3-10-98

RESOLUTION OF THE CITY COUNCIL

No. 213

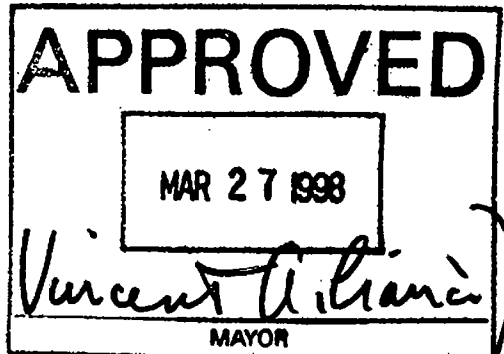
Approved March 27, 1998

RESOLVED, That the City Council hereby endorses and urges passage by the General Assembly of House Bill 98-H 8131 and Senate Bill 98-S 2629 relating to the repeal of the Public Service Corporation Tax, in substantially the form attached.

IN CITY COUNCIL
MAR 19 1998
READ AND PASSED

ACTING PRES.

CLERK



IN CITY COUNCIL
MAR 5 1998
FIRST READING
REFERRED TO COMMITTEE ON
STATE LEGISLATION

Michael R. Clement CLERK
mc

THE COMMITTEE ON

State Legislation
Recommends *passage*
Barbara A. Cairnes
Clark

3-10-98

Council President Fargnoli

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LC02150
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STATE OF RHODE ISLAND

98-H 8131

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1998

A N A C T

REPEALING STATUTE RELATING TO TAXATION OF CERTAIN TANGIBLE PERSONAL PROPERTY

98-H 8131

Introduced By: Reps. Smith, Lima and Moura

Date Introduced: February 3, 1998

Referred To: Committee on Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 44-13-13, 44-13-13.1 and 44-13-13.2 of the General Laws in
2 Chapter 44-13 entitled "Public Service Corporation Tax" are hereby repealed.

3 ~~44-13-13. Taxation of certain tangible personal property. The lines, cables,~~
4 ~~conduits, ducts, pipes, machines and machinery, equipment, and other tangible personal property~~
5 ~~within this state of telegraph, cable, and telecommunications corporations and express~~
6 ~~corporations, used exclusively in the carrying on of the business of the corporation shall be~~
7 ~~exempt from local taxation; provided, however, that nothing in this section shall be construed to~~
8 ~~exempt any community antenna television system company (CATV) from local taxation, and~~
9 ~~provided further, however, that the tangible personal property of companies exempted from local~~
10 ~~taxation by the provisions of this section shall be subject to taxation in the following manner:~~

11 ~~(1) Definitions. Whenever used in this section and in sections 44-13-13.1 and 44-13-~~
12 ~~13.2, unless the context otherwise requires:~~

13 ~~(i) "Average assessment ratio" shall mean the total assessed valuation as certified on tax~~
14 ~~rolls for the reference year divided by the full market value of the valuation as computed by the~~
15 ~~Rhode Island department of administration in accordance with section 16-7-21;~~

16 ~~(ii) "Average property tax rate" shall mean the statewide total property levy divided by~~
17 ~~the statewide total assessed valuation as certified on tax rolls for the most recent tax year;~~

1 ~~(iii) "Company" shall mean any telegraph, cable, telecommunications, or express~~
2 ~~company doing business within the state of Rhode Island;~~

3 ~~(iv) "Department" shall mean the department of administration;~~

4 ~~(v) "Population" shall mean the population as determined by the most recent census;~~

5 ~~(vi) "Reference year" shall mean the calendar year two (2) years prior to the calendar~~
6 ~~year preceding that in which the tax payment provided for by this section is levied;~~

7 ~~(vii) "Value of tangible personal property" of companies shall mean the net book value~~
8 ~~of tangible personal property of each company doing business in this state as computed by the~~
9 ~~department of administration. Net book value shall mean the original cost less accumulated~~
10 ~~depreciation; provided, however, that no tangible personal property shall be depreciated more~~
11 ~~than seventy five percent (75%) of its original cost;~~

12 ~~(2) On or before March 1 of each year, each company shall declare to the department, on~~
13 ~~forms provided by the department, the value of its tangible personal property in the state of~~
14 ~~Rhode Island on the preceding December 31.~~

15 ~~(3) On or before April 1, 1982 and each April 1 thereafter of each year, the department~~
16 ~~shall certify to the tax administrator the average property tax rate, the average assessment ratio,~~
17 ~~and the value of tangible personal property of each company.~~

18 ~~(4) The tax administrator shall apply the average assessment ratio and the average tax~~
19 ~~rate to the value of tangible personal property of each company and by April 15 of each year~~
20 ~~shall notify the companies of the amount of tax due.~~

21 ~~(5) The tax shall be due and payable within sixty (60) days of the mailing of the notice~~
22 ~~by the tax administrator. If the entire tax is not paid to the tax administrator when due, there shall~~
23 ~~be added to the unpaid portion thereof, and made a part thereof, interest at the rate provided for~~
24 ~~in section 44-1-7 from the date the tax was due until the date of the payment. The amount of any~~
25 ~~tax, including interest, imposed by this section shall be a debt due from the company to the state,~~
26 ~~shall be recoverable at law in the same manner as other debts, and shall, until collected,~~
27 ~~constitute a lien upon all the company's property located in this state.~~

28 ~~(6) The proceeds from the tax shall be allocated in the following manner:~~

29 ~~(i) Payment of reasonable administrative expenses incurred by the department of~~
30 ~~administration, not to exceed three quarters of one percent (.75%); the payment to be identified~~
31 ~~as general revenue and appropriated directly to the department;~~

32 ~~(ii) The remainder of the proceeds shall be deposited in a restricted revenue account and~~

1 shall be apportioned to the cities and towns within this state on the basis of the ratio of the city or
2 town population to the population of the state as a whole. Estimated revenues shall be distributed
3 to cities and towns by July 30 and may be recorded as a receivable by each city and town for the
4 prior fiscal year.

5 ~~44-13-13.1. Personal property tax — Application of aggrieved party for hearing. —~~

6 ~~Any company aggrieved by any action in determining the amount of any tax or assessment~~
7 ~~imposed by the provisions of section 44-13-13 may apply in writing to the tax administrator~~
8 ~~within thirty (30) days of the mailing of the notice of tax or assessment for a hearing in~~
9 ~~accordance with chapter 35 of title 42; provided, however, that the request shall not be valid~~
10 ~~unless the tax or assessment as set forth in the notice has been paid.~~

11 ~~44-13-13.2. Personal property tax — Application to recover. — Companies which~~

12 ~~become subject to personal property taxes by reason of the tax imposed by section 44-13-13 may~~
13 ~~file with the public utilities commission to recover the additional tax expense. The commission~~
14 ~~shall make a decision upon any application filed during the year 1982 within one hundred and~~
15 ~~eighty (180) days of the filing; provided, however, that payment of all taxes and interest due~~
16 ~~under section 44-13-13 shall be a condition precedent to the filing with the public utilities~~
17 ~~commission.~~

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

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LC02150
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98-H 8131

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A N A C T

REPEALING STATUTE RELATING TO TAXATION OF CERTAIN TANGIBLE PERSONAL
PROPERTY

- 1 This act would repeal Section 44-13-13, Section 44-13-13.1 and Section 44-13-13.2.
- 2 These sections relate to the taxation of certain tangible personal property.
- 3 This act would take effect upon passage.
- 4

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LC02150
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LC02151
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STATE OF RHODE ISLAND

98-S 2629

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 1998

AN ACT

REPEALING STATUTE RELATING TO TAXATION OF CERTAIN TANGIBLE PERSONAL PROPERTY

98-S 2629

Introduced By: Senators Goodwin, Palva Weed, and PerryDate Introduced: February 5, 1998Referred To: Senate Committee on Corporations

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 44-13-13, 44-13-13.1 and 44-13-13.2 of the General Laws in
2 Chapter 44-13 entitled "Public Service Corporation Tax" are hereby repealed.

3 ~~44-13-13. Taxation of certain tangible personal property. The lines, cables,~~
4 ~~conduits, ducts, pipes, machines and machinery, equipment, and other tangible personal property~~
5 ~~within this state of telegraph, cable, and telecommunications corporations and express~~
6 ~~corporations, used exclusively in the carrying on of the business of the corporation shall be~~
7 ~~exempt from local taxation; provided, however, that nothing in this section shall be construed to~~
8 ~~exempt any community antenna television system company (CATV) from local taxation, and~~
9 ~~provided further, however, that the tangible personal property of companies exempted from local~~
10 ~~taxation by the provisions of this section shall be subject to taxation in the following manner:~~

11 ~~(i) Definitions. Whenever used in this section and in sections 44-13-13.1 and 44-13-~~
12 ~~13.2, unless the context otherwise requires:~~

13 ~~(i) "Average assessment ratio" shall mean the total assessed valuation as certified on tax~~
14 ~~rolls for the reference year divided by the full market value of the valuation as computed by the~~
15 ~~Rhode Island department of administration in accordance with section 16-7-21;~~

16 ~~(ii) "Average property tax rate" shall mean the statewide total property levy divided by~~
17 ~~the statewide total assessed valuation as certified on tax rolls for the most recent tax year;~~

1 (iii) ~~"Company" shall mean any telegraph, cable, telecommunications, or express~~
2 ~~company doing business within the state of Rhode Island;~~

3 (iv) ~~"Department" shall mean the department of administration.~~

4 (v) ~~"Population" shall mean the population as determined by the most recent census;~~

5 (vi) ~~"Reference year" shall mean the calendar year two (2) years prior to the calendar~~
6 ~~year preceding that in which the tax payment provided for by this section is levied;~~

7 (vii) ~~"Value of tangible personal property" of companies shall mean the net book value~~
8 ~~of tangible personal property of each company doing business in this state as computed by the~~
9 ~~department of administration. Net book value shall mean the original cost less accumulated~~
10 ~~depreciation; provided, however, that no tangible personal property shall be depreciated more~~
11 ~~than seventy-five percent (75%) of its original cost;~~

12 (2) ~~On or before March 1 of each year, each company shall declare to the department, on~~
13 ~~forms provided by the department, the value of its tangible personal property in the state of~~
14 ~~Rhode Island on the preceding December 31.~~

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18 (4) ~~The tax administrator shall apply the average assessment ratio and the average tax~~
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22 ~~by the tax administrator. If the entire tax is not paid to the tax administrator when due, there shall~~
23 ~~be added to the unpaid portion thereof, and made a part thereof, interest at the rate provided for~~
24 ~~in section 44-1-7 from the date the tax was due until the date of the payment. The amount of any~~
25 ~~tax, including interest, imposed by this section shall be a debt due from the company to the state,~~
26 ~~shall be recoverable at law in the same manner as other debts, and shall, until collected,~~
27 ~~constitute a lien upon all the company's property located in this state.~~

28 (6) ~~The proceeds from the tax shall be allocated in the following manner:~~

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31 ~~as general revenue and appropriated directly to the department;~~

32 (ii) ~~The remainder of the proceeds shall be deposited in a restricted revenue account and~~

1 shall be apportioned to the cities and towns within this state on the basis of the ratio of the city or
2 town population to the population of the state as a whole. Estimated revenues shall be distributed
3 to cities and towns by July 30 and may be recorded as a receivable by each city and town for the
4 prior fiscal year.

5 ~~44-13-13.1. Personal property tax — Application of aggrieved party for hearing.~~

6 Any company aggrieved by any action in determining the amount of any tax or assessment
7 imposed by the provisions of section 44-13-13 may apply in writing to the tax administrator
8 within thirty (30) days of the mailing of the notice of tax or assessment for a hearing in
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11 ~~44-13-13.2. Personal property tax — Application to recover.~~ Companies which

12 become subject to personal property taxes by reason of the tax imposed by section 44-13-13 may
13 file with the public utilities commission to recover the additional tax expense. The commission
14 shall make a decision upon any application filed during the year 1982 within one hundred and
15 eighty (180) days of the filing; provided, however, that payment of all taxes and interest due
16 under section 44-13-13 shall be a condition precedent to the filing with the public utilities
17 commission.

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

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LC02151
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98-S 2629

EXPLANATION

BY THE LEGISLATIVE COUNCIL

OF

A.N A C T

REPEALING STATUTE RELATING TO TAXATION OF CERTAIN TANGIBLE PERSONAL
PROPERTY

1 This act would repeal Section 44-13-13, Section 44-13-13.1 and Section 44-13-13.2.

2 These sections relate to the taxation of certain tangible personal property.

3 This act would take effect upon passage.

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LC02151.