

City of Providence
STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 328

EFFECTIVE July 1, 2019

WHEREAS, The City Council leadership team introduced a tax levy proposal which includes a homestead exemption that more equitably distributes the burden of the costs of running our City across all of our residents; and

WHEREAS, Providence is one of a few cities in the state of Rhode Island without a Homestead Exemption; and

WHEREAS, The proposed plan gives a 40% exemption for the first \$350K assessed value for homeowners, and then a 28% exemption on the assessed value after that; and

WHEREAS, The exemption provides much-needed relief for those individuals who are on fixed incomes or are single parents and just trying to make ends meet.; the plan will mitigate huge tax burden, and provide much-needed assistance to all residents in every neighborhood across Providence; and

WHEREAS, The City of Providence is authorized to, by ordinance, annually fix the amount, if any, of a homestead exemption with respect to assessed value from local taxation on taxable owner-occupied real property used for residential purposes in the City of Providence; and

WHEREAS, The City of Providence is authorized to grant homestead exemptions to the owner(s) of that residential real estate; and

WHEREAS, The homestead exemption in the City of Providence may be: (1) A flat amount; (2) A uniform rate; or (3) A variable rate based on the assessed value of the real property, implemented by exempting a set amount of assessed value at no greater than 50%, and exempting assessed value in excess of said set amount at no less than 20%; and

WHEREAS, If the homestead exemption is a uniform or variable rate as described by subsections (b)(2) or (b)(3), the City may cap said exemption at a flat dollar amount; and

WHEREAS, If the homestead exemption is a flat amount or a variable rate as described by subsections (b)(1) or (b)(3), the rate used for purposes of § 44-5-11.8(c) shall be the base residential rate exclusive of any homestead exemptions; and

WHEREAS, The city council of the City of Providence may provide for a proration of the homestead exemption in cases where title to the property passes from those not entitled to the exemption to those who are entitled to claim the exemption, or in cases where title to the property passes from those entitled to the exemption to those who are not entitled to claim the exemption.

NOW, THEREFORE, BE IT RESOLVED, That the Providence City Council does hereby support House Bill 2019 H-6232 and Senate Bill 2019 S-0985, for the 2019 Homestead Exemption.

BE IT FURTHER RESOLVED, That the Providence City Council hereby requests that the Governor and General Assembly take all necessary steps to enable legislation in support of the 2019 Homestead Exemption for the City of Providence, and

BE IT FURTHER RESOLVED, that the Providence City Clerk transmits forthwith a copy of this Resolution to the Governor and to the leadership in the Rhode Island General Assembly.

IN CITY COUNCIL

JUN 20 2019

READ AND PASSED


PRES.


CLERK

Effective without the
Mayor's Signature



Shawn Selleck
City Clerk

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO TAXATION -- PROVIDENCE HOMESTEAD EXEMPTION

Introduced By: Representatives McKiernan, Williams, Almeida, Lima, and Mendez

Date Introduced: June 19, 2019

Referred To: House Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-5 of the General Laws entitled "Levy and Assessment of Local
2 Taxes" is hereby amended by adding thereto the following section:

3 **44-5-87. Providence -- Homestead exemption.**

4 Notwithstanding any provision with within § 44-5-11.8 to the contrary:

5 (a) The city of Providence is authorized to annually fix, by ordinance, the amount, if any,
6 of a homestead exemption with respect to assessed value from local taxation on taxable owner-
7 occupied real property used for residential purposes in the city of Providence and to grant
8 homestead exemptions to the owner(s) of that residential real estate.

9 (b) The homestead exemption in the city of Providence may be:

10 (1) A flat amount;

11 (2) A uniform rate; or

12 (3) A variable rate based on the assessed value of the real property, implemented by
13 exempting a set amount of assessed value at no greater than fifty percent (50%), and exempting
14 assessed value in excess of said set amount at no less than twenty percent (20%).

15 (c) If the homestead exemption is a uniform or variable rate as described by subsections
16 (b)(2) or (b)(3) of this section, the city may cap said exemption at a flat dollar amount.

17 (d) If the homestead exemption is a flat amount or a variable rate as described by
18 subsections (b)(1) or (b)(3) of this section, the rate used for purposes of § 44-5-11.8(c) shall be
19 the base residential rate exclusive of any homestead exemptions.

1 (e) The city council of the city of Providence may provide for a proration of the
2 homestead exemption in cases where title to the property passes from those not entitled to the
3 exemption to those who are entitled to claim the exemption, or in cases where title to the property
4 passes from those entitled to the exemption to those who are not entitled to claim the exemption.

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

=====
LC002848
=====

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T

RELATING TO TAXATION -- PROVIDENCE HOMESTEAD EXEMPTION

1 This act would authorize the city of Providence to adopt by ordinance a homestead
2 exemption for local taxation on owner-occupied residential real property. The homestead
3 exemption may either be a flat amount, a uniform rate, or a variable rate based on a percentage of
4 the assessed value.

5 This act would take effect upon passage.

=====
LC002848
=====

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO TAXATION -- PROVIDENCE HOMESTEAD EXEMPTION

Introduced By: Senators Ciccone, Quezada, and Bell

Date Introduced: June 18, 2019

Referred To: Senate Housing & Municipal Government

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-5 of the General Laws entitled "Levy and Assessment of Local
2 Taxes" is hereby amended by adding thereto the following section:

3 **44-5-87. Providence - Homestead exemption.**

4 (a) The mayor, upon approval of the city council of the city of Providence, is authorized
5 to annually fix the amount, if any, of a homestead exemption with respect to assessed value from
6 local taxation on taxable real property used for residential purposes in the city of Providence and
7 to grant homestead exemptions to the owner(s) of that residential real estate in amounts not to
8 exceed the following percentages:

9 (1) The value of the first three hundred fifty thousand dollars (\$350,000) shall receive a
10 homestead exemption of forty percent (40%) of value.

11 (2) The remaining value shall receive a homestead exemption of twenty-eight percent
12 (28%) of value.

13 (b) Any homestead exemption only applies to residential property improved with a
14 dwelling house. There shall be no homestead exemption granted for vacant land, or for the
15 residential portion of mixed-use property in the city of Providence, up to five (5) units used for
16 residential purposes. In order to determine compliance with the homestead exemption as outlined
17 in this section, the city council shall provide, by resolution or ordinance, rules and regulations
18 governing eligibility for the exemption established by this section.

19 (c) The city council of the city of Providence may provide for a proration of the

- 1 [homestead exemption in cases where title to property passes from those not entitled to the](#)
- 2 [exemption to those who are entitled to claim the exemption.](#)
- 3 SECTION 2. This act shall take effect upon passage.

LC002837

EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF

A N A C T
RELATING TO TAXATION -- PROVIDENCE HOMESTEAD EXEMPTION

- 1 This act would enable the city of Providence to adopt a homestead tax exemption. The
2 value of the first three hundred fifty thousand (\$350,000) would receive a homestead exemption
3 of forty percent (40%) of value while the remaining value would receive a homestead exemption
4 of twenty-eight percent (28%) of value.
5 This act would take effect upon passage.

LC002837