

**2018 -- H 7858 SUBSTITUTE A**

LC005007/SUB A

**STATE OF RHODE ISLAND**

**IN GENERAL ASSEMBLY**

**JANUARY SESSION, A.D. 2018**

**A N A C T**

**RELATING TO TAXATION - LEVY AND ASSESSMENT OF LOCAL TAXES**

Introduced By: Representative Alex D. Marszalkowski

Date Introduced: February 28, 2018

Referred To: House Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5-12.1 of the General Laws in Chapter 44-5 entitled "Levy and  
2 Assessment of Local Taxes" is hereby amended to read as follows:

3 **44-5-12.1. Assessment of tangible personal property.**

4 (a) All tangible personal property subject to taxation shall be assessed for taxation based  
5 on the original purchase price (new or used) including all costs such as freight and installation.  
6 Assets will be classified and depreciated as defined in this section.

7 (b) The following classification and depreciation table shall be used in determining the  
8 assessed value of tangible personal property.

9 State of Rhode Island Tangible Property Classification

10	Class of Assets	Class I Short Life	Class II Mid-Life	Class III Long Life
11	Age	1-5 yrs	6-12 yrs	13+ yrs
12	1	95	95	95
13	2	80	90	90
14	3	60	80	85
15	4	30	70	80
16	5	20	60	75
17	6	20	50	70
18	7	20	40	65
19	8	20	30	60

1	9	20	30	55
2	10	20	30	50
3	11	20	30	45
4	12	20	30	40
5	13	20	30	35
6	14	20	30	30
7	15+	20	30	30

8 Assets Shall Not be Trended

9 (c) Assets shall be classified on an annual basis by the Rhode Island Association of  
10 Assessing Officers' Personal Property Committee based on the following table:

11	INDUSTRY GROUP IN YEARS	CLASS
12	<del>Aerospace industry</del>	<del>II</del>
13	Agriculture machinery and equipment	II
14	<del>cotton ginning</del>	<del>II</del>
15	Aircraft and all helicopters	II
16	Amusement and theme parks	II
17	Apparel and fabricated textile manufacturing	II
18	Automobile repair shops	II
19	Bakeries and confectionery production	II
20	Barber and beauty shops	II
21	Billboards	<del>II</del> III
22	Brewery equipment <u>not used directly in manufacturing</u>	II
23	<del>Cable television, headend facilities</del> <u>Cable television: All equipment including</u>	
24	<u>set top boxes, remotes, and other related equipment</u>	II
25	<u>Aerial, underground, and drops, including MDUS.</u>	III
26	<del>microwave systems</del>	<del>II</del>
27	<del>program origination</del>	<del>II</del>
28	<del>service and test</del>	<del>II</del>
29	<del>subscriber connection and distribution</del>	<del>II</del>
30	Canneries and frozen food production	II
31	Cement <del>manufacture</del> <u>processing</u>	III
32	Chemical and allied production	II
33	Clay products <del>manufacturing</del> <u>processing</u>	III
34	<del>Clocks and watches, manufacturing</del>	<del>II</del>

1	<del>electronic instrumentation</del>	<del>I</del>
2	Cold storage and ice-making equipment	III
3	Cold storage warehouse equipment	II
4	Computers, personal computers (PC), <a href="#">laptops, tablets, cellphones,</a>	
5	<a href="#">mainframe/servers, peripherals, keyboard, mouse,</a>	I
6	<del>mainframe</del>	<del>I/II</del>
7	<del>peripherals</del>	<del>I</del>
8	Condiments, <del>manufacturing and</del> processing	II
9	Construction equipment, general construction, <a href="#">backhoes, forklifts, loaders,</a>	
10	<a href="#">cranes, unregistered vehicles</a>	II
11	Dairy products <del>manufacturing</del> <a href="#">processing</a>	II
12	Data handling equipment, except computers	II
13	<a href="#">Printers, copiers, bridges, routers and gateways</a>	<u>II</u>
14	Distilling	II
15	Electrical equipment <a href="#">not used in</a> manufacturing	II
16	<del>Electronic companies, steam production</del>	<del>III</del>
17	<del>other production, combined cycle</del>	<del>III</del>
18	<del>gas turbines</del>	<del>III</del>
19	<del>nuclear production</del>	<del>III</del>
20	<del>transmission</del>	<del>III</del>
21	<del>distribution</del>	<del>III</del>
22	Electronic equipment <del>manufacturing</del>	<del>I</del> <u>II</u>
23	Fabricated metal products/ <a href="#">special tools</a>	II
24	<del>special tools</del>	<del>I</del>
25	Fishing equipment, excluding boats and barges, <a href="#">lines, nets,</a>	I
26	Food and beverage production	II
27	<del>special handling devices</del>	<del>I</del>
28	Fur processing	II
29	Gas distribution, total distribution equipment	III
30	<del>Optional for equipment by category:</del>	
31	<del>mains and services, plastic</del>	<del>III</del>
32	<del>mains and services, steel</del>	<del>III</del>
33	<del>meters, regulators, installations</del>	<del>III</del>
34	<del>other distribution equipment</del>	<del>III</del>

1	Glass and glass products/ <a href="#">special tools</a>	II
2	<del>special tools</del>	<del>I</del>
3	Grain and grain mill products <del>manufacture</del> <a href="#">processing</a>	III
4	Gypsum products	III
5	Hand tools	<del>I</del> II
6	Hospital furnishings and equipment	II
7	Hotel and motel furnishings and equipment	II
8	Jewelry products and pens	II
9	Knitwear and knit products, <a href="#">ex, work uniforms</a>	I
10	Laundry equipment	II
11	Leather and leather products	II
12	Logging, timber cutting	<del>I/II</del> II
13	<del>Machinery manufacturing, except, as otherwise listed</del>	<del>II</del>
14	Marine construction	II
15	Meatpacking	II
16	Medical and dental supply production	II
17	Metalworking machinery <del>manufacturing</del> <a href="#">processing</a>	II
18	Mining and quarrying	II
19	Motion picture and television production	II
20	Motor vehicle and parts/ <a href="#">special tools</a> <del>manufacturing</del>	II
21	<del>special tools</del>	<del>I</del>
22	Office furniture and equipment	II
23	Optical lenses and instrument <del>manufacturing</del> <a href="#">processing</a>	II
24	Paints and varnishes	I
25	<del>Paper and pulp manufacturing</del>	<del>II</del>
26	<del>—converted paper, paperboard and pump</del>	<del>II</del>
27	<del>Petroleum and natural gas, drilling, onshore</del>	<del>II</del>
28	<del>drilling, offshore</del>	<del>II</del>
29	<del>—exploration and production</del>	<del>II</del>
30	petroleum refining	III
31	pipeline transportation	III
32	Plastics manufacturing	I/II
33	Plastic products <del>manufacturing</del> <a href="#">processing/special tools</a>	II
34	<del>special tools</del>	<del>I</del>

1	Primary metals production, nonferrous and foundry products	III
2	special tools	<del>I</del> III
3	Primary steel mill products	III
4	Printing and publishing	II
5	Professional and scientific instruments	II
6	Radio and television, broadcasting	<del>I/II</del> II
7	Railroad transportation equipment <del>manufacturing</del>	II
8	locomotive <del>manufacturing</del>	II
9	Recreation and amusement	II
10	Retail trades, fixtures and equipment	II
11	Residential furniture	II
12	Restaurant and bar equipment	II
13	Restaurant equipment, fast foods	II
14	Rubber products <del>manufacturing</del> <u>processing/special tools</u>	II
15	<del>special tools</del>	<del>I</del>
16	Sawmills, permanent/ <u>portable</u>	II
17	<del>portable</del>	<del>I</del>
18	Service establishments	II
19	Ship and boat building <del>machinery and</del> equipment/ <u>special tools</u>	II
20	<del>special tools</del>	<del>I</del>
21	Soft drink <del>manufacture</del> <u>processing</u> and bottling	II
22	<del>Steam production and distribution</del>	<del>III</del>
23	Stone products <del>manufacturing</del> <u>processing</u>	III
24	<del>Sugar and sugar products manufacturing</del>	<del>III</del>
25	Telecommunications, local <del>exchange</del> <u>and interstate</u>	<u>II</u>
26	analog switching	<del>I/II</del> II
27	<del>digital switching</del>	<del>I/II</del>
28	circuit, digital, <u>analog, optic</u>	<del>I/II</del> II
29	<del>circuit, analog</del>	<del>II</del>
30	<del>circuit, optic</del>	<del>I/II</del>
31	<del>other central office equipment</del>	<del>I/II</del>
32	information/origination equipment	I/II
33	smart phones	I
34	metallic cable	<del>II</del> III

1	fiber cable, <u>poles, conduit</u>	III
2	<del>poles</del>	<del>III</del>
3	<del>conduit</del>	<del>III</del>
4	<del>Telecommunications, interstate interexchange analog switching</del>	<del>I/II</del>
5	<del>digital switching</del>	<del>I/II</del>
6	<del>metallic cable</del>	<del>II</del>
7	<del>fiber cable</del>	<del>III</del>
8	<del>poles</del>	<del>III</del>
9	<del>conduit</del>	<del>III</del>
10	all other equipment	<del>I/II</del> II
11	Telecommunications, cellular	
12	<del>analog</del> <u>Analog/digital</u> switching	<del>I/II</del> II
13	<del>digital switching</del>	<del>I/II</del>
14	radio frequency channel and control	<del>I/II</del> II
15	power equipment	II
16	antennae	II
17	towers	III
18	transmission equipment	<del>I/II</del> II
19	cellular phones	I
20	Textile products, including finishing and dyeing	II
21	<del>manufacture of nonwoven fabrics</del>	<del>II</del>
22	<del>manufacture of yarn</del> <u>Yarn</u> , thread and woven fabrics	II
23	<del>manufacture of textured yarns</del>	<del>II</del>
24	Theater equipment	II
25	<del>Tobacco and tobacco products</del>	<del>III</del>
26	<del>Vegetable oil products</del>	<del>III</del>
27	<u>Utilities/power production</u>	III
28	<u>Generation, transmission, or distribution equipment</u>	III
29	Waste reduction and resource recovery	II
30	Water transportation	III
31	vessels, barges and tugs	III
32	Water utilities	III
33	Wharves, docks and piers	III
34	Wholesale trade fixtures and equipment	II

1 Wood products and furniture manufacturing II  
2 (d) Any industry, group, or asset not enumerated in section (b) of this section, shall be  
3 categorized as class II.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO TAXATION - LEVY AND ASSESSMENT OF LOCAL TAXES

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- 1           This act would revise the list of personal property subject to local taxation and provide
- 2   greater clarity to businesses in the state concerning such taxes.
- 3           This act would take effect upon passage.

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