

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2019

A N A C T

RELATING TO TAXATION -- PROPERTY SUBJECT TO TAXATION

Introduced By: Senators Morgan, Raptakis, and Rogers

Date Introduced: February 27, 2019

Referred To: Senate Judiciary

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-3-9.8 of the General Laws in Chapter 44-3 entitled "Property  
2 Subject to Taxation" is hereby amended to read as follows:

3 **44-3-9.8. West Greenwich -- Exemption or stabilization of tax on qualified property**  
4 **used for manufacturing or commercial purposes in the town of West Greenwich.**

5 (a) Except as provided in this section, the town council of the town of West Greenwich  
6 may vote to authorize, for a period not exceeding ~~ten (10)~~ twelve (12) years, and subject to the  
7 conditions provided in this section, to exempt from payment, in whole or part, real and personal  
8 property used for manufacturing or commercial purposes, or to determine a stabilized amount of  
9 taxes to be paid on account of the property, notwithstanding the valuation of the property or the  
10 rate of tax; provided, that after public hearings, at least ten (10) days' notice of which shall be  
11 given in a newspaper of general circulation in the town, the town council determines that:

12 (1) Granting of the exemption or stabilization of taxes will inure to the benefit of the  
13 town by reason of:

14 (i) The willingness of the manufacturing or commercial concern to locate in the town; or

15 (ii) The willingness of a manufacturing firm to expand facilities with an increase in  
16 employment or the willingness of a commercial or manufacturing concern to retain or expand its  
17 facility in the town and not reduce its work force in the town; or

18 (iii) An improvement of the physical plant of the town that will result in long-term  
19 economic benefits to the town and the state.

1           (2) Granting of the exemption or stabilization of taxes will inure to the benefit of the  
2 town by reason of the willingness of a manufacturing or commercial firm or concern to replace,  
3 reconstruct, expand or remodel existing buildings, facilities, fixtures, machinery, or equipment  
4 with modern buildings, facilities, fixtures, machinery, or equipment, resulting in an increase in,  
5 plant or commercial building investments by the firm or concern in the town.

6           (b) Should the town council make the determination in paragraphs (a)(1)(i) -- paragraphs  
7 (a)(1)(iii), or subdivision (a)(2) of this section, an exemption or stabilization may be granted for  
8 existing buildings, property, machinery, or facilities owned by businesses already located in the  
9 town of West Greenwich on January 1, 2011.

10           (c) For the purposes of this section, "real property used for manufacturing or commercial  
11 purposes" includes any building or structure used for offices or commercial enterprises including  
12 without limitation any building or structure used for wholesale, warehouse, distribution, and/or  
13 storage business, used for service industries, or used for any other commercial business and the  
14 land on which the building or structure is situated and not used for residential purposes.

15           (d) For purposes of this section, "personal property used for manufacturing or  
16 commercial purposes" means any personal property owned by a firm or concern occupying a  
17 building, structure, and/or land used for commercial purposes and used by such firm or concern in  
18 its commercial enterprise including, without limitation, furniture, fixtures, equipment, machinery,  
19 stock in trade, and inventory.

20           (e) Except as provided in this section, property for which taxes have been exempted in  
21 whole or in part, or stabilized pursuant to this section, shall not, during the period for which taxes  
22 have been exempted or stabilized, be further liable to taxation by the town so long as the property  
23 is used for the manufacturing or commercial purposes for which the exemption or stabilization  
24 was granted.

25           (f) Notwithstanding any vote of, or findings by the town council, the property shall be  
26 assessed for, and shall pay, that portion of the tax, if any, assessed by the town for the purpose of  
27 paying the indebtedness of the town and the indebtedness of the state or any political subdivision  
28 of the state, to the appropriation to any sinking fund of the town, which portion of the tax shall be  
29 paid in full, and the taxes so assessed and collected shall be kept in a separate account and used  
30 only for that purpose.

31           (g) Any application for tax exemption or stabilization submitted pursuant to this section  
32 shall be submitted before an application for development plan review is submitted to the West  
33 Greenwich planning board, as applicable, or for other such permits and/or approvals that may be  
34 required from any other town board or commission.

1           (h) Any tax exemption or stabilization granted by the town council pursuant to this  
2 section shall be applicable for a period beginning on the first day of the fiscal year in which the  
3 exemption or stabilization is granted.

4           (i) If a property owner whose property tax has been exempted or stabilized pursuant to  
5 this section becomes delinquent in the payment of its property taxes, or transfers ownership of its  
6 business, the town council shall have the authority to review and terminate the tax exemption or  
7 stabilization agreement.

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

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF  
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- 1           This act would increase the number of years that the town of West Greenwich may enter
- 2 into tax stabilization agreements from ten (10) to twelve (12).
- 3           This act would take effect upon passage.

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