

2024 -- S 3099

LC006088

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2024

A N A C T

RELATING TO TAXATION -- STATEWIDE TANGIBLE PROPERTY TAX EXEMPTION

Introduced By: Senators Bissailon, Bell, Mack, and Zurier

Date Introduced: May 29, 2024

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Section 44-5.3-2 of the General Laws in Chapter 44-5.3 entitled "Statewide  
2 Tangible Property Tax Exemption" is hereby amended to read as follows:

3 **44-5.3-2. Reimbursement of lost tax revenue.**

4 (a) Beginning in fiscal year 2025 and for each fiscal year thereafter, cities, towns, and fire  
5 districts shall receive reimbursements, as set forth in this section, from state general revenues for  
6 lost tax revenues due to the reduction of the tangible property tax resulting from the statewide  
7 exemption set forth in § 44-5.3-1.

8 (b) Beginning in fiscal year 2025, and for each fiscal year thereafter, cities, towns, and fire  
9 districts shall receive a reimbursement equal to the ~~tangible property levy for the assessment date~~  
10 ~~of December 31, 2022, minus the tangible personal property levy for the assessment date of~~  
11 ~~December 31, 2023~~ tangible property tax revenues lost for the assessment date of December 31,  
12 2023 due to application of the statewide exemption amount set forth in § 44-5.3-1, which shall be  
13 calculated by dividing the tangible personal property assessment for the assessment date of  
14 December 31, 2023 lost due to the statewide exemption amount set forth in § 44-5.3-1 by one  
15 thousand (1,000) multiplied by the tangible personal property tax rate for the assessment date of  
16 December 31, 2023. If such lost assessment is unknown, cities, towns, and fire districts shall utilize  
17 internal policies and procedures in place as of December 31, 2022 to estimate the lost assessment.

18 (c) Reimbursements shall be distributed in full to cities, towns, and fire districts on  
19 September 30, 2024, and every September 30 thereafter; provided, however, that reimbursement

1 shall not be provided to any city, town, or fire district in any year in which it has failed to provide  
2 to the division of municipal finance its certified tax roll in accordance with § 44-5-22 or any other  
3 information required by the division of municipal finance to calculate the reimbursement amount.  
4 [The division of municipal finance may rely solely upon such information provided to it in any year](#)  
5 [when calculating the reimbursement amount but may, although shall not be required to, also audit](#)  
6 [such information.](#)

7 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 determine the reimbursement of lost tax revenue for cities, towns and fire  
2 districts, by dividing the lost 2023 tangible personal property assessment by one thousand (1,000)  
3 multiplied by the 2023 tangible personal property tax rate or, if unknown, estimate the calculation  
4 on the 2022 assessment rate. The division of municipal finance may audit the calculation process.

5           This act would take effect upon passage.

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