

ORDINANCE NO. 21-16

AN ORDINANCE IN AMENDMENT OF CHAPTER 19 OF THE CODE OF ORDINANCES, TOWN OF NORTH KINGSTOWN, ENTITLED, "TAXATION"

Note: Words set as ~~strikeover~~ are to be deleted from the ordinance; all underlined text is to be added to the ordinance.

The Town Council of the Town of North Kingstown hereby ordains:

SECTION 1. That Chapter 19, Article I of the Code of Ordinances, Town of North Kingstown, entitled, "In general" is hereby amended by adding the following:

Sec. 19-3. – Tax Classification - List of ratable property

- (a) A system of classification of taxable property is hereby adopted by the town in which all ratable property in town shall be classified by the assessor as follows:
 - (1) Class 1: All residential real estate consisting of not more than five dwelling units. Class 1 includes all mobile/manufactured homes.
 - (2) Class 2: All commercial and industrial real estate and all residential real estate consisting of six or more dwelling units, as well as all mixed use properties.
 - (3) Class 3: All ratable tangible personal property.
 - (4) Class 4: All motor vehicles and trailers subject to excise tax created by G.L. 1956 Title 44, Chapter 34.

Sec. 19-4. Duties of tax assessor.

- (a) The assessor of the town, on or before June 15 of each year, shall make a full and fair cash valuation of all the estate, real and personal, including motor vehicles trailers, subject to taxation, and determine the assessed valuation of each property class.
- (b) The town manager with the approval of the town council shall have the authority to apply different rates of taxation to each property class and to determine the tax due and payable on the property; provided, however, that such rates of taxation shall be uniform within each class; and provided further that, for each year, Class 2 property tax rates shall not be more than 140 percent of Class 1 property tax rates.

Sec. 19-5 Tax levy determination.

The assessor shall provide the town council a list containing the full and fair cash valuation of each property class. The town manager shall, with the approval of the town council, annually determine the percentages of the tax levy to be apportioned to each class of property and the assessor shall annually apply tax rates sufficient to produce the proportion of the total tax levy.

Sec. 19-6 Compliance with state law.

- (a) All property in Class 3, which is classified as inventory, shall be taxed in accordance with RIGL 1956 44-3-29.1 regarding the phasing out of taxes on said property.
- (b) All property in Class 4 shall be taxed in accordance with RIGL Title 44, Chapter 34.1 regarding phasing out of taxes on said property.

SECTION 2. That Chapter 19, Article II, entitled, “Tax Exempt Status” is hereby amended by adding the following:

Sec. 19-33. ~~North Kingstown Exeter Animal Protection League, Inc~~ *Ocean State Community Wellness, Inc.

The town assessor is authorized to exempt from taxation the real property of the Ocean State Community Wellness, Inc. in conformity with the provisions of S-0242 and H-5129 passed by the legislature at its January 2021 session, effective May 5, 2021, entitled:

“An Act” authorizing the Town Council of the Town of North Kingstown to exempt from taxation the real property of Ocean State Community Wellness, Inc., for the property located at 7450 Post Road.

Sec. 19-42. Homestead exemption.

The town council shall annually fix the amount, if any, of a homestead exemption with respect to assessed value from local taxation on taxable real property used for residential purposes defined as Class 1 in Sec. 9-3(a)(1), in an amount not to exceed twenty percent of the assessed value.

- (a) The homestead exemption applies to property:
 - (1) Which is the resident taxpayer's principal residence and legal domicile;
 - (2) Legally titled to the resident taxpayer, a trust to which the resident taxpayer is the named beneficiary, or to a corporate entity owned and controlled by the resident taxpayer; and
 - (3) Used exclusively for residential purposes and improved with a dwelling containing not more than five units in which at least one unit is owner occupied.
- (b) The homestead exemption does not apply to:
 - (1) Vacant land.
 - (2) Dwelling units that are leased or rented out.
- (c) Legal title to the real property subject to the homestead exemption must be held by the resident taxpayer (as defined in subsection (a)(2) of this section) as of December 31 prior to the year for which the exemption shall apply. There shall be one exemption per household.

- (d) All required application must be filed with the tax assessor on or before March 15 of the tax year to which the exemption is to be applied, or in the event March 15 falls on a Saturday, Sunday or holiday, applications will be accepted on the next business day.
- (e) Presenting three (3) of the following documents to the tax assessor shall be considered prima facie demonstration of a person's residence for the purpose of eligibility for the homestead exemption:
- (1) The address furnished to the division of motor vehicles, appearing on the taxpayer's valid operator's license; if the applicant certifies that he or she does not drive, this requirement is waived;
 - (2) The address from which the taxpayer's motor vehicle is registered, as it appears on a valid motor vehicle registration. If the applicant certifies that he or she does not drive, this requirement is waived;
 - (3) The address from which the taxpayer filed his or her federal and/or state income tax return for the tax year in question;
 - (4) A current utility bill indicating both the service address and mailing address are the same; and
 - (5) The address furnished by the taxpayer to the Town of North Kingstown canvassing authority for voting purposes.
- (f) The tax assessor may require any additional information or prepare any application forms he or she deems necessary to carry out the intent of the ordinance.
- (g) The tax assessor shall have the authority to make adjustments to the homestead exemption if he or she receives information that the property no longer meets the eligibility requirements.
- (h) If the taxpayer knowingly gives misinformation as to the ownership and/or occupancy of the real property subject to the homestead exemption, the tax assessor shall, in such event, remove the homestead exemption and recalculate the tax for the period in question and, in addition, charge the taxpayer the maximum interest permitted by law.
- (i) The tax assessor shall have the authority to send a communication in conjunction with a mortgage application from a buyer to a financial institution to reflect what an estimated property tax bill would be for a subject property if and when a valid and accepted proposed homestead exemption is sought and accepted. Any communication from the tax assessor shall include the following language:

"The Tax Assessor has estimated the potential tax bill for this property based upon the application for the Town's current homestead exemption. It is an ESTIMATE only and is contingent on the applicant/homeowner meeting all of the legal requirements for the exemption as set forth in the applicable law and/or the municipal code. Homestead exemptions and rates are subject to change and modification by the Town's governing body."

SECTION 3. This Ordinance shall take effect upon passage and all Ordinances or parts of Ordinances inconsistent herewith are hereby repealed.

First Read at the Town Council Meeting of November 22, 2021 and referred to the Town Council Meeting of December 13, 2021 for Second Reading and Consideration of Adoption.

Amended and adopted at the Town Council Meeting of December 13, 2021.

Jeannette Alyward
Town Clerk