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Dear Council Members:

Attached please find a copy of the Chapter 15 changes (proposed) for the First Reading scheduled for this Thursday. As you know, the First Reading provides the opportunity to make any needed adjustments to the language prior to the Second (and usually, final) reading. The purpose of this Ordinance change is to "transition" the current exemptions into credits so that when the Town moves to a 100% valuation next year, the existing exemptions are not reduced by 50% (because the exemptions are currently calculated to be applied to 50% value.)

The document is in Track Changes so that you can see the deletions and additions. I would point your attention to the following:

Page 3, Section 15-26(b)... Last sentence is changed to reflect the fact that the Town does not tax tangible *personal* property. The Town does tax tangible *business* property; however there is no exemption applied to that property.

Page 8, Section 15-49 OPTION 1 and OPTION 2....Gave you 2 options to consider from a policy standpoint. As a practical matter, I think that it makes sense for someone who is subject to the freeze to be able to come off and go back on once, if economic circumstances (i.e. the financial collapse of 2008) support it. That said, for most people, the longer one is on the freeze, the better/lower their taxes will be over an extended period of time, since property values generally always increase or appreciate. The Tax Assessor can speak to how the process is currently handled.

I am asking the Town Clerk to please post this on the Town's website; also, she might want to have copies available to the public at the meeting.

Thanks,
Dave

David M. D'Agostino, Esq.

GORHAM & GORHAM, INC.

25 Danielson Pike

**TOWN OF SCITUATE
AN ORDINANCE AMENDING “AN ORDINANCE CONCERNING THE EXEMPTION
OF CERTAIN PROPERTY FROM TAXATION”**

WHEREAS The Town Council is the governing body of the Town of Scituate and is authorized to promulgate and enforce Ordinances related to the exercise of local taxing authority and the setting of certain exemptions and tax credits for the same.

WHEREAS this ordinance is enacted pursuant to Rhode Island General Laws § 44-3-24 entitled, “Reevaluation of real property – Adjustment of exemption upon.” The statute provides in pertinent part, “The city and town councils of the various cities and towns may provide, by ordinance, for the adjustment of the tax exemption for all persons entitled to it pursuant to this chapter in any year that the city or town has a real property reevaluation. The adjustment shall be made to reflect the same monetary savings that appeared on the property tax bill that existed for the year prior to reevaluation of the real property....”

WHEREAS, the following list of exemptions appear on the property tax bill that existed for the year prior to reevaluation, *to wit*, December 31, 2012 (also known as the “2013 Tax Roll”):

- Total service connected disabled veteran – specially adapted housing (\$10,000.00);
- Gold Star Parent (only 1) (\$3,000.00);
- Prisoner of War (\$15,000.00);
- Totally Blind Resident (\$18,000.00);
- Brown University – Full Professor before 1965 (\$10,000.00)¹;
- Senior Citizen (real estate only) each owner (\$1,000.00);
- Variable Age 65 to 71 (real estate only) 1 only (\$1,500.00); and,
- Variable Age 72 and over (real estate only) 1 only (\$2,000.00).

WHEREAS, the above list of exemptions correspond to the following list of credits for the following tax classification (by property type):

<u>Type</u>	<u>Credit:</u>	<u>Residential</u>	<u>Comm/Mixed Use</u>
Total service connected			
Disabled vet – special housing		\$373.70	\$432.00
Gold star parent		\$112.11	\$129.60

¹ While this exemption exists in several communities, the Brown University Faculty Collective Bargaining Agreement has waived this exemption for professor/employees, so no one actually “qualifies” for the exemption (by virtue of their employment) and has not in many years. Therefore, no amendment/provision exists for this exemption or credit.

POW	\$560.55	\$648.00
Totally blind resident	\$672.66	\$777.60
Brown Univ. Prof. ²	\$373.70	\$432.00
Sr. Citizens	\$ 37.37	\$ 43.20
Variable 65 – 71	\$ 56.06	\$ 64.80
Variable 72+	\$ 74.74	\$ 86.40

WHEREAS, this amendment is necessary to maintain the value of the above-listed exemptions when the Council moves to establish a full (i.e. 100%) value appraisal of real property in the next tax year, different from the current fifty percent (50%) value appraisal of real property.

WHEREAS, the above-listed exemptions shall be applied uniformly and without regard to ability to pay.

NOW THEREFORE, it is ordained by the Town Council of the Town of Scituate to amend Chapter 15 as follows:

ARTICLE I. - IN GENERAL

Sec. 15-1. - Motor vehicles.
 Secs. 15-2—15-25. - Reserved.

Sec. 15-1. - Motor vehicles.

- (a) This section is enacted pursuant to General Laws 1956, section 44-34-1.
- (b) The board of assessment review is hereby established as the board of appeals pursuant to General Laws 1956, sections 44-34-8 and 44-34-10.
- (c) The board of appeals shall have the following powers:
 - (1) Where the assessment is based upon the provisions of subsections (1) through (3) of this section, the board of appeals shall determine whether the establishment of the presumptive value was prepared in a manner consistent with such provisions. If the board of appeals finds an error in the presumptive value such board shall petition the state vehicle value commission for a change in the presumptive value.

² See: Footnote 1, above

Within ten (10) days of the receipt of such petition, the state vehicle value commission shall respond in writing to the board of review and if the decision of the commission results in a change of the presumptive value, the commission shall notify the assessor of the new presumptive value. The board of review shall abide by the decision of the state vehicle value commission.

- (2) Determine whether there was an error in the application of the presumptive value to the vehicle.
- (3) Where the assessment is based upon a value established by the assessor in accordance with the provisions of General Laws 1956, section 44-34-9(c), determine whether there was an error in the value established by the assessor.
- (4) Any appeal shall be filed within thirty (30) days of the mailing of the tax bills. The board of appeals shall make its findings within forty-five (45) days of the filing. The town council may grant an abatement in whole or in part, correct an assessment, or uphold the original assessment following such hearing.

(Ord. of 6-26-86)

Cross reference-- Motor vehicles and traffic, Ch. 7.

Secs. 15-2—15-25. - Reserved.

ARTICLE II. - EXEMPTIONS [31]

DIVISION 1. - GENERALLY

Sec. 15-26. - Tangible personal property.

Sec. 15-27. - Motor vehicle with wheelchair lifts exempt from taxation.

Secs. 15-28—15-40. - Reserved.

Sec. 15-26. - Tangible personal property.

(a) This section is enacted pursuant to General Laws 1956, section 43-3-3.

(b) Beginning with the December 31, 1979 assessments, the following property shall be exempt from taxation: The household furniture and family stores of a housekeeper in the whole, including clothing, bedding and other white goods, books and all other such tangible personal property items which are common to the normal household, ~~not exceeding in value the sum of twenty thousand dollars (\$20,000.00).~~

(c) The exemption granted by this section shall be in addition to any other exemptions provided by statute or ordinance.

(Ord. of 12-13-79)

Sec. 15-27. - Motor vehicle with wheelchair lifts exempt from taxation.

(a) This section is enacted pursuant to General Laws 1956, 44-35-10.

(b) Fifty (50) percent of the value of any motor vehicle that has been specifically adapted with a wheelchair lift for use by an individual with a disability shall be exempt from taxation.

(c) This section shall apply to not more than one motor vehicle owned and registered for the personal, non-commercial use of any person who has sustained a loss, or permanent loss of use of both legs or both arms.

(d) In the event the person suffering said loss is unable to register said motor vehicle, then the exemption shall apply where the motor vehicle is registered to an immediate family member.

(Ord. of 9-9-93, §§ 1 - 4)

Secs. 15-28—15-40. - Reserved.

DIVISION 2. - TAX RELIEF FOR THE ELDERLY

Sec. 15-41. - Authority.

Sec. 15-42. - Definition.

Sec. 15-43. - Rules of construction.

Sec. 15-44. - Tax rate, valuation—Determination.

Sec. 15-45. - Same—Effect of death.

Sec. 15-46. - Exemption granted—Determination.

Sec. 15-47. - Same—Effect of death.

Sec. 15-48. - Fixed rate and valuation not portable.

Secs. 15-49—15-60. - Reserved.

Sec. 15-41. - Authority.

This division is enacted pursuant to that certain chapter of Public Laws 1979 entitled, "An Act Authorizing the Town of Scituate to Provide Tax Relief for the Elderly and Repealing Chapter 245 of the Public Laws of 1972 and Chapter 19 of the Public Laws of 1975."

(Ord. of 6-14-79, § 1)

Sec. 15-42. - Definition.

For the purposes of this division, the words "single-family dwelling" shall mean and include a lot not to exceed one hundred twenty thousand (120,000) square feet and one (1) dwelling house and the outbuildings thereon, so long as the outbuildings are not used for commercial purposes.

(Ord. of 6-11-81, § 1(a))

Cross reference--- Definitions and rules of construction generally, § 1-2.

Sec. 15-43. - Rules of construction.

(a) For a dwelling to qualify as the "domicile" and "legal residence" of the taxpayer so as to entitle him or her to the freeze available under this division, the taxpayer must actually reside within the town for one hundred ninety-five (195) days out of each calendar year (confinement in a nursing home, convalescent home, hospital, etc., shall not be deemed absence from the town) and the taxpayer must, if he is not disqualified by law, be a registered voter in the town and the taxpayer must, if he has sufficient income to require filing of a state income tax return, file a state resident income tax return.

(b) For a dwelling house to qualify as "owned" by a taxpayer it shall be permissible for the taxpayer to hold title with another as joint tenant, tenant in common, life tenant or tenant by the entirety; provided, however, that with the exception of the spouse of the taxpayer or another owner who meets the tests of age, domicile or residence, such other owner may not derive any financial benefit by way of rental income from the property, nor shall such other owner reside in the property.

(c) In applying and interpreting the provisions of this section, the tax assessor may require that the taxpayer furnish such information under oath as the assessor from time to time deems appropriate.

(Ord. of 6-11-81, § 1(b) (d))

Cross reference--- Definitions and rules of construction generally, § 1-2.

Sec. 15-44. - Tax rate, valuation—Determination.

The tax rate and valuation on a single-family dwelling or a two-family dwelling owned and occupied as his domicile by a person who has attained age sixty-five (65) years, regardless of income, shall be fixed at the tax rate and valuation applicable to such property for the December 31 assessment date immediately following the date on which such person meets the requirements of this division; provided, however, that persons whose rate and valuation were fixed pursuant to that certain ordinance enacted by the town council on April 13, 1972 entitled, "An Ordinance Concerning Fixed Tax Rate and Valuation for Certain Persons" shall continue at the fixed tax rate and valuation granted to them pursuant to such ordinance without necessity of presenting any further evidence or application to the assessor. Such exemption shall not be allowed unless the person entitled thereto shall have presented to the assessor, on or before the last day on which sworn statements may be filed with the assessor for the year for which the

foregoing is claimed, due evidence that he is so entitled, which evidence shall stand as long as his legal residence remains unchanged. The foregoing shall be in addition to any other exemptions provided by law. Such real estate shall not be taken from the tax rolls and shall be subject to the bonded indebtedness of the town.

(Ord. of 6-14-79, § 4; Ord. of 12-9-82, § 1)

Sec. 15-45. - Same—Effect of death.

If a taxpayer dies whose tax rate and valuation has been fixed pursuant to this division, the fixed tax rate and valuation shall continue for the surviving spouse of the deceased taxpayer, regardless of income and regardless of whether or not the surviving spouse has attained age sixty-five (65) years, but subject to the conditions that title in fee simple to the real estate for which rate and valuation are frozen shall have passed from the taxpayer to such spouse either by devise, descent or by right of survivorship, and that the surviving spouse shall reside in such dwelling and that the surviving spouse, if he has not attained age sixty-five (65) years, shall not remarry before attaining age sixty-five (65) years.

(Ord. of 6-14-79, § 5)

Sec. 15-46. - Exemption granted—Determination.

(a) Real property situated in the Town and owned and occupied as his or her domicile by any one or more persons 65 years of age or over as of the date of assessment of the annual taxes (beginning December 31, 1979) shall be exempt from taxation and shall receive a credit in the amount of thirty-seven dollars thirty-seven cents (\$37.37) applied against the value of the property for each co-tenant, joint tenant and tenant-by the-entirety who is of the age of 65 years or more. Said exemption shall be in addition to any and all exemptions from taxation to which said person may be otherwise entitled. In the event a taxpayer dies who was receiving an exemption in valuation pursuant to this section, the exemption shall continue for the surviving spouse of the deceased taxpayer, regardless of age, but subject to conditions that the deceased spouse's interest in said real estate shall have passed the surviving spouse either by devise, descent or by right of survivorship and that the surviving spouse shall reside in said dwelling and that the surviving spouse shall not remarry. In the event a taxpayer who was receiving an exemption in valuation pursuant to this section dies and is survived by a spouse who has not attained age 65, said surviving spouse, upon attaining age 65, shall not be entitled to an additional exemption to an additional exemption by reason of attaining said age. In the event a taxpayer dies who was receiving an exemption in valuation pursuant to this section and is survived by a spouse who has also attained age 65 and is receiving an exemption in valuation

pursuant to this section, the surviving spouse shall be entitled to both the exemption which the deceased spouse received as well as the exemption to which he or she was entitled. If said real property is classified as commercial or mixed use, then the amount of the credit shall be forty-three dollars twenty cents (\$43.20).³

(b) The real property classified as residential, situated in the town and owned and occupied by a person who qualify for a fixed tax rate and valuation is granted an exemption, in the form of a tax credit, -in the amount of fifty-six dollars six cents (\$56.06) valuation in the amount of one thousand five hundred dollars (\$1,500.00)-for persons age sixty-five (65) years through seventy-one (71) years and two thousand dollars (\$2,000.00)seventy-four dollars seventy-four cents (\$74.74) for persons ages seventy-two (72) years and older, which credit exemption shall be in addition to any and all exemptionscredits from taxation to which such person may be otherwise entitled. If said real property is classified as commercial or mixed use, then the amount of the credit for persons age sixty-five (65) years through seventy-one (71) years shall be sixty-four dollars eighty cents (\$64.80) and for persons ages seventy-two (72) years and older, the credit shall be eighty-six dollars forty cents (\$86.40). Only one (1) exemptioncredit shall be granted to co-tenants, joint tenants and tenants-by- the-entirety even though all of such co-tenants, joint tenants or tenants-by-the-entirety may be sixty-five (65) years of age or over.

(Ord. of 6-14-79, § 6)

Sec. 15-47. - Same—Effect of death.

In the event a taxpayer dies who was receiving an exemption in valuation pursuant to section 15-47, the exemption shall continue for the surviving spouse of the deceased taxpayer, regardless of whether or not the surviving spouse has attained age sixty-five (65) years, but subject to the conditions that title in fee simple to the real estate for which an exemption was granted shall have passed from the taxpayer to such spouse either by devise, descent or by right of survivorship and that the surviving spouse shall reside in such dwelling and that the surviving spouse, if he has not attained age sixty-five (65) years, shall not remarry before attaining age sixty-five (65) years. Where a surviving spouse elects to continue to receive the exemption to

³ This provision was adopted in 1982; however, it was never incorporated into the Code of Ordinances as printed. It appears here as a "new" provision, which has been edited to show a "credit" where an "exemption" previously existed, but there are no other changes to this section.

which the deceased spouse was entitled, the surviving spouse shall not be entitled to claim an additional exemption for himself under section 15-46.

(Ord. of 6-14-79, § 7)

Sec. 15-48. - Fixed rate and valuation not portable.

Any person owning property which qualifies for the fixed tax rate and valuation who sells or gives said property to another and who either buys or builds another dwelling house shall not be entitled to transport the fixed tax rate and valuation from the former dwelling to the new dwelling, but shall only be entitled to the fixed rate and valuation for the new dwelling based on its valuation and the rate in effect as of the December 31 valuation date immediately succeeding the date of purchase or the completion of construction (which date shall be evidenced by the date of the certificate of occupancy).

(Ord. of 3-11-93, §1)

~~Secs. 15-49—15-60. - Reserved.~~

OPTION #1:

Sec. 15-49. - Exemption withdrawal and reinstatement.

Any person who qualifies for an exemption under this Chapter may, once, in any five (5) year period, request that the Tax Assessor remove said person from said exemption and thereafter may re-apply for said exemption. The purpose of this provision is to provide accomidation for significant shifts in real estate values that may occur from time to time in economic cycles.

OPTION #2:

Sec. 15-49. - Exemption withdrawal, no reinstatement.

Any person who qualifies for an exemption under this Chapter may apply once; thereafter, a person may request removal from the so-called "tax freeze", but once removed, may not reapply.

~~Secs. 15-50—15-60. - Reserved.~~

**DIVISION 3. - TAX RELIEF FOR WAR VETERANS, AND
DISABLED WAR VETERANS AND GOLD STAR PARENTS**

Sec. 15-61. - Tax exemption of war veterans owning real estate and motor vehicles.

Sec. 15-62. - Frozen tax rates not entitled to adjustment.

Sec. 15-63. - Application.

Sec. 15-64. - Tax exemption on real and personal property of veteran or widow or widower of POWs.

Sec. 15-65. – Tax exemption for total service connected disable veteran with special housing.

Sec. 15-66. – Tax exemption for veteran POWs.

Sec. 15-67. – Tax exemption for Gold Star Parents.

Secs. 15-~~65~~68—15-70. - Reserved.

Sec. 15-61. - Tax exemption of war veterans owning real estate and motor vehicles.

Pursuant to General Laws 1956, section 44-3-4(a), 4(b), and 4(c) and section 44-3-24, the tax exemption of war veterans owning real estate and motor vehicles in the town is hereby adjusted to forty-six dollars and ten cents (\$46.10) per one thousand dollars (\$1,000.00) of assessed value and the tax exemption of disabled war veterans to ninety-two dollars and twenty cents (\$92.20) per one thousand dollars (\$1,000.00) of assessed value. Said adjustment shall remain in effect until the next reevaluation or until modified or revalued by the town council, whichever event shall first occur.

(Ord. of 7-11-91)

Sec. 15-62. - Frozen tax rates not entitled to adjustment.

War veterans with frozen tax rates shall not be entitled to this adjustment, but shall continue to receive their war veteran's exemption based upon the rate then in effect at the time said veteran's property tax rate was frozen.

(Ord. of 7-11-91)

Sec. 15-63. - Application.

This division shall apply to the December 31, 1990, assessment and to all subsequent assessment dates unless repealed or amended.

(Ord. of 7-11-91)

Sec. 15-64. - Tax exemption on real and personal property of veteran or widow or widower of POWs.

(a) This section is enacted pursuant to General Laws of Rhode Island 44-3-4.

(b) The real and personal property of any veteran entitled to an exemption by law, or the unmarried widow or widower of such veteran, who has been or who shall be classified as, or determined to be a prisoner-of-war by the Veterans Administration of the United States, shall be entitled to a fifteen-thousand-dollar exemption.

(Ord. of 8-11-94, §§ 1, 2)

Sec. 15-65. – Tax exemption for total service connected disable veteran with special housing.

War veterans who have a total service connected disability and who also have special housing shall receive a tax credit of three-hundred seventy-three dollars seventy cents (\$373.30) for real property classified as residential and for real property classified as commercial or mixed use, said veteran shall receive a tax credit of four-hundred thirty-two dollars (\$432.00).

Sec. 15-66. – Tax exemption for veteran POWs.

War veterans who were prisoners of war (“POWs”) shall receive a tax credit of five-hundred sixty dollars fifty-five cents (\$560.55) for real property classified as residential and for real property classified as commercial or mixed use, said veteran POW shall receive a tax credit of six-hundred forty-eight dollars (\$648.00).

Sec. 15-67. – Tax exemption for Gold Star Parents.

The parents of children who were killed in action (i.e. “Gold Star Parents”) shall receive a tax credit of one-hundred twelve dollars eleven cents (\$112.11) for real property classified as residential and for real property classified as commercial or mixed use, said Gold Star Parent shall receive a tax credit of one-hundred twenty-nine dollars sixty cents (\$129.60). The credit for Gold Star Parent shall be available to one (1) parent only.

Secs. 15-6568—15-70. - Reserved.

DIVISION 4. - TAX EXEMPTION FOR THE BLIND

Sec. 15-71. - Tax exemption on property for the blind.

Sec. 15-71. - Tax exemption on property for the blind.

(a) This division is enacted pursuant to General Laws 1956, section 44-3-12, as amended.

(b) The property of each person who has permanent vision impairment of both eyes of the status set forth in General Laws 1956, section 44-3-12(a), as amended, shall be exempted from taxation to the amount of eighteen thousand dollars (\$18,000.00), which is hereby converted to a credit of six-hundred seventy-two dollars sixty-six cents (\$672.66) for residential real property and seven-hundred seventy-seven dollars sixty cents (\$777.60) for commercial or mixed use real property, provided that such person is a legal resident of the State of Rhode Island, and provided that such person shall have presented to the tax assessor, on or before the last day on which sworn statements may be filed with the tax assessor for the year for which exemption is claimed, due evidence that he or she is so entitled, which evidence shall stand so long as his or her legal residence remains unchanged.

(c) The exemption shall be applied in full to the total value of such person's real and tangible personal property and shall be applied to intangible personal property only to the extent that there is not sufficient real property or tangible personal property to exhaust such exemption. The exemption shall be in addition to any other exemption provided by law.

(d) This section shall take effect upon passage and shall apply to taxes assessed as of December 31, 1987 for the year 1988 and to all subsequent years.
(Ord. of 4-14-88, §§ 1 - 5)

[THIS SECTION INTENTIONALLY LEFT BLANK]

EFFECTIVE DATE: **This Ordinance shall become effective upon passage.**

I hereby certify that the foregoing Ordinance was adopted by the Honorable Town Council of the Town of Scituate at a regular meeting held on the _____ day of August, 2013.

Attest:

Margaret M. Long
Town Clerk

Charles A. Collins, Jr.
President, Town Council

Server://Town of Scituate/Town Council Matters/Chapter 15 – Tax Exemption – Update 2013 [Rev 08-05-13]