



# **RI Property Tax Overview: State Aid & Local Government Financing**

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# RI Property Tax Overview

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## State Aid





# General Revenue Sharing

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## **RIGL § 45-13-1 Apportionment of annual appropriation for state aid.**

(a) As used in this chapter, the following words and terms have the following meanings:

1. "**Population**" means the most recent estimates of population for each city and town as reported by the United States department of commerce, bureau of the census.
2. "**Income**" means the most recent estimate of per-capita income for a city, town or county as reported by the United States department of commerce, bureau of the census.
3. "**Tax effort**" means the total taxes imposed by a city or town for public purposes or the totals of those taxes for the cities or towns within a county (except employee and employer assessments and contributions to finance retirement and social insurance systems and other special assessments for capital outlay) determined by the United States secretary of commerce for general statistical purposes and adjusted to exclude amounts properly allocated to education expenses.

Continued....



# General Revenue Sharing

## RIGL § 45-13-1 Apportionment of annual appropriation for state aid continued...

4. **"Reference year"** means the second fiscal year preceding the beginning of the fiscal year in which the distribution of state aid to cities and towns is made provided however that the reference year for distributions made in fiscal year 2007-2008 shall be the third fiscal year preceding the beginning of the fiscal year 2007-2008 and provided further that the reference year for distributions made in fiscal year 2008-2009 shall be the fourth fiscal year preceding the beginning of the fiscal year 2008-2009.

(b) Aid to cities and towns shall be apportioned as follows: For each county, city or town, let R be the tax effort divided by the square of per capita income, i.e.,  $R = (\text{tax effort})/(\text{income} \times \text{income})$ .

The amount to be allocated to the counties shall be apportioned in the ratio of the value of R for each county divided by the sum of the values of R for all five (5) counties.

The amount to be allocated for all cities and for all towns within a county shall be the allocation for that county apportioned proportionally to the total tax effort of the towns and cities in that county.

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# General Revenue Sharing

## **RIGL § 45-13-1 Apportionment of annual appropriation for state aid continued...**

The amount to be allocated to any city or town is the amount allocated to all cities or all towns within the county apportioned in the ratio of the value of R for that city (or town) divided by the sum of the values of R for all cities (or all towns) in that county; provided, further, that no city or town shall receive an entitlement in excess of one hundred forty-five percent (145%) of that city or town's population multiplied by the average per capita statewide amount of the annual appropriation for state aid to cities and towns. Any excess entitlement shall be allocated to the remainder of the cities and towns in the respective county in accordance with the provisions of this section.

For fiscal year 2004, notwithstanding the provisions of subsection (a), aid calculations shall be based on a blended rate of ninety percent (90%) of the data from the 1990 census and ten percent (10%) of the data from the 2000 census. In each of the succeeding nine (9) fiscal years, the calculations shall be based on a blended rate that increases the percentage of data utilized from the 2000 census by ten percent (10%) from the previous year and decreases the percentage of the data utilized from the 1990 census by ten percent (10%) from the previous year.

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# General Revenue Sharing

## **RIGL § 45-13-1 Apportionment of annual appropriation for state aid continued...**

- (c) The total amount of aid to be apportioned pursuant to subsection (b) above shall be specified in the annual appropriation act of the state and shall be equal to the following:
1. For fiscal years ending June 30, 1994 through June 30, 1998, the total amount of aid shall be based upon one percent (1%) of total state tax revenues in the reference year.
  2. For the fiscal year ending June 30, 1999, the total amount of aid shall be based upon one and three-tenths percent (1.3%) of total state tax revenues in the reference year.
  3. For the fiscal year ending June 30, 2000, the total amount of aid shall be based upon one and seven-tenths percent (1.7%) of total state tax revenues in the reference year.
  4. For the fiscal year ending June 30, 2001, the total amount of aid shall be based upon two percent (2.0%) of total state tax revenues in the reference year.

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# General Revenue Sharing

## **RIGL § 45-13-1 Apportionment of annual appropriation for state aid continued...**

5. For the fiscal year ending June 30, 2002, the total amount of aid shall be based upon two and four-tenths percent (2.4%) of total state tax revenues in the reference year.
6. For the fiscal year ending June 30, 2003, the total amount of aid shall be based upon two and four-tenths percent (2.4%) of total state tax revenues in the reference year.
7. For the fiscal year ending June 30, 2004, the total amount of aid shall be based upon two and seven-tenths percent (2.7%) of total state tax revenues in the reference year.
8. For the fiscal year ending June 30, 2005, the total amount of aid shall be fifty-two million four hundred thirty-eight thousand five hundred thirty-two dollars (\$52,438,532).
9. For the fiscal year ending June 30, 2006, the total amount of aid shall be based upon three percent (3.0%) of total state tax revenues in the reference year.

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# General Revenue Sharing

## **RIGL § 45-13-1 Apportionment of annual appropriation for state aid continued...**

10. For the fiscal year ending June 30, 2007 the total amount of aid shall be sixty-four million six hundred ninety-nine thousand three dollars (\$64,699,003).
11. For the fiscal year ending June 30, 2008, the total amount of aid shall be sixty-four million six hundred ninety-nine thousand three dollars (\$64,699,003).
12. For the fiscal year ending June 30, 2010 and each year thereafter, the total amount of aid shall be based upon three percent (3.0%) of total state tax revenues in the reference year.
13. [Deleted by P.L. 2007, ch. 73, art. 25, § 1.]
14. [Deleted by P.L. 2007, ch. 73, art. 25, § 1.]

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# General Revenue Sharing

## **RIGL § 45-13-1 Apportionment of annual appropriation for state aid continued...**

- (d) The assent of two-thirds (2/3) of the members elected to each house of the general assembly shall be required to repeal or amend this section.
- (e) For the fiscal year ending June 30, 2008, the apportionments of state aid as derived through the calculations as required by subsections (a) through (c) of this section shall be adjusted downward statewide by ten million dollars (\$10,000,000).
- (f) For the fiscal year ending June 30, 2009, the total amount of aid shall be fifty-four million six hundred ninety-nine thousand three dollars (\$54,699,003).



# General Revenue Sharing

GRSFY07 FORMULA CALCULATION	TAX EFFORT	PCI SQUARED	R = TE/PCI2	R (each) / R (total)	FIRST ALLOCATION	145% CHECK	145% CHECK DIFFERENCE
CENTRAL FALLS	\$9,494,334	\$93,973,636	0.101032	0.061666	\$1,849,203	\$1,432,052	(\$417,152)
CRANSTON	68,120,440	336,502,336	0.202437	0.123559	3,705,234	5,997,322	2,292,088
PAWTUCKET	43,601,212	210,888,484	0.206750	0.126192	3,784,181	5,519,845	1,735,664
PROVIDENCE	156,059,828	177,235,969	0.880520	0.537433	16,116,305	13,135,563	(2,980,742)
WOONSOCKET	27,659,330	187,333,969	0.147647	0.090118	2,702,411	3,270,235	567,824
EAST PROVIDENCE	27,035,842	270,372,249	0.099995	0.061033	1,830,223	3,683,629	1,853,406
<b>TOTAL CITIES</b>	<b>331,970,986</b>	<b>1,276,306,643</b>	<b>1.638381</b>	<b>1.000000</b>	<b>29,987,557</b>		
BURRILLVILLE	4,180,516	269,222,464	0.015528	0.053709	501,619	1,195,091	693,472
CUMBERLAND	14,288,996	421,727,296	0.033882	0.117192	1,094,524	2,408,946	1,314,421
FOSTER	2,260,551	335,439,225	0.006739	0.023309	217,699	323,362	105,663
GLOCESTER	4,007,758	325,225,156	0.012323	0.042623	398,082	752,644	354,562
JOHNSTON	23,238,038	293,951,025	0.079054	0.273435	2,553,759	2,133,173	(420,586)
LINCOLN	10,018,438	480,881,041	0.020834	0.072060	673,004	1,581,098	908,093
NORTH PROVIDENCE	19,847,207	375,468,129	0.052860	0.182833	1,707,583	2,452,146	744,564
NORTH SMITHFIELD	5,582,621	391,683,681	0.014253	0.049298	460,424	803,335	342,911
SCITUATE	4,879,005	496,264,729	0.009831	0.034005	317,595	781,092	463,497
SMITHFIELD	15,088,529	344,399,364	0.043811	0.151535	1,415,272	1,559,535	144,263
<b>TOTAL TOWNS</b>	<b>\$103,391,659</b>	<b>\$3,734,262,110</b>	<b>0.289115</b>	<b>1.000000</b>	<b>\$9,339,561</b>		
<b>GRAND TOTAL</b>					<b>\$54,699,003</b>		

COUNTIES	TAX EFFORT	PCI SQUARED	R = TE/PCI2	R (each) / R (total)	FIRST ALLOCATION
BRISTOL	\$28,481,563	\$455,352,921	0.062548	0.026526	\$1,450,951
KENT	105,051,649	375,080,689	0.280077	0.118778	6,497,035
NEWPORT	68,233,762	432,764,809	0.157669	0.066866	3,657,501
WASHINGTON	64,433,471	396,846,241	0.162364	0.068857	3,766,399
PROVIDENCE	435,362,645	256,800,625	1.695333	0.718973	39,327,118
<b>TOTAL</b>	<b>\$701,563,090</b>	<b>\$1,916,845,285</b>	<b>2.357992</b>	<b>1.000000</b>	<b>\$54,699,003</b>



# Payment In Lieu of Taxes

## **RIGL § 45-13-5.1 General assembly appropriations in lieu of property tax from certain exempt private and state properties.**

- (a) In lieu of the amount of local real property tax on real property owned by any private nonprofit institution of higher education, or any nonprofit hospital facility, or any state owned and operated hospital, veterans' residential facility, or correctional facility occupied by more than 100 residents which may have been or will be exempted from taxation by applicable state law, exclusive of any facility operated by the federal government, the state of Rhode Island, or any of its subdivisions, the general assembly shall annually appropriate for payment to the several cities and towns in which the property lies a sum equal to twenty-seven percent (27%) of all tax that would have been collected had the property been taxable.

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# Payment In Lieu of Taxes

## **RIGL § 45-13-5.1 General assembly appropriations in lieu of property tax from certain exempt private and state properties. Continued...**

- (b) As used in this section, "**private nonprofit institution of higher education**" means any institution engaged primarily in education beyond the high school level, the property of which is exempt from property tax under any of the subdivisions, and "**nonprofit hospital facility**" means any nonprofit hospital licensed by the state and which is used for the purpose of general medical, surgical, or psychiatric care and treatment.
- (c) The grant payable to any municipality under the provision of this section shall be equal to twenty-seven percent (27%) of the property taxes which, except for any exemption to any institution of higher education or general hospital facility, would have been paid with respect to that exempt real property on the assessment list in the municipality for the assessment date of December 31, 1986 and with respect to such exempt real property appearing on an assessment list in the municipality on succeeding assessment dates. Provided however that the grant paid for the fiscal year ending June 30, 2008 shall be based upon the assessment list in the municipality as of December 31, 2004.



# Payment In Lieu of Taxes

MUNICIPALITY	12/31/2006 ASSESSMENT	2007 TAX RATE	TOTAL TAXES EXEMPT	IN LIEU 27.0%
BARRINGTON	\$14,103,000	\$13.85	\$195,327	\$52,738
BRISTOL	220,074,940	10.55	2,321,791	626,883
BURRILLVILLE	24,988,200	11.60	289,863	78,263
CENTRAL FALLS	3,195,500	26.00	83,083	22,432
CHARLESTOWN				
COVENTRY				
CRANSTON	659,116,900	23.01	15,166,280	4,094,896
CUMBERLAND	48,100	11.53	555	150
EAST GREENWICH	2,348,100	13.54	31,793	8,584
EAST PROVIDENCE	13,106,600	18.37	240,768	65,007
EXETER				
FOSTER	147,300	11.79	1,737	469
GLOCESTER				
HOPKINTON				
JAMESTOWN				
JOHNSTON				
LINCOLN				
LITTLE COMPTON				
MIDDLETOWN				
NARRAGANSETT				
NEWPORT	240,416,300	12.44	2,990,779	807,510
NEW SHOREHAM				
NORTH KINGSTOWN	1,967,600	13.30	26,169	7,066
NORTH PROVIDENCE	89,837,380	22.70	2,039,309	550,613
NORTH SMITHFIELD	12,587,900	15.37	193,476	52,239
PAWTUCKET	70,150,200	19.98	1,401,601	378,432
PORTSMOUTH				
PROVIDENCE	2,878,714,150	26.99	77,696,495	20,978,054
RICHMOND				
SCITUATE				
SMITHFIELD	139,911,400	13.23	1,851,028	499,778
SOUTH KINGSTOWN	40,878,100	11.51	470,507	127,037
TIVERTON				
WARREN				
WARWICK	213,404,000	19.13	4,082,419	1,102,253
WESTERLY	58,765,700	8.60	505,385	136,454
WEST GREENWICH				
WEST WARWICK				
WOONSOCKET	20,450,100	31.81	650,518	175,640
<b>TOTAL STATE</b>	<b>\$4,704,211,470</b>		<b>\$110,238,880</b>	<b>\$29,764,498</b>



# State Mandates

## **RIGL § 45-13-8 Reports.**

- (a) The department of administration in consultation and cooperation with towns and cities shall maintain:
1. An identification of state mandates created by statute since January 1, 1970;
  2. Specific identification of all state mandates established since July 1, 1979 which are subject to reimbursement in accordance with § 45-13-9, and the cost of each of these mandates to each city and town.
- (b) The department of administration shall annually by January 1 issue a report identifying the state's mandates established during the preceding July 1 – June 30 period and stating the cost by city and town of all state mandates established after January 1, 1979, for the next preceding July 1 – June 30 period. The department of administration shall annually issue to cities and towns a comprehensive listing of all state mandates established after January 1, 1979.

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# State Mandates

## **RIGL § 45-13-8 Continued...**

- (c) Statutes and regulations containing state mandates shall include items eligible for reimbursement; however, failure to include these items shall not exempt any state mandates not otherwise exempted from the provisions of §§ 45-13-7 – 45-13-10.
- (2) Cities and towns shall submit to the department of administration in any form that may be established by the department, a report of the cost of each state mandate established after January 1, 1979, to the city or town. The reports shall be submitted by April 1 each year and shall state costs incurred by the city or town during the preceding July 1 – June 30 period.



# Distressed Communities

## **RIGL § 45-13-12 Distressed communities relief fund.**

- (a) There is established a fund to provide state assistance to those Rhode Island cities and towns which have the highest property tax burdens relative to the wealth of taxpayers.
- (b) **Establishment of indices.** Four (4) indices of distress shall be established to determine eligibility for the program. Each community shall be ranked by each distress index and any community which falls into the lowest twenty percent (20%) of at least three (3) of the four (4) indices shall be eligible to receive assistance. The four (4) indices are established as follows:
1. **Percent of tax levy to full value of property.** This shall be computed by dividing the tax levy of each municipality by the full value of property for each municipality. For the 1990-91 fiscal year, tax levy and full value shall be as of the assessment date December 31, 1986.

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# Distressed Communities

## RIGL § 45-13-12 Distressed communities relief fund.

### Establishment of Indices Continued:

2. **Per capita income.** This shall be the most recent estimate reported by the U.S. department of commerce, bureau of the census.
3. **Percent of personal income to full value of property.** This shall be computed by multiplying the per capita income above by the most recent population estimate as reported by the U.S. department of commerce, bureau of the census, and dividing the result by the full value of property.
4. **Per capita full value of property.** This shall be the full value of property divided by the most recent estimate of population by the U.S. department of commerce, bureau of the census.

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# Distressed Communities

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## **RIGL § 45-13-12 Distressed communities relief fund.**

### **Establishment of Indices Continued:**

- c. **Distribution of funds.** Funds shall be distributed to each eligible community on the basis of the community's tax levy relative to the total tax levy of all eligible communities. For the fiscal year 1990-91, the reference year for the tax levy shall be the assessment date of December 31, 1988. For each fiscal year thereafter, except for fiscal year 2007-2008, the reference year and the fiscal year shall bear the same relationship. For the fiscal year 2007-2008 the reference year shall be the same as for the distributions made in fiscal year 2006-2007.

Any newly qualifying community shall be paid fifty percent (50%) of current law requirements the first year it qualifies. The remaining fifty percent (50%) shall be distributed to the other distressed communities proportionately. When any community falls out of the distressed community program, it shall receive a one-time payment of fifty percent (50%) of the prior year requirement exclusive of any reduction for first year qualification. The community shall be considered a distressed community in the fall-out year.



# Distressed Community Indices

MUNICIPALITY	% LEVY TO FULL VALUE OF PROPERTY	RANK	PER CAPITA INCOME	RANK	% OF PERSONAL INCOME TO FULL VALUE* OF PROPERTY	RANK	PER CAPITA FULL VALUE OF PROPERTY	RANK
BARRINGTON	1.39	15	\$35,881	37	19.50	12	\$183,991	29
BRISTOL	0.94	33	21,532	9	15.14	28	142,197	22
BURRILLVILLE	1.33	19	21,096	7	21.16	7	99,721	6
CENTRAL FALLS	1.40	14	10,825	1	30.28	1	35,753	1
CHARLESTOWN	0.68	37	25,642	27	7.74	37	331,275	36
COVENTRY	1.49	10	22,091	11	19.96	10	110,675	10
CRANSTON	1.78	2	21,978	10	20.88	8	105,267	9
CUMBERLAND	1.20	25	25,592	26	19.48	13	131,395	16
EAST GREENWICH	1.58	5	38,593	38	20.71	9	186,327	30
EAST PROVIDENCE	1.47	11	19,527	5	19.25	14	101,440	8
EXETER	1.26	23	25,530	25	17.96	22	142,145	21
FOSTER	1.23	24	22,148	12	14.90	29	148,611	24
GLOCESTER	1.36	18	22,914	16	18.66	16	122,825	13
HOPKINTON	1.51	8	23,835	21	19.05	15	125,093	14
JAMESTOWN	0.75	36	38,664	39	10.82	34	357,396	37
JOHNSTON	1.60	4	21,440	8	18.61	18	115,204	12
LINCOLN	1.49	9	26,779	30	18.21	20	147,078	23
LITTLE COMPTON	0.41	38	32,513	36	5.98	38	543,892	38
MIDDLETOWN	1.19	26	25,857	29	15.91	27	162,527	26
NARRAGANSETT	0.82	35	28,194	34	10.34	35	272,782	35
NEWPORT	0.89	34	25,441	24	11.16	33	228,053	33
NEW SHOREHAM	0.28	39	29,188	35	1.43	39	2,041,252	39
NORTH KINGSTOWN	1.32	21	28,139	32	18.11	21	155,414	25
NORTH PROVIDENCE	1.57	7	23,589	19	23.41	5	100,747	7
NORTH SMITHFIELD	1.37	17	25,031	23	18.64	17	134,299	18
PAWTUCKET	1.47	12	17,008	4	24.74	3	68,741	3
PORTSMOUTH	0.98	31	28,161	33	13.72	30	205,291	32
PROVIDENCE	2.21	1	15,525	2	21.26	6	73,039	4
RICHMOND	1.18	27	22,351	13	16.64	25	134,349	19
SCITUATE	1.15	30	28,092	31	16.60	26	169,248	27
SMITHFIELD	1.39	16	23,224	17	17.38	23	133,634	17
SOUTH KINGSTOWN	1.17	28	23,827	20	13.71	31	173,776	28
TIVERTON	1.16	29	22,866	15	16.66	24	137,248	20
WARREN	1.32	20	22,448	14	19.64	11	114,318	11
WARWICK	1.57	6	23,410	18	18.34	19	127,637	15
WESTERLY	0.96	32	24,092	22	10.14	36	237,491	34
WEST GREENWICH	1.27	22	25,750	28	13.69	32	188,156	31
WEST WARWICK	1.70	3	20,250	6	24.19	4	83,712	5
WOONSOCKET	1.46	13	16,223	3	27.75	2	58,467	2

\* Per capita income x population divided by full value



# Excise Tax Phase Out

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## **RIGL § 44-34.1-1 Excise tax phase-out.**

- (a) Notwithstanding the provisions of chapter 34 of this title or any other provisions to the contrary, the motor vehicle and trailer excise tax established by § 44-34-1 may be phased out. The phase-out shall apply to all motor vehicles and trailers, including leased vehicles.
2. Lessors of vehicles that pay excise taxes directly to municipalities shall provide lessees, at the time of entering into the lease agreement, an estimate of annual excise taxes payable throughout the term of the lease. In the event the actual excise tax is less than the estimated excise tax, the lessor shall annually rebate to the lessee the difference between the actual excise tax and the estimated excise tax.
- (b) Pursuant to the provisions of this section, all motor vehicles shall be assessed a value by the vehicle value commission. That value shall be assessed according to the provisions of § 44-34-11(c)(1) and in accordance with the terms as defined in subsection (d) of this section; provided, however, that the maximum taxable value percentage applicable to model year values as of December 31, 1997, shall continue to be applicable in future year valuations aged by one year in each succeeding year.

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# Excise Tax Phase Out

## RIGL § 44-34.1-1 Excise tax phase-out continued...

(c) The motor vehicle excise tax phase-out shall commence with the excise tax bills mailed to taxpayers for the fiscal year 2000. The phase-out, beyond fiscal year 2003, shall be subject to annual review and appropriation by the general assembly. The tax assessors of the various cities and towns and fire districts shall reduce the average retail value of each vehicle assessed by using the prorated exemptions from the following table:

<u>Fiscal Year</u>	<u>Local Exemption Reimbursement</u>
• FY 1999	\$1,500
• FY 2000	\$2,500
• FY 2001	\$3,500
• FY 2002	\$4,500
• FY 2003, 2004 & 2005	\$4,500
• FY 2006	\$5,000
• FY 2007	\$6,000



# Public Service Corporation Tax

**RIGL § 44-13-13 Taxation of certain tangible personal property.** – The lines, cables, conduits, ducts, pipes, machines and machinery, equipment, and other tangible personal property within this state of telegraph, cable, and telecommunications corporations and express corporations, used exclusively in the carrying on of the business of the corporation shall be exempt from local taxation; provided, that nothing in this section shall be construed to exempt any "community antenna television system company" (CATV) from local taxation; and provided, that the tangible personal property of companies exempted from local taxation by the provisions of this section shall be subject to taxation in the following manner:

1. *Definitions.* Whenever used in this section and in §§ 44-13-13.1 and 44-13-13.2, unless the context otherwise requires:
  - i. "**Average assessment ratio**" means the total assessed valuation as certified on tax rolls for the reference year divided by the full market value of the valuation as computed by the Rhode Island department of revenue in accordance with § 16-7-21;

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# Public Service Corporation Tax

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## RIGL § 44-13-13 Taxation of certain tangible personal property continued...

- ii. "**Average property tax rate**" means the statewide total property levy divided by the statewide total assessed valuation as certified on tax rolls for the most recent tax year;
- iii. "**Company**" means any telegraph, cable, telecommunications, or express company doing business within the state of Rhode Island;
- iv. "**Department**" means the department of revenue;
- v. "**Population**" shall mean the population as determined by the most recent census;
- vi. "**Reference year**" means the calendar year two (2) years prior to the calendar year preceding that in which the tax payment provided for by this section is levied;
- vii. "**Value of tangible personal property**" of companies means the net book value of tangible personal property of each company doing business in this state as computed by the department of revenue. "Net book value" means the original cost less accumulated depreciation; provided, that no tangible personal property shall be depreciated more than seventy-five percent (75%) of its original cost.



# Local Meals and Beverage Tax

## RIGL § 44-18-18.1 Local meals and beverage tax.

- (a) There is hereby levied and imposed, upon every purchaser of a meal and/or beverage, in addition to all other taxes and fees now imposed by law, a local meals and beverage tax upon each and every meal and/or beverage sold within the state of Rhode Island in or from an eating and/or drinking establishment, whether prepared in the eating and/or drinking establishment or not and whether consumed at the premises or not, at a rate of one percent of the gross receipts. The tax shall be paid to the tax administrator by the retailer at the time and in the manner provided.
- (b) All sums received by the division of taxation under this section as taxes, penalties or forfeitures, interest, costs of suit and fines shall be distributed at least quarterly, credited and paid by the state treasurer to the city or town where the meals and beverages are delivered.
- (c) When used in this section, the following words have the following meanings:
1. "**Beverage**" means all nonalcoholic beverages, as well as alcoholic beverages, beer, lager beer, ale, porter, wine, similar fermented malt or vinous liquor.

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# Local Meals and Beverage Tax

## RIGL § 44-18-18.1 Local meals and beverage tax continued...

2. **"Eating and/or drinking establishments"** mean and include restaurants, bars, taverns, lounges, cafeterias, lunch counters, drive-ins, roadside ice cream and refreshment stands, fish and chip places, fried chicken places, pizzerias, food and drink concessions, or similar facilities in amusement parks, bowling alleys, clubs, caterers, drive-in theatres, industrial plants, race tracks, shore resorts or other locations, lunch carts, mobile canteens and other similar vehicles, and other like places of business which furnish or provide facilities for immediate consumption of food at tables, chairs or counters or from trays, plates, cups or other tableware or in parking facilities provided primarily for the use of patrons in consuming products purchased at the location. Ordinarily, eating establishments do not mean and include food stores and supermarkets. Eating establishments do not mean "vending machines," a self-contained automatic device that dispenses for sale foods, beverages, or confection products. Retailers selling prepared foods in bulk either in customer-furnished containers or in the seller's containers, for example "Soup and Sauce" establishments, are deemed to be selling prepared foods ordinarily for immediate consumption and, as such, are considered eating establishments.

Continued...



# Local Meals and Beverage Tax

## RIGL § 44-18-18.1 Local meals and beverage tax continued...

3. "**Meal**" means any prepared food or beverage offered or held out for sale by an eating and/or drinking establishment for the purpose of being consumed by any person to satisfy the appetite and which is ready for immediate consumption. All such food and beverage, unless otherwise specifically exempted or excluded herein shall be included, whether intended to be consumed on the seller's premises or elsewhere, whether designated as breakfast, lunch, snack, dinner, supper or by some other name, and without regard to the manner, time or place of service.

(d) This local meals and beverage tax shall be administered and collected by the division of taxation and unless provided to the contrary in this chapter, all of the administration, collection, and other provisions of chapters 18 and 19 of this article apply.



# FY 2009 State Aid to Cities & Towns

CITY OR TOWN	GENERAL REVENUE SHARING	PAYMENT IN LIEU OF TAX EXEMPT PROPERTY	DISTRESSED COMMUNITY RELIEF FUND	M.V. EXCISE TAX REIMBURSEMENT VALUE OF EXEMPTION	FY 2009 TOTAL APPROPRIATED STATE AID
Barrington	\$206,206	\$49,199	-	\$3,105,155	\$3,360,560
Bristol	840,384	584,813	-	1,569,867	2,995,064
Burrillville	597,138	73,011	507,300	2,874,260	4,051,709
Central Falls	1,432,052	20,927	289,275	1,559,044	3,301,298
Charlestown	345,546	-	-	538,116	883,662
Coventry	859,727	-	-	3,046,780	3,906,507
Cranston	4,599,682	3,820,082	-	12,633,481	21,053,245
Cumberland	1,321,917	140	-	2,856,038	4,178,094
East Greenwich	149,812	8,008	-	1,398,821	1,556,641
East Providence	2,272,041	60,645	-	6,484,378	8,817,064
Exeter	76,718	-	-	1,042,533	1,119,251
Foster	262,927	437	-	865,029	1,128,393
Glocester	480,786	-	-	1,253,136	1,733,922
Hopkinton	191,394	-	-	867,017	1,058,411
Jamestown	124,220	-	-	440,570	564,790
Johnston	2,164,234	-	-	5,240,728	7,404,962
Lincoln	812,824	-	-	3,017,082	3,829,906
Little Compton	89,670	-	-	305,021	394,691
Middletown	829,818	-	-	1,124,966	1,954,784
Narragansett	747,514	-	-	1,264,605	2,012,119
Newport	1,564,737	753,317	-	1,909,223	4,227,278
New Shoreham	77,527	-	-	89,183	166,710
North Kingstown	754,148	6,591	-	2,903,871	3,664,611
North Providence	2,032,742	513,661	1,026,474	5,138,697	8,711,575
North Smithfield	556,079	48,733	-	2,101,602	2,706,414
Pawtucket	4,630,267	353,035	1,503,029	10,378,902	16,865,233
Portsmouth	554,736	-	-	1,605,642	2,160,378
Providence	13,135,563	19,570,192	5,288,287	24,246,412	62,240,454
Richmond	125,675	-	-	781,604	907,279
Scituate	383,576	-	-	1,622,899	2,006,475
Smithfield	1,582,243	466,237	-	3,650,779	5,699,259
South Kingstown	860,708	118,511	-	2,237,219	3,216,438
Tiverton	547,575	-	-	1,449,392	1,996,967
Warren	425,488	-	-	1,162,233	1,587,721
Warwick	4,128,906	1,028,280	-	14,446,108	19,603,294
Westerly	642,010	127,296	-	3,083,345	3,852,651
West Greenwich	189,201	-	-	594,255	783,456
West Warwick	1,245,850	-	937,808	3,257,073	5,440,731
Woonsocket	3,270,235	163,852	832,285	5,565,739	9,832,111
Subtotal	\$55,111,876	\$27,766,967	\$10,384,458	\$137,710,808	\$230,974,106
Motor Vehicle Excise Tax Reimbursement - Fire Districts				\$1,875,837	\$1,875,837
<b>TOTAL</b>	<b>\$55,111,876</b>	<b>\$27,766,967</b>	<b>\$10,384,458</b>	<b>\$139,586,645</b>	<b>\$232,849,943</b>



# RI Property Tax Overview

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## Local Government Financing





# General Fund Expenditure Budget FY 08

MUNICIPALITY	EDUCATION	MUNICIPAL SERVICES	TOTAL GENERAL FUND
BARRINGTON	\$38,601,107	\$17,378,381	\$55,979,488
BRISTOL	18,517,260	19,477,680	37,994,940
BURRILLVILLE	27,024,999	18,981,607	46,006,606
CENTRAL FALLS	0	18,834,750	18,834,750
CHARLESTOWN	13,631,253	9,057,135	22,688,388
COVENTRY	67,704,598	21,907,373	89,611,971
CRANSTON	126,395,975	108,295,941	234,691,916
CUMBERLAND	53,475,935	22,463,069	75,939,004
EAST GREENWICH	30,889,947	14,450,788	45,340,735
EAST PROVIDENCE	73,194,231	52,854,703	126,048,934
EXETER	10,474,278	2,292,951	12,767,229
FOSTER	8,310,378	4,672,255	12,982,633
GLOCESTER	17,762,390	7,966,269	25,728,659
HOPKINTON	17,304,548	5,650,802	22,955,350
JAMESTOWN	11,698,616	8,147,569	19,846,185
JOHNSTON	48,894,379	44,688,938	93,583,317
LINCOLN	46,627,649	22,967,645	69,595,294
LITTLE COMPTON	6,277,386	4,548,301	10,825,687
MIDDLETOWN	36,849,091	21,146,842	57,995,933
NARRAGANSETT	24,162,763	21,361,661	45,524,424
NEWPORT	37,642,591	53,095,436	90,738,027
NEW SHOREHAM	3,893,344	7,103,487	10,996,831
NORTH KINGSTOWN	55,312,528	31,179,655	86,492,183
NORTH PROVIDENCE	43,439,660	37,323,513	80,763,173
NORTH SMITHFIELD	19,835,139	10,494,516	30,329,655
PAWTUCKET	97,067,467	106,598,560	203,666,027
PORTSMOUTH	33,451,958	19,073,220	52,525,178
PROVIDENCE	314,304,132	302,438,395	616,742,527
RICHMOND	17,333,510	3,879,886	21,213,396
SCITUATE	20,570,532	9,629,911	30,200,443
SMITHFIELD	30,706,973	27,528,350	58,235,323
SOUTH KINGSTOWN	57,913,244	25,848,295	83,761,539
TIVERTON	24,594,387	15,272,037	39,866,424
WARREN	10,611,668	11,228,074	21,839,742
WARWICK	158,567,951	116,366,550	274,934,501
WESTERLY	48,332,480	26,114,390	74,446,870
WEST GREENWICH	11,148,921	5,738,651	16,887,572
WEST WARWICK	49,423,900	30,473,001	79,896,901
WOONSOCKET	64,751,246	51,005,179	115,756,425
<b>TOTAL</b>	<b>\$1,776,698,414</b>	<b>\$1,337,535,766</b>	<b>\$3,114,234,180</b>



# Anticipated Revenues FY 08

MUNICIPALITY	LOCAL PROPERTY TAXES	LOCAL NON-PROPERTY	FEDERAL	STATE	TOTAL REVENUES
BARRINGTON	\$47,152,684	\$2,555,892	\$0	\$6,270,912	\$55,979,488
BRISTOL	30,619,904	3,722,368	0	3,652,668	37,994,940
BURRILLVILLE	20,448,597	6,869,164	0	18,688,845	46,006,606
CENTRAL FALLS	10,060,390	2,954,162	6,000	5,814,198	18,834,750
CHARLESTOWN	18,760,943	1,214,445	0	2,713,000	22,688,388
COVENTRY	55,834,822	5,016,518	2,705,000	26,055,631	89,611,971
CRANSTON	149,707,938	20,434,653	1,900,000	62,649,325	234,691,916
CUMBERLAND	48,321,746	6,156,065	1,535,520	19,925,673	75,939,004
EAST GREENWICH	37,943,566	2,509,927	375,000	4,512,242	45,340,735
EAST PROVIDENCE*	76,931,800	10,369,963	0	38,747,171	126,048,934
EXETER	10,894,083	662,652	0	1,210,494	12,767,229
FOSTER	8,657,707	1,394,627	0	2,930,299	12,982,633
GLOCESTER	18,134,592	6,133,341	0	1,460,726	25,728,659
HOPKINTON	14,500,088	1,555,564	0	6,899,698	22,955,350
JAMESTOWN	16,042,518	2,852,800	0	950,867	19,846,185
JOHNSTON	67,199,915	5,527,000	954,971	19,901,431	93,583,317
LINCOLN	47,457,004	3,120,100	0	19,018,190	69,595,294
LITTLE COMPTON	8,981,913	730,239	255,899	857,636	10,825,687
MIDDLETOWN**	36,525,230	4,025,431	2,636,929	14,808,343	57,995,933
NARRAGANSETT	38,325,224	4,129,870	0	3,069,330	45,524,424
NEWPORT	60,777,047	11,677,362	971,550	17,312,068	90,738,027
NEW SHOREHAM	6,847,168	2,123,503	265,000	1,761,160	10,996,831
NORTH KINGSTOWN	59,181,135	9,464,913	50,000	17,796,135	86,492,183
NORTH PROVIDENCE	51,966,465	9,393,795	0	19,402,913	80,763,173
NORTH SMITHFIELD	21,370,611	3,597,488	0	5,361,556	30,329,655
PAWTUCKET	79,066,846	33,454,162	5,000	91,140,019	203,666,027
PORTSMOUTH	38,096,817	4,416,744	611,951	9,399,666	52,525,178
PROVIDENCE	261,593,233	73,442,367	0	281,706,927	616,742,527
RICHMOND	12,503,021	1,552,114	16,100	7,142,161	21,213,396
SCITUATE	22,343,076	2,452,631	325,025	5,079,711	30,200,443
SMITHFIELD	41,804,750	4,094,333	2,000	12,334,240	58,235,323
SOUTH KINGSTOWN	59,887,074	7,815,369	32,000	16,027,096	83,761,539
TIVERTON	26,909,360	5,056,403	0	7,900,661	39,866,424
WARREN	18,479,764	2,757,819	0	602,159	21,839,742
WARWICK	185,307,000	27,996,041	1,190,793	60,440,667	274,934,501
WESTERLY	55,523,774	5,547,383	0	13,375,713	74,446,870
WEST GREENWICH	13,879,045	1,987,505	0	1,021,022	16,887,572
WEST WARWICK	46,234,478	4,613,377	0	29,049,046	79,896,901
WOONSOCKET	43,050,983	8,716,027	652,827	63,336,588	115,756,425
<b>TOTAL</b>	<b>\$1,867,322,311</b>	<b>\$312,094,117</b>	<b>\$14,491,565</b>	<b>\$920,326,187</b>	<b>\$3,114,234,180</b>

\* Local non-property revenue includes surplus carryforward of \$3,620,937.

\*\* Local non-property revenue includes fund balance transfers of \$400,000 and other fund transfers of \$590,267.



# RI Property Tax Overview

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## Supplemental Slides





# Revaluation Municipalities 12/31/06

Municipality	Residential Tax Rate	Homestead Exemption	Owner Occupied Single Family (1)	Tax Levy on Owner Occupied \$300,000 Home
BURRILLVILLE	11.60		11.60	\$3,480
CENTRAL FALLS	10.04	\$45,000		2,560
EAST PROVIDENCE	14.41	15%	12.25	3,675
JAMESTOWN	7.81		7.81	2,343
JOHNSTON	18.91	20%	15.13	4,539
LINCOLN	16.72	35%	10.87	3,261
LITTLE COMPTON	4.42		4.42	1,326
NEW SHOREHAM (2)	3.17	20%	2.54	762
NORTH KINGSTOWN	13.30		13.30	3,990
NORTH SMITHFIELD	12.16		12.16	3,648
PROVIDENCE	22.84	50%	11.42	3,426
SCITUATE (2)	21.42	50%	10.71	3,213
SMITHFIELD	13.23		13.23	3,969
SOUTH KINGSTOWN	11.51		11.51	3,453
WARREN	12.54		12.54	3,762
WARWICK	12.75		12.75	3,825
WEST WARWICK	15.26		15.26	4,578
WESTERLY	8.60		8.60	2,580

(1) Effective Rate

(2) Not at 100% of value.



# FY 08 Tax Levy Loss Due to Personal Exemptions

12/31/2006 Certifications

MUNICIPALITY	ELDERLY	VETERANS	MISC	TANGIBLE	FREEZE	MOTOR VEHICLE	TOTAL	FY 2008 TAX LEVY	% EXEMPT
<b>HIGH</b>									
Coventry	\$18,474	\$136,892	\$10,249	\$25,635	\$2,361,629	\$2,138	\$2,555,017	\$56,292,002	4.5%
Glocester	971,734	148,880	133,298	0	0	13,709	1,267,621	18,134,552	7.0%
Scituate	53,571	13,559	9,468	0	875,343	2,452	954,393	22,342,549	4.3%
<b>LOW</b>									
Central Falls	19,729	13,675	1,355	0	0	97	34,856	10,074,873	0.3%
Woonsocket	4,598	84,621	15,636	0	0	65,351	170,206	43,533,869	0.4%
<b>STATEWIDE TOTAL</b>	<b>\$18,699,855</b>	<b>\$6,365,846</b>	<b>\$2,691,683</b>	<b>\$138,238</b>	<b>\$7,475,468</b>	<b>\$1,572,308</b>	<b>\$36,943,398</b>	<b>\$1,884,802,372</b>	<b>2.0%</b>



# Location, Location, Location

	Commercial Tax Rate 12/31/2006	Estimated Tax Levy
<b>Commercial Real Estate</b>	<b>FY 2008</b>	<b>FY 2008</b>
Value	\$25,000,000	
East Greenwich (12/31/05)	13.54	\$338,500
Providence (12/31/06)	26.99	\$674,750
Warwick (12/31/06)	19.13	\$478,250
West Warwick (12/31/06)	20.58	\$514,500
<b>Tangible Personal Property</b>		
Value	\$10,000,000	
East Greenwich	13.54	\$135,400
Providence	50.46	\$504,600
Warwick	25.50	\$255,000
West Warwick	30.40	\$304,000
<b>Total Property Taxes</b>		
East Greenwich		\$473,900
Providence		\$1,179,350
Warwick		\$733,250
West Warwick		\$818,500