

**State of Rhode Island  
Department of Revenue**

**Tax Policy Strategy Work Group**

*“Develop a tax strategy so that Rhode Island’s tax structure is a competitive advantage in retaining jobs and recruiting businesses. To achieve this objective the tax strategy should result in a tax structure that meets the test of equity, efficiency, predictability, competitiveness and transparency.”*

**Property Tax Sub Group Meeting Minutes – July 10, 2008**

I. Committee Members – The following were present:

Committee – John Gelati, Bob Walsh, Karen Grande  
Staff – Peder Schaefer, James Savage, James Neary, Jill Barrette, Marsha Crecelius, Gerard Michaud  
Others – Laurie Brayton – Senate Finance, Jacqui Kelly – Department of Revenue

Members absent – John Simmons, John Gregory

II. Overview of Rhode Island Property Taxes –Peder Schaefer, Chief of the Division of Municipal Finance, welcomed members and guests and reviewed the proposed agenda over the next several months. He indicated that following the presentation he would solicit input from the Committee on changes or additions to the agenda. He then began his powerpoint overview of property taxes in Rhode Island. The presentation covered:

- The Constitutional basis of the property tax in RI.
- The statutory basis of the property tax including:
  - The maximum tax levy.
  - Statutory exemptions (property exempt from taxation).
  - Assessment practices.
  - The valuation and taxation of motor vehicles.
- A data review of assessed values in each municipality and the state as a whole.
- A data review of the tax levy in each municipality and the state as a whole.
- A sample presentation (Glocester) on the process of setting the tax rate and establishing a budget.
- A data review of the tax rates in each municipality.

- A data review of the full and equalized value of property in each municipality and the state as a whole.

III. Committee comments:

- Bob Walsh asked for information in future meetings on the relative support by the property tax in each municipality for education and municipal services. He also requested a simplified explanation of equalized weighted assessed valuation (EWAV). Lastly, he asked for a review of other state efforts to streamline the property tax.
- During the Constitutional presentation Karen Grande was asked to explain how the words “apply alike to all cities and towns” could be construed to permit unique tax classification and personal exemption plans in each community. She responded by email.
- After the meeting, a makeup presentation for John Simms, John Gregory and Gary Sasse was scheduled for July 23.

IV. Next Meeting – July 24, 2008 – 8:00am