

2018 -- S 2668

LC005106

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2018

A N A C T

RELATING TO TAXATION -- LEVY AND ASSESSMENT OF LOCAL TAXES

Introduced By: Senators Coyne, Seveney, DiPalma, Calkin, and Cote

Date Introduced: March 20, 2018

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-5 of the General Laws entitled "Levy and Assessment of Local  
2 Taxes" is hereby amended by adding thereto the following section:

3 **44-5-87. Property tax credit in exchange for volunteer services performed by**  
4 **persons over age sixty (60).**

5 (a)(1) Each city and town, by resolution or ordinance adopted by the city or town council,  
6 may establish a program to allow persons over the age of sixty (60) to volunteer to provide  
7 services to such city or town. In exchange for such volunteer services, the city or town shall  
8 reduce the real property tax obligations of such person over the age of sixty (60) on their tax bills  
9 and any reduction so provided shall be in addition to any exemption or abatement to which any  
10 such person is otherwise entitled and no such person shall receive a rate of, or be credited with,  
11 more than the current state minimum wage per hour for services provided pursuant to such  
12 reduction nor shall the reduction of the real property tax bill exceed one thousand five hundred  
13 dollars (\$1,500) in a given tax year. It shall be the responsibility of the city or town to maintain a  
14 record for each taxpayer including, but not limited to, the number of hours of service and the total  
15 amount by which the real property tax has been reduced and to provide a copy of such record to  
16 the assessor in order that the actual tax bill reflect the credit granted. A copy of such record shall  
17 also be provided to the taxpayer prior to the issuance of the actual tax bill. Such cities and towns  
18 shall have the power to create local rules and procedures for implementing this section in any way  
19 consistent with the intent of this section.

1           (2) In no instance shall the amount by which a person's property tax liability is reduced in  
2 exchange for the provision of services be considered income, wages, or employment for purposes  
3 of taxation, for the purposes of withholding taxes, for the purposes of workers' compensation or  
4 any other applicable provisions of the general laws, but such person while providing such  
5 services shall be considered a public employee; provided, however, that such services shall be  
6 deemed employment for the purposes of unemployment insurance.

7           (b) A city or town, by vote of its city or town council, may adjust the credit in subsection  
8 (a) of this section by:

9           (1) Allowing an approved representative, for persons physically unable, to provide such  
10 services to the city or town; or

11           (2) Allowing the maximum reduction of the real property tax bill to be based on one  
12 hundred twenty-five (125) volunteer service hours in a given tax year, rather than one thousand  
13 five hundred dollars (\$1,500).

14           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 authorize cities and towns to establish a program to allow persons over  
2 the age of sixty (60) to provide volunteer services in exchange for a property tax credit up to one  
3 thousand five hundred dollars (\$1,500). The credit would be calculated by multiplying the  
4 number of volunteer service hours by the state minimum wage per hour.

5           This act would take effect upon passage.

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