

**Amendment to New Shoreham General Ordinances  
Chapter 17 Taxation and Finance, Article I In General,  
Section 17.1 Property Tax Classification**

**2024-12**

It is ordained by the New Shoreham Town Council:

**Section 17.1 Property Tax Classification**

- A. The Town does adopt a system of classification of taxable property in the Town of New Shoreham pursuant to RIGL § 44-5-11.8 (j). All ratable property in the Town of New Shoreham shall be classified by the assessor as follows:
- (1) Class One – Residential real estate consisting of no more than five (5) dwelling units; land classified as open space; and dwellings on leased land including mobile homes.
    - a. A homestead exemption provision is also authorized within this class pursuant to Section B of this section; provided however that the actual effective rate applicable qualifying for this exemption shall be construed as the standard rate for this class against which the maximum rate applicable to another class shall be determined.
    - b. In lieu of a homestead exemption, the Town may divide this class into non-owner and owner-occupied property and adopt separate tax rates in compliance with the within tax rate restrictions.
  - (2) Class Two – Commercial and industrial real estate; residential properties containing partial commercial or business uses.
  - (3) Class Three – All ratable, tangible personal property.
  - (4) Class Four – Motor vehicles and trailers subject to the excise tax created by G.L 1956 Title 44, Chapter 34.
- B. The town council shall annually fix the amount, if any, of a homestead exemption with respect to assessed value from local taxation on owner occupied taxable real property used for residential purposes, in an amount not to exceed twenty (20) percent of the assessed value, as authorized by the General Assembly of the State of Rhode Island.
- (1) The homestead exemption applies to property:
    - a. Which is the resident owner's principal residence, including but not limited to single family, multi-family dwellings, condominiums, and apartments, for at least twelve (12) months and legal domicile;
    - b. Legally titled to the resident owner, a trust to which the resident owner is the named beneficiary, or to a corporate entity owned and controlled by the resident owner; and
    - c. Used for residential purposes and improved with a dwelling containing not more than five units in which at least one unit is owner occupied.
  - (2) The homestead exemption does not apply to:
    - a. Vacant land not designated open space.
    - b. Single family dwelling units, portions of which are leased or rented out for less than 30<sup>1</sup> days at a time.
    - c. Two to five family dwellings where any of the units are leased or rented for less than 30 days at a time.
  - (3) Legal title to the real property subject to the homestead exemption must be held by the resident owner (as defined in B (1) of this section) as of December 31 prior to the year for which the exemption shall apply. There shall be one exemption per household. The resident owner, the resident owner's spouse, or any other owner of the property may not receive a homestead exemption or owner-occupied tax rate for another piece of real property located elsewhere in the State of Rhode Island, or in any other state of the United States, for the same period of time.
  - (4) All required applications must be filed annually with the Board of Tax Assessors between June 1 and June 28 of the tax year to which the exemption is to be applied, or in the event June 28 falls on a Saturday, Sunday or holiday, applications will be

accepted on the next business day.

- (5) Presenting the following documents to the Board of Tax Assessors shall be considered prima facie demonstration of a person's residence for the purpose of eligibility for the homestead exemption:
  - a. 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;
  - b. The address furnished by the taxpayer to the town canvassing authority for voting purposes.
  - c. Sworn affidavit attesting to the criteria set forth in this ordinance.
- (6) The Board of Tax Assessors may require any additional information or prepare any application forms he or she deems necessary to carry out the intent of the ordinance.
- (7) The Board of Tax Assessors 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.
- (8) A homestead exemption shall terminate upon:
  - a. The conveyance of the subject property; provided however, if the new owner(s) of the property make application and qualify for a homestead exemption within thirty (30) days of the date of the conveyance, the exemption shall continue through the end of said tax year;
  - b. The death of the resident owner of the subject property; provided however, if the applicant holds an ownership interest in the subject property as of the date of the assessment for the year for which the exemption is claimed and subsequently deceases, the rate shall continue through the end of said tax year, unless the subject property is sold; or
  - c. The subject property ceases to be owner-occupied.
- (9) If the taxpayer knowingly gives misinformation as to the ownership and/or occupancy of the real property subject to the homestead exemption, the Board of Tax Assessors 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.
- (10) The Board of Tax Assessors 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 Board of Tax Assessors shall include the following language:

"The Board of Tax Assessors 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.

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C. This section shall become inoperative on May 23, 2026, and, as of May 23, 2026, is repealed, unless an enacted ordinance, that becomes operative on or before May 23, 2026, deletes or extends the dates on which this section becomes inoperative and is repealed.

Posted: April 25, 2024  
Hearing: May 22, 2024  
Adopted: May 22, 2024  
Effective: May 29, 2024  
Posted: June 3, 2024 – June 13, 2024

Attest: Millicent Highet, MMC  
Town Clerk