

ORDINANCE AMENDMENT

IT IS HEREBY ORDAINED BY THE TOWN OF SMITHFIELD AS FOLLOWS:

ARTICLE II Tax Exemptions; Tax Freeze

§ 321-2. Authority of Tax Assessor.

- A. The Tax Assessor may exempt from taxation and may provide for the freezing of the rate and valuation of taxes on real property situated in the Town which is owned and occupied by any one or more persons over the age of 65 years, regardless of income. Said real estate is not to be taken from the tax rolls and shall be subject to the bonded indebtedness of the Town.

- B. The tax freeze on real property shall apply only to single-family dwellings owned by the taxpayer in which said person resides.

- C. The tax exemption shall be in an amount not exceeding \$8,000 of valuation and which exemption shall be prorated among the owners of said real property in addition to any and all other exemptions, including the tax freeze to which said person may be otherwise entitled. The tax exemption on real property shall apply only to residential dwellings of fewer than four dwelling units which are owned and occupied by the eligible taxpayer.

- D. Said tax exemption and application of tax freeze shall be applied uniformly and without regard to ability to pay, and shall be granted upon proof of the following:
 - (1) Age;

 - (2) Ownership of said residential property for a period of five years next prior to the filing of an application for tax exemption and/or tax freeze; provided, however, that for a person who acquires ownership of said residential property after 7-21-2005, the ownership period shall be ten years in order to qualify for the tax freeze;

 - (3) Occupancy of same;

 - (4) Actual legal residency in the Town; and

 - (5) Each owner and his/her spouse are not receiving a residency-based exemption on any property located outside Smithfield.

- E. All individuals with an ownership interest in real property must satisfy each and every requirement of this article in order for any exemption and/or freeze to apply to said residential property. If said residential property is owned by a husband and wife as joint tenants or tenants by the entirety, then either owner must satisfy each and every

requirement of this article in order for any exemption and/or freeze to apply to said property. Any owner and/or the spouse thereof who claims the benefits of a property tax exemption or tax credit on another property based on residency in a location other than Smithfield (examples: homestead exemption, veterans exemption, senior/disability exemption, etc.) shall not be eligible for any exemption or freeze hereunder.

F. Any owner of real property who at one time was a resident of the Town but has since transferred ownership of said property shall, after reacquiring ownership of real property, be granted a tax exemption and application of tax freeze upon proof, in addition to that required in Subsections D(1), (3), (4), and (5) of the following: ownership and occupancy of said residential property for at least one year following nonownership for a period not to exceed three years, provided said nonownership period followed five years of continuous ownership and occupancy in order to qualify for the tax exemption and 10 years of continuous ownership and occupancy in order to qualify for the tax freeze.

§ 321-3. Filing of application; proof of right to exemption.

A. No person shall be entitled to any exemption and/or freeze authorized in this article in any year without first filing an application with the Tax Assessor on forms furnished by the Assessor. Each application shall be sworn to by the applicant or applicants under penalty of perjury. Proof of age, ownership, occupancy, legal residency, and ownership of other property shall be furnished in the following manner:

(1) Proof of age. Age may be proved by furnishing to the Assessor a birth certificate, certificate of citizenship, baptismal certificate or affidavit of a third party, or by such other means as may be approved by the Assessor.

(2) Ownership. Ownership may be established by furnishing the Tax Assessor with the date of purchase and land record citation of same by the applicant of the residential property involved.

(3) Occupancy. Occupancy of the residential property may be proven by incorporating such fact in the sworn application for exemption and/or freeze.

(4) Legal residency. Legal residency may be established by the production of a voter's registration certificate, a license to operate a motor vehicle, some other registration certificate or by such other means as the Assessor may reasonably require.

(5) Other forms of proof. An applicant may provide proof of right to exemption and/or freeze if the above specified methods are not available to him or her by furnishing a military record, passport, certificate of citizenship or such other evidence of proof as may be required by the Assessor.

(6) Ownership of other property. Should an applicant or his/her spouse own property outside of Smithfield, proof from that jurisdiction that no residency-based exemptions are applicable to that property.

B. In the event that applicants for an exemption or freeze are tenants in common, joint tenants or tenants by the entirety, the proof enumerated above by any one of the applicants shall be sufficient to be entitled to the exemption or freeze. For the purposes of this Ordinance, a husband and wife shall be considered a family unit and thus are eligible to claim a total of one residency-based exemption between them at any one time, anywhere.

C. According to Rhode Island Law, tax situs for vehicles and trailers shall be in the town or city of permanent abode and Rhode Island Law also stipulates that any vehicle parked or garaged overnight for more than 30 days shall be registered in this State. Therefore, the Town of Smithfield requires each vehicle owned by an applicant and/or his or her spouse for an exemption or freeze hereunder be registered in the Town of Smithfield unless satisfactory proof is submitted to the Tax Assessor that the vehicle may be legally registered elsewhere.

§ 321-4. Multiple dwellings; apartment houses; motels.

A. No person owning and residing in a multiple-dwelling apartment house, motel or hotel of over three units shall be eligible to receive the \$8,000 tax exemption provided for in this article, as the same is hereby deemed to be income-bearing property and not residential as used herein.

B. The tax freeze on real property shall apply only to single-family dwellings owned by the taxpayer in which said person resides.

§ 321-5. Termination of exemptions and freeze on taxes.

All exemptions and freezes shall terminate upon the conveyance of the subject property, death of the person or persons exempted or the moving of such person or persons from the Town.

§ 321-6. Valuation; approval of applications.

A. If in a year of revaluation or in any subsequent year wherein the individual real property tax levy on a specific eligible taxpayer's property shall fall below that of the prior year, the lesser amount shall apply. The tax freeze for new applicants shall be based upon the assessed valuation as of December 31, and the tax rate pertaining thereto, of the year in which the applicant becomes eligible and files with the Tax Assessor on or before said December 31. Should the individual property tax levy on an eligible taxpayer's property in any given year subsequent to filing fall below that of the prior year, the lesser amount shall apply.

B. All applications for either tax exemption and/or tax freeze must be approved by the Tax Assessor before said exemption and/or freeze can be certified on the tax roll.

C. Any applications for the tax exemption and/or tax freeze filed after December 31 of any year and subsequently is approved by the Tax Assessor shall not be operative until the year succeeding said filing and the tax exemption and/or tax freeze shall become effective against the assessment made December 31 following the date of filing.