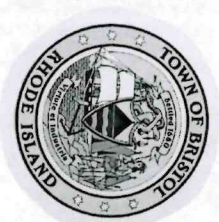


Received at meeting

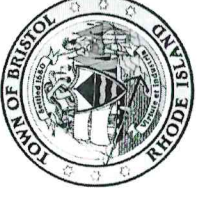
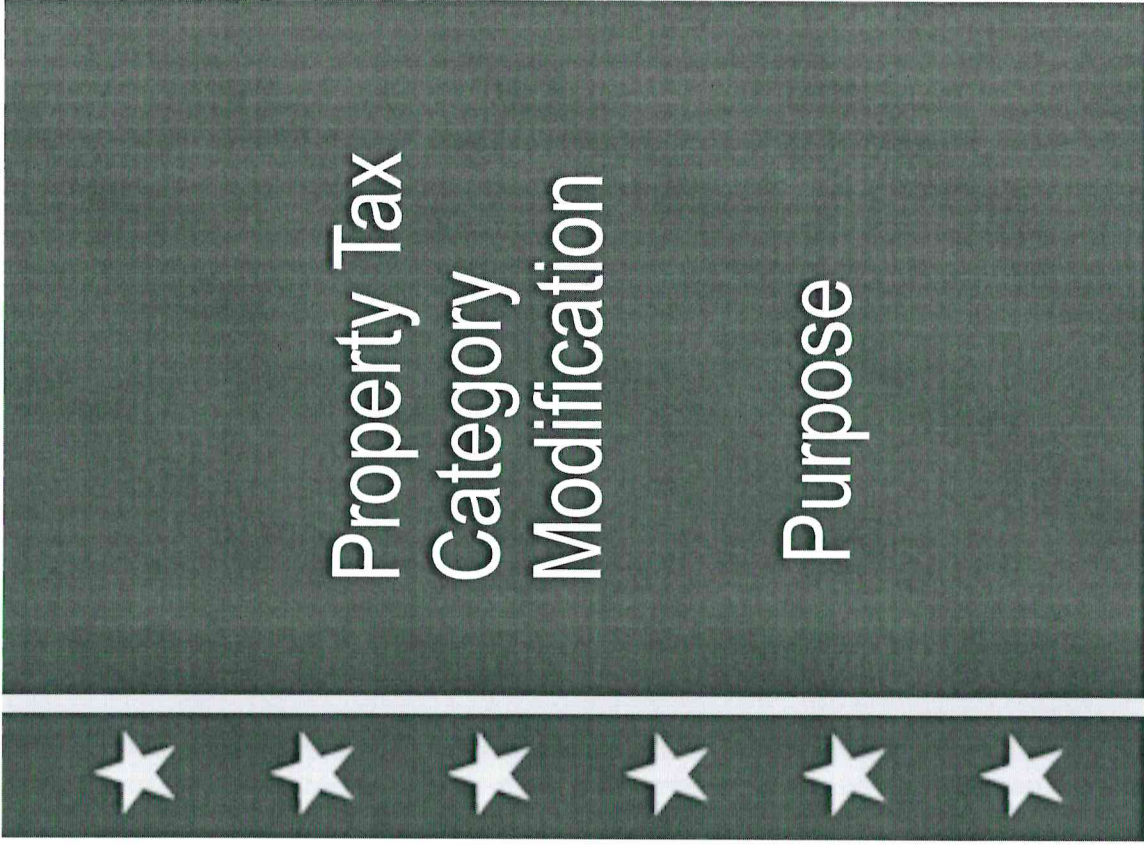
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Property Tax Category Modification

Purpose



To create owner-occupied
property tax rate category
to help optimize Bristol's
limited housing stock.



Why now?

Bristol is required to revise its

Tangible Tax rate.

Property Tax Category Modification

Current Condition



Across Rhode Island, cities and towns are experiencing a housing shortage.

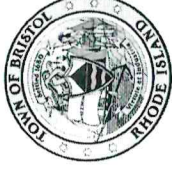
In Bristol, the housing deficit for individuals and families who want to make this

Town their home is amplified by:

- An increase in short-term rental properties
- An increase in RWU student off-campus housing
- Properties used as Air B and Bs
- Properties purchased by out-of-town entities to be used as second homes/seasonal rentals

Continuation of this trend will result in Bristol becoming a transient community, rather than a community known to be one of "the greatest communities in the United States to raise a family."

Intended Outcome of Property Tax Category Modification



The proposed structure creates two (2) tax rate categories:

- Residential - owner-occupied
- Residential - non-owner-occupied & Commercial (6 or more units)

Separate tax categories, modeled on strategies used in neighboring communities, incentivize residential property owners to use them as full-time residences.

Optimize limited housing stock.



Middletown

2022 Tax rates (per thousand)

- Residential/mixed owner-occupied: \$12.02
No more than 5 units
- Residential/mixed non-owner-occupied: \$12.91
- Commercial/industrial/residential:
More than 5 units
- Tangible: \$17.85

Property Tax Categories in Other Communities Middletown



★

★

★

★

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Property Tax
Categories
in Other
Communities

Newport



Newport

2022-2023 Tax rates (per thousand)

- Residential **owner-occupied** (less than 4 units): \$ 9.61
- Mixed commercial/residential **owner-occupied**: \$ 9.61
- Residential **non-owner-occupied** / Commercial/industrial/residential (4 units or more) \$14.41
- Tangible Personal Property: \$14.41



Bristol's Proposed Property Tax Structure

Tax rates (per thousand)

	Current	Proposed	% Change
Residential - owner-occupied:	\$13.00	\$12.31	5% dec.
Residential - non-owner-occupied			
/ Commercial: - <i>W1 State</i>	\$13.00	\$14.02	7.3% inc.
<i>ciwed code</i>			
Tangible:	\$13.00 (Frozen per RI GL)		

Proposed Property Tax Categories

BRISTOL



Bristol's Proposed Property Tax Categories

Comparative Tax Rate Summary (per thousand)

Middletown (2022)		Newport (2022-2023)		Bristol		Current	Proposed	% Change
• Residential / mixed (owner-occupied):	\$12.02	• Residential / mixed (owner-occupied)	\$ 9.61	• Residential (owner-occupied):		\$13.00	\$12.31	5 % dec.
• Residential / mixed (non-owner-occ):	\$12.91	• Commercial / mixed (non-owner-occupied/four units of more)	\$14.41	• Residential (non-owner-occupied):		\$13.00	\$14.02	7.3 % inc.
• Commercial / industrial / residential: (more than 5 units)	\$17.85	• Tangible:	\$14.41	• Commercial / mixed (6+ units)				
• Tangible:	\$17.85			• Tangible:		\$13.00 (Frozen per R(GL)		

Tax Rates RI Cities & Towns

FY 2023 Rhode Island Tax Rates by Class of Property Assessment Date December 31, 2021 Tax Roll Year 2022

MUNICIPALITY	NOTES	RRE	COMM	PP	MV
BARRINGTON	2	\$19.65	\$19.65	\$19.65	
BRIISTOL		13.00	13.00	13.00	
BURLIVILLE		13.91	13.91	13.91	
CENTRAL FALLS	7	17.46	28.75	38.33	
CHARLESTOWN		8.17	8.17	8.17	
COVENTRY	6	19.57	23.59	19.57	
CRANSTON	2	18.51	27.77	27.77	
CUMBERLAND		14.99	14.99	29.98	
EAST GREENWICH	2	21.42	24.16	31.77	
EAST PROVIDENCE	1, 7	21.86	26.89	56.33	20.00
EXETER	2	13.94	13.94	13.94	
FOSTER	2	21.96	21.96	30.15	
GLOUCESTER		18.69	22.43	37.38	
HOPKINTON		18.53	18.53	18.53	
JAMESTOWN		6.79	6.79	6.79	
JOHNSTON	7	23.24	28.34	64.34	
LINCOLN	7	16.45	24.68	30.00	
LITTLE COMPTON		4.90	4.90	9.80	
MIDDLETOWN	2	12.02	17.85	17.85	
MARRAGANSETT	2, 7	9.00	12.14	12.14	
NEW SHOREHAM	5	7.08	7.08	7.08	
NEWPORT	2	9.61	14.41	14.41	
NORTH KINGSTOWN		14.06	15.96	17.50	
NORTH PROVIDENCE	7	22.81	29.55	64.78	
NORTH SMITHFIELD	6	13.91	18.94	42.62	
PAWTUCKET	2	16.58	29.02	52.09	
PORTSMOUTH	6	15.65	15.65	15.65	
PROVIDENCE	7	17.80	35.40	53.40	
RICHMOND		20.58	20.58	20.58	
SCITUATE		16.38	24.01	34.88	
SMITHFIELD		13.36	18.70	59.74	
SOUTH KINGSTOWN		10.95	10.95	10.95	
TIVERTON	2	14.63	14.63	14.63	
WARREN		18.01	18.01	18.01	
WARWICK		18.73	28.10	37.46	
WEST GREENWICH	3, 7	24.51	24.51	34.80	
WEST WARWICK	4	18.04	30.88	46.26	
WESTERLY		9.56	9.56	11.52	
WOONSOCKET	2, 7	13.98	25.94	46.58	

Source: Division of Municipal Finance

Represents tax rate per thousand dollars of assessed value.



Proposed Property Tax Categories

BRISTOL

Owner-occupied description

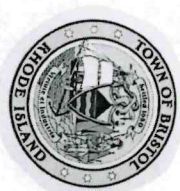


Bristol's Proposed Owner-occupied description

Bristol to define "owner-occupied"

(Examples)

- Registered voter in Bristol
- Hold a valid RI driver's or State ID
- Motor vehicle registered in Bristol
- PO Boxes DO NOT qualify as proof of residence
- Must NOT be receiving a similar owner-occupied tax rate from another jurisdiction in RI or out-of-state
- Owner must reside in the dwelling for no less than seven months of the year
- Number of rentable units in dwelling must not exceed five (5)
- If all units (5 or less) are leased for one-year or longer



Bristol's Proposed Property Classes

**Bristol's Property Tax Classes to be determined
based on the following criteria:**

Class 1

- Residential real estate consisting of 5 or less units (owner-occupied);

Class 2

- Residential/commercial/industrial (non-owner-occupied); six (6) or more dwelling units.

Class 3:

- All ratable, tangible personal property.

Proposed Property Tax Categories

BRISTOL

Property Class Description



Proposed Property Tax Categories

BRISTOL

- Summary -



Bristol's Proposed Property Tax Categories

Summary

PURPOSE

To optimize Bristol's limited housing stock and encourage full-time residency

DESIGN

Create tax rates based on use.

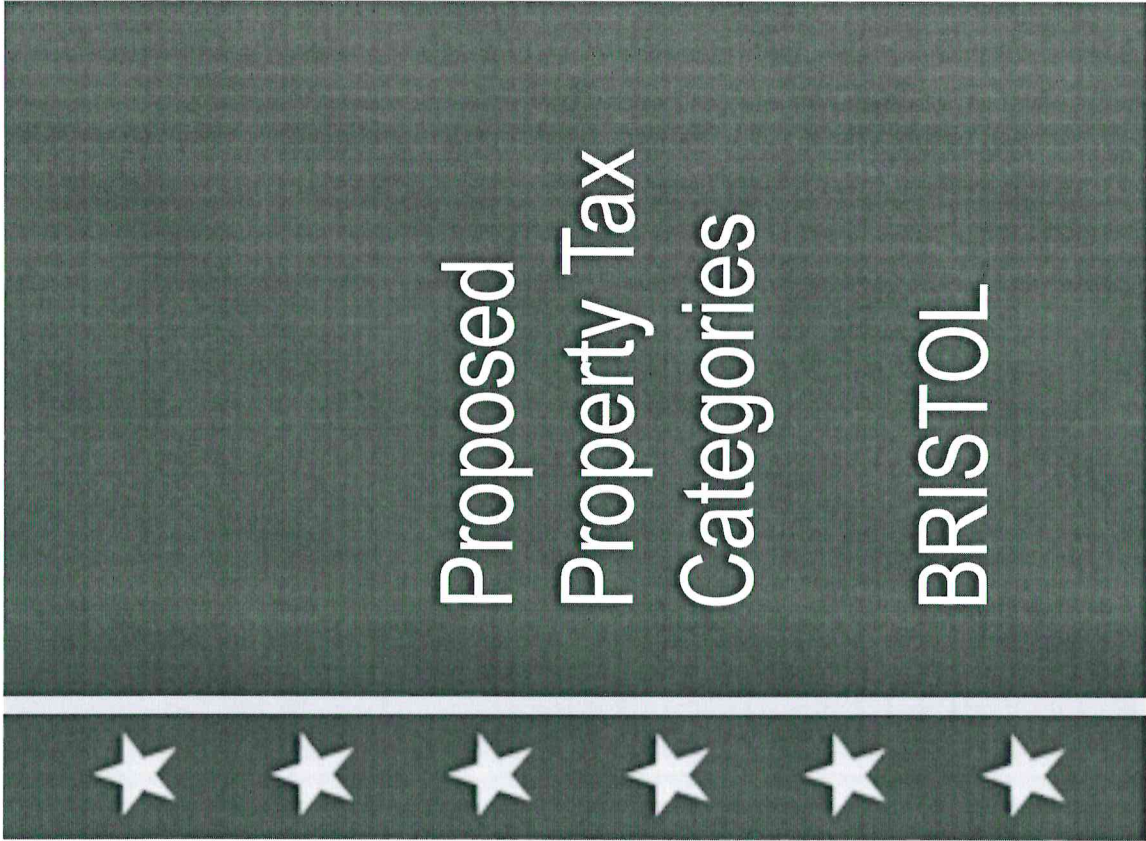
RESULT

Owner-occupied properties will incur a lower tax rate.



- Summary -

Tax totals DO NOT include sewer use fees



Next steps ...