



Mayor of Providence

Brett P. Smiley

The Honorable Steven Casey
House Municipal Government and Housing Committee
Rhode Island State House
82 Smith St
Providence RI, 02903

Dear Chairman Casey and Honorable Members of the Committee:

I write to letter in support of House Bill 7652 relating to taxation- levy and assessment of local taxes. This legislation will amend provisions relative to the levy and assessment of local taxes and would provide that the City of Providence may adopt a tax classification with unrestricted tax rates for certain classes of property.

In September 2023, the Providence City Council established the Special Commission on Taxation and Revenue, whose stated purpose was to look at ways to create a fair and equitable tax structure throughout the City of Providence. The City Council and Administration worked collaboratively over the course of many months to make key recommendations regarding the city's tax structure and House Bill 7652 is the result of those recommendations.

This legislation will allow the City to do two important things. First is that Providence would be allowed to return to an owner-occupied and non-owner-occupied residential tax rate, instead of the single rate structure with a homestead exemption. This will allow for increased transparency of the tax rates in the city.

Additionally, this legislation will allow Providence to create additional categories of real property with corresponding taxing mechanisms. This is similar to other municipalities and allows for new real property tax proposals within the City budget to tax small apartment buildings, who are often owner occupied buildings, differently from larger ones. By creating new tax classifications, Providence can build a more equitable tax structure that benefits all residents.

These changes to Providence's tax structure are vital to the financial security and stability for years to come, because of that and the reasons mentioned above, I strongly urge the committee to vote yes on House Bill 7652.

Respectfully,

A handwritten signature in black ink that reads "Brett P. Smiley". The signature is stylized and written in a cursive-like font.

Brett P. Smiley

Mayor