



March 4th, 2025

Mayor of Providence

Brett P. Smiley

The Honorable Stephen M. Casey, Chair
House Municipal Government and Housing Committee
Rhode Island State House
82 Smith Street
Providence RI, 02903

Dear Chair Casey and Members of the Committee:

I am writing in support of House Bill 5307, An Act Relating to Taxation Property Subject to Taxation. If passed, this bill would enable the Providence City Council to increase property tax relief provided to veterans from its current effective rate of \$153. This exemption has not increased in over twenty-five years, yet it holds the potential to provide significant financial support to veterans who have faithfully served their country.

Since 1999, the City has offered exemptions to veterans who are Providence residents. The original tax relief was a \$3,000 exemption on assessed property value, which was functionally equivalent to a \$153 tax credit at the time. Over the last twenty-five years, the Tax Assessor has adjusted the exemption to ensure that veterans still save the same \$153 on property taxes, based on how assessed property value and property tax rates have fluctuated from year to year. Yet, \$153 in 1999 is now equivalent to \$290 in 2024 due to inflation. Furthermore, the current \$153 exemption is even less meaningful given increases in property value during the past few decades.

Giving the Providence City Council the authority to expand the Veteran's Exemption would enable the City to provide a similar amount of tax relief to veterans that they received 25 years ago. This change would offer meaningful tax relief to community members who have served their country without substantially increasing spending: During FY23, the City issued these exemptions to 1,021 veterans in Providence at a total cost of roughly \$156,000.

I thank Representative DeSimone for sponsoring House Bill 5307 and respectfully ask the committee to vote in favor of this legislation.

Sincerely,


Brett P. Smiley
Mayor