

CHAPTER 74 - TAXATION

ARTICLE II - PROPERTY TAX EXEMPTIONS

DIVISION V. ECONOMIC DEVELOPMENT REAL ESTATE EXEMPTIONS

Section 74-79. Purpose.

The purpose of the real estate tax exemptions under this Division are as follows:

1. Provide appropriate incentives to attract, retain, expand and improve businesses; expand the commercial tax base; improve the livability and expand services available to residents; and increase job opportunities within the Town of Tiverton.
2. Ensure the creation or redevelopment of industrial and commercial developments having a high quality site design, safe and convenient pedestrian and vehicular traffic circulation, and appropriate signage, landscaping, and lighting.
3. Promote commercial and industrial development or redevelopment having architectural design and building locations that: are aesthetically pleasing; promote walkability; enhance the public realm; compatible with the character of adjacent areas; and complement the town landscape.

Section 74-80. Definitions.

Redevelopment Project: A redevelopment project, as it pertains to this Division, shall be one in which the overall building square footage of a building or buildings on the site is increased by least twenty percent (20%) and shall be designed in a manner that is consistent with the purposes within this Division, the Town's Comprehensive Community Plan and the purpose, standards and guidelines as enumerated under zoning Article XX - Development Plan Review. In furthering these purposes, standards and guidelines, Redevelopment Projects shall also bring the buildings closer to the street or streets on which they front, reduce or eliminate parking between the street and the building, take advantage of on-street parking where feasible and utilize shared parking as described in Article X (Special Provisions) of Tiverton's Zoning Ordinance.

Mixed-use: Mixed use, as it pertains to this Division, shall be one in which there is more than one primary use, such as retail and office use, retail and residential, residential and office, or any other combination of use categories as enumerated within Article X, §1(e) of Tiverton's zoning ordinance and permitted within the General Commercial zoning district.

Section 74-81. Eligibility.

Any legally permitted commercial or industrial business located within the Enterprise Zone (which includes the entire Town of Tiverton) herein classified as Category One, may be eligible for a graduated partial exemption from real estate tax assessments on improvements involving new construction, expansion, or renovations to existing facilities.

Any legally permitted commercial or mixed-use redevelopment project (as defined within Section 74-85 of this Division) located both within the Enterprise Zone (as defined under RIGL § 42-62.3.3) and General Commercial Zones, herein classified as Category Two, may be eligible for a graduated exemption from the overall real estate tax assessments on buildings and land, not just the increased assessment on improvements.

The eligibility of a project as well as its classification as either Category One or Category Two shall be determined by both the Tiverton Economic Development Commission and Tiverton Planning Board.

As required under the RIGL § 42-64.3.9, no manufacturing or commercial concern relocating from any other city or town in the State of Rhode Island to Tiverton shall be eligible for the tax stabilization under this program.

Section 74-82. Tax Schedule.

For facilities or projects classified as Category One or Category Two, the percentage of tax exemption shall be as follows:

Year	CATEGORY ONE (Exemptions on New / Increased Building Assessment)	CATEGORY TWO (Exemption on Total Increased Tax Assessment)
1	100	100
2	80	80
3	60	60
4	40	40
5	20	20
6	0	0

The first year of exemption shall begin at the next date of assessment (December 31) following the post –construction review and issuance of a Certificate of Occupancy. In year six (6) and thereafter, the new value will be taxed at the normal rate for the Town.

Section 74-83. General Rules and Standards.

The tax exemptions contained within this Division (Division V.) shall not relate to the value of the land for Category One or tangible property for either Category, but to the increased building value for Category One and overall building and land value for Category Two. Neither shall these tax exemptions affect pre-existing assessments prior to the adoptions of this ordinance

To qualify for real estate tax exemptions under either Category One or Category Two, projects shall be subject to either Site Plan and /or Design Review under Article XX – Development Plan Review of Tiverton’s Zoning Ordinance and must receive a favorable recommendation from the Planning Board.

To qualify for the tax exemptions contained within this program, registered properties must also have received a pre- and post-construction review by the Tax Assessor; have been issued a Certificate of Occupancy from the Building Official; and be in receipt of a Certificate of Good Standings from the Tax Collector showing that the property owner is current on all taxes, fees, and obligations due the Town, including but not limited to the eligible property.

Section 74-84. Other Conditions of Participation.

In the event for the applicant defaults on any quarterly tax or other payment due to the Town Of Tiverton on property receiving exemption under this Tax Stabilization program, that property will be considered for removal from the program. Taxes are considered delinquent 10 days after due date. Notices of delinquency shall be sent to the property owner within 30 days. If the property owner fails to bring the property taxes current within 20 days of the issuance of such delinquency letter, the property will be removed from the program. After removal from the program, the delinquent and all subsequent taxes will be billed at 100% of assessed value.

Tax stabilization is transferable to the new owners of eligible property, providing that the taxes due on the property are not delinquent. The remaining balance of eligible tax exemption shall be applied on a pro rata basis. All transfers of continuing participation must register with and be approved by the Enterprise Zone Coordinator (Town Planner). Notice of eligible transfers will be forwarded to the Tax Assessor.

Section 74-85 Procedure.

- (a) Business or property owners planning to take advantage of the Tax Stabilization Program shall, prior to or upon obtaining a building permit, register with the Enterprise Zone coordinator and complete a Tax Stabilization Application form.
- (b) The Enterprise Zone coordinator shall immediately forward a copy of the Tax Stabilization Application to the Building Official and Tax Assessor.
- (c) The Tax Assessor will conduct a pre-construction review of the subject property in order to determine the assessed valuation of the property prior to improvements.
- (d) Upon completion of the improvements and the final inspection and issuance of a Certificate of Occupancy from the Building Official, the Tax Assessor will conduct a post-construction review on the property in order to determine the taxable assessed value added to the property.
- (e) The Tax Assessor shall then notify the applicant and the Enterprise Zone coordinator of the added value and the schedule of phased-in taxable value.