

DR Rhode Island Department of Revenue
Division of Municipal Finance

February 11, 2026

The Honorable Stephen M. Casey
Chair, House Committee on Municipal Government and Housing
State House
Providence, RI 02903

**Re: 2026 H-7567- AN ACT RELATING TO TAXATION -- LEVY AND ASSESSMENT
OF LOCAL TAXES -- TAX DEFERRAL PROGRAM**

Dear Chair Casey:

The Division of Municipal Finance (“DMF”) writes to provide information that may be of assistance to the Committee as it considers House Bill 7567, An Act Relating to Taxation-Levy and Assessment of Local Taxes-Tax Deferral Program. This letter is not intended as a position in support of or opposition to the bill, but only as recommendations on drafting to provide clarity in the bill and to aid municipal tax administration.

As you know, this bill would amend Chapter 44-5 of the General Laws by adding a new Section 44-5-20.13.2, entitled “Statewide deferment of payment of tax for qualified senior citizens, disabled citizens and disabled veterans.” Per the Explanation by the Legislative Council, the bill would “establish a property tax deferral program for senior citizens, disabled persons or veterans.”

The DMF’s core duties include “[encouraging] cooperation between municipalities and the state in calculating, evaluating, and distributing state aid” and “[providing] technical assistance for property tax administration.” R.I. Gen. Laws § 42-142-4(b)(2) and (8). Numerous forms of state aid are administered and distributed by the DMF, including the Distressed Communities Relief Fund, Payment in Lieu of Tax Exempt Properties (“PILOT”) reimbursement, Motor Vehicle Excise Tax reimbursement, and Tangible Tax Exemption reimbursement.

Proposed § 44-5-20.13.2(d) and (i) assign to the Office of the General Treasurer responsibilities relating to the administration of the property tax deferral program and the distribution of state funds appropriated for the program. The DMF respectfully suggests that such responsibilities instead be assigned to the DMF, both to align with, and provide support for, the DMF’s statutory functions and to maintain consistency with the DMF’s administration and distribution of the above-mentioned state aid programs.

The DMF takes no position with respect to the remainder of the proposed legislation. Rather, the DMF is concerned solely with the issues of clarity and municipal tax administration.

Thank you for your consideration.

The Honorable Stephen M. Casey
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Sincerely,

A handwritten signature in black ink, appearing to read "Stephen E. Coleman Jr.", written in a cursive style.

Stephen E. Coleman Jr.
Chief

Cc: The Honorable Members of the House Committee on Municipal Government and
Housing
The Honorable Megan L. Cotter
Nicole McCarty, Esq., Chief Legal Counsel to the Speaker of the House
Thomas A. Verdi, Director, Department of Revenue