

**DOR** Rhode Island Department of Revenue  
Division of Taxation

*Via Electronic Mail*

May 7, 2026

The Honorable Louis P. DiPalma  
Chair, Senate Committee on Finance  
Rhode Island State House  
Providence, RI 02903

**RE: Letter Regarding Senate Bill 2682 – An Act Relating to Taxation – Non-Owner Occupied Property Tax Act**

Dear Chair DiPalma:

I am writing on behalf of the Rhode Island Department of Revenue, Division of Taxation (“Division”), to: i) express concerns regarding issues with proposed Senate Bill 2682 as currently drafted; ii) explain the background and current statutory context in order to clarify the intended and unintended consequences of this bill; and iii) make recommendations and request your support in implementing those recommendations.

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 tax administration and compliance.

As you know, this bill would amend R.I. Gen. Laws § 44-72-5 (“Non-Owner Occupied Property Tax Act – Exemptions”) to add Subsection (b) to create an exemption for “non-insulated, non-winterized property” in which “the water supply to the property is disconnected from November 1 through April 1,” which is “used or occupied by the taxpayer at a minimum of the Saturday before Memorial Day through Labor Day,” is not “in a blighted or substandard area as defined in § 45-31-8,” and “has been owned by the taxpayer or taxpayer’s family for more than twenty-five (25) years.” The bill is set to take effect upon passage.

As the bill is currently drafted, the Division cannot administer the proposed exemption as it relies on information that cannot be documented or verified. The Division respectfully suggests that the bill be redrafted to require a homeowner seeking the exemption to complete an affidavit attesting to the fact that the property meets the exemption requirements and to include penalty provisions if the Division determines that the information provided was falsified.

Additionally, the effective date for the new tax is upon passage. The new non-owner occupied property tax is effective July 1, 2026. For clarity, the Division would respectfully request that the bill’s language be changed so that the effective date is for tax years beginning on or after July 1, 2026. This would ensure that the intended exemption is administered commensurate with the current exemptions under R.I. Gen. Laws § 44-72-5.

The Division takes no position with respect to the remainder of the proposed legislation. Rather, the Division is concerned solely with the issues of clarity, tax compliance, and tax administration. As such, the Division respectfully suggests that the bill be redrafted for clarity.

The Division looks forward to working with you to address the issues raised in this letter and appreciates your consideration.

Very truly yours,



Neena S. Savage  
Tax Administrator

cc: The Honorable Members of the Senate Committee on Finance  
(via: [SenateFinance@rilegislature.gov](mailto:SenateFinance@rilegislature.gov))  
The Honorable V. Susan Sosnowski (via: [sen-sosnowski@rilegislature.gov](mailto:sen-sosnowski@rilegislature.gov))  
Kristen Silvia, Deputy Chief of Staff/Director of Legislation  
Jane E. Cole, Interim Director, Department of Revenue