



May 19, 2026

Honorable Louis DiPalma, Chair  
Senate Finance Committee  
82 Smith Street  
Providence, Rhode Island 02903

## **RE: S2827-TAX EXEMPTIONS FOR FARMERS**

Dear Chairperson and Committee Members:

On behalf of the Rhode Island Association of REALTORS® (RIAR), we respectfully submit this testimony in support of S2827. RIAR represents more than 5,900 licensed real estate professionals who work every day in the listing, sale, leasing, management, and appraisal of residential and commercial real estate and who are committed to stable housing markets to make Rhode Island a better place to call home.

S2827 modernizes Rhode Island's tax statutes by expanding and clarifying exemptions related to urban farmland, small farmland, and agricultural operations. The legislation establishes consistent standards across property tax and business tax provisions while encouraging productive land use, local food production, and sustainable economic development. By creating clearer eligibility standards and reducing barriers for small and urban farmers, the bill promotes responsible land stewardship and strengthens Rhode Island's agricultural economy.

### **Supports Small and Urban Agricultural Operations**

S2827 recognizes the growing importance of small-scale and urban agriculture within Rhode Island communities.

- Expands eligibility for tax relief to small farms operating on fewer than five acres.
- Encourages urban farming and community-based agricultural activity.
- Reduces financial barriers for emerging agricultural businesses.

By supporting smaller agricultural operations, the bill helps foster local food production and economic opportunity.

### **Encourages Productive and Sustainable Land Use**

The legislation incentivizes the active use of land for agricultural purposes rather than leaving parcels vacant or underutilized.

- Promotes environmentally beneficial land management practices.
- Reinforces sustainable cultivation and conservation efforts.
- Supports local and regional food system resilience.

These provisions strengthen Rhode Island's long-term environmental and economic sustainability goals.

## **Clarifies Tax Treatment and Administrative Standards**

S2827 creates more consistent definitions and standards throughout Rhode Island tax law.

- Establishes uniform terminology for “urban farmer,” “small farmer,” and related agricultural uses.
- Aligns exemptions across property tax and business tax statutes.
- Provides municipalities and assessors with clearer guidance for implementation.

Clear statutory standards improve predictability for taxpayers while reducing administrative confusion.

## **Strengthens Local Economies and Community Investment**

Agricultural activity contributes directly to neighborhood vitality and local economic development.

- Encourages reinvestment in underutilized properties and land.
- Supports small business growth tied to farming and agricultural production.
- Helps maintain working lands and community character.

These investments benefit both urban and rural communities across Rhode Island.

## **Balances Incentives with Accountability**

S2827 includes safeguards to ensure exemptions apply only to legitimate agricultural operations.

- Requires land to be actively devoted to agricultural or horticultural use.
- Incorporates standards tied to accepted agricultural practices.
- Preserves oversight roles for local assessors and the Department of Environmental Management.

These accountability measures help ensure that tax benefits are properly administered.

## **Conclusion**

S2827 represents a thoughtful and balanced approach to supporting Rhode Island agriculture while improving consistency within the state’s tax framework. By encouraging productive land use, supporting small and urban farmers, and clarifying exemption standards, the legislation promotes economic development, sustainability, and community resilience.

For these reasons, the Rhode Island Association of REALTORS® respectfully urges favorable consideration of S2827.

Respectfully submitted,



Trevor J. Chasse  
Rhode Island Association of REALTORS®