Home > News

In Providence, trying to soften the sting of soaring assessments

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PROVIDENCE – State legislation giving communities the power to phase in new, and possibly significantly higher, property assessments over three years may be proposed by the City Council's revaluation commission.

Assessments following a revaluation are currently used immediately to calculate next year's tax bills - a method that caused headaches for nearly 4,000 city residents last year because their home values increased more than 25 percent after the revaluation.

"The 2013 revaluation, while 'revenue neutral,' contained major swings in property values that caused the tax bills for some taxpayers to increase dramatically, beyond what some were expecting or could afford," said Councilman Sam Zurier. He leads the study commission and helped create it with an ordinance he and Majority Leader Seth Yurdin introduced.

Property values dropped 13.2 percent as a whole, but neighborhoods varied significantly in value because of foreclosures and few sales in some neighborhoods reduced values overall, while in others, such as the East Side, values remained steady or increased.

With the new assessments and tax rates, the administration said the average homeowner received a 6 percent tax increase. According to the tax assessor's office, some 58 percent of the more than 35,000 properties had increases.

The commission started meeting in early October. Council staff created the recommendations based on the commission's meetings.

"The commission compared Rhode Island's system with other states and learned that there are alternatives [such as in Connecticut] that can reduce the impact of an increase by spreading it out over time," Zurier said.

If approved by the General Assembly, the phase-in option could first be available in 2016.

The commission will review, and if necessary revise, the recommendations at its next planned meeting Jan. 8 at 6 p.m. in City Hall. They will then be sent to the full council for its consideration.

Other recommendations the commission is considering are improvements to internal procedures. They include:

Improve transparency by posting a record card for every property. The card will include all information used to develop the assessment, as well as general information about how valuations are determined.

Improve communication with property owners by reaching out via the city's website, emails, social media, news releases and advertising; respond to all phone calls within 24 hours; hold community meetings before tax bills go out.

New deadlines and requirements for the hired appraisal firm, such as monthly progress reports to the tax assessor and meeting informally with taxpayers after new assessments are given; and penalties (including withholding payments) if the firm doesn't meet them.

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