STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

DIVISION OF TAXATION

ADMINISTRATIVE HEARING

FINAL DECISION AND ORDER

#2016-05

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF REVENUE
DIVISION OF TAXATION
ONE CAPITOL HILL
PROVIDENCE, RHODE ISLAND 02908

IN THE MATTER OF:	:	**Personal Income Tax**
	:	**Case No.: 16-T-0031**
Taxpayer.	:	

DECISION

I. INTRODUCTION

The above-entitled matter came before the undersigned as the result of a Notice of Hearing and Appointment of Hearing Officer dated February 5, 2015 and issued to the above-captioned taxpayer ("Taxpayer") by the Division of Taxation ("Division") in response to a request for hearing filed with the Division. A hearing was held on March 2, 2016. The Taxpayer did not appear. As the Taxpayer had been adequately notified of the hearing,[1] the hearing went forward. The Division was represented by counsel and rested on the record.

II. JURISDICTION

The Division has jurisdiction over this matter pursuant to R.I. Gen. Laws § 44-30-1 *et seq.*, R.I. Gen. Laws § 44-33-1 *et seq.*, R.I. Gen. Laws § 44-1-1 *et seq.*, *Division of Taxation Administrative Hearing Procedures Regulation AHP 97-0,* and the *Division of Legal Services Regulation 1 Rules of Procedure for Administrative Hearings.*

[1] The Notice of Hearing and Appointment of Hearing Officer was sent by first class and certified mail to the Taxpayer to the Taxpayer's address on record with the Division.

III. ISSUE

Whether pursuant to R.I. Gen. Laws § 44-33-1 *et seq*. the Taxpayer is eligible for the property tax relief for the calendar year 2014.

IV. MATERIAL FACTS AND TESTIMONY

, Principal Revenue Agent, testified on behalf of the Division. He testified that the Taxpayer requested a property tax relief credit pursuant to R.I. Gen. Laws § 44-33-1 *et seq*. See Division's Exhibits A and B (Taxpayer's 1040 and 1040H for 2014). He testified that in order to qualify for a property tax credit, there is a statutory household income limit of up to $30,000. He testified that the Division requested in person and in writing that the Taxpayer provide proof of household income for 2014. See Division's Exhibits C and D (mainframe records). He testified that since the Taxpayer did not provide proof of the household income being under $30,000, the Division denied the requested property tax relief credit.

V. DISCUSSION

A. Legislative Intent

The Rhode Island Supreme Court has consistently held that it effectuates legislative intent by examining a statute in its entirety and giving words their plain and ordinary meaning. *In re Falstaff Brewing Corp.*, 637 A.2d 1047 (R.I. 1994). If a statute is clear and unambiguous, "the Court must interpret the statute literally and must give the words of the statute their plain and ordinary meanings." *Oliveira v. Lombardi*, 794 A.2d 453 (R.I. 2002) (citation omitted). The Supreme Court has also established that it will not interpret legislative enactments in a manner that renders them nugatory or that would produce an unreasonable result. See *Defenders of Animals v. Dept. of Environmental Management,* 553 A.2d 541 (R.I. 1989) (citation omitted). In cases where a statute may contain ambiguous language, the Rhode Island Supreme Court has consistently held

that the legislative intent must be considered. *Providence Journal Co. v. Rodgers*, 711 A.2d 1131 (R.I. 1998).

B. Relevant Statutes

R.I. Gen. Laws § 44-33-1 *et seq*. provides for a property tax relief credit for eligible claimants. R.I. Gen. Laws § 44-33-9 limits to the availability of said credit to households with income of up to $30,000 for the taxable year. R.I. Gen. Laws § 44-33-9 provides in part as follows:

> Computation of credit. – The amount of any claim made pursuant to this chapter shall be determined as follows:
>
> (1) For any taxable year, a claimant is entitled to a credit against his or her tax liability equal to the amount by which the property taxes accrued or rent constituting property taxes accrued upon the claimant's homestead for the taxable year exceeds a certain percentage of the claimant's total household income for that taxable year, which percentage is based upon income level and household size. The credit shall be computed in accordance with the following table:

Income Range	1 Person	2 or More Persons
less than $6000	3%	3%
$6001-9000	4%	4%
$9001-12000	5%	5%
$12001-15000	6%	5%
$15001-30000	6%	6%

C. Discussion

Since the Taxpayer did not provide proof of her household income, she was unable to demonstrate her eligibility for said credit. Therefore, pursuant to R.I. Gen. Laws § 44-33-1 *et seq*., the Taxpayer does not qualify for the said credit for calendar year 2014. Therefore, the Division properly denied the Taxpayer's application for said credit for calendar year 2014.

VI. FINDINGS OF FACT

1. On or about February 5, 2016, the Division issued a Notice of Hearing and an Appointment of Hearing Officer to the Taxpayer.

2. A hearing was held on March 2, 2016. The Taxpayer did not appear. As the Taxpayer was adequately noticed of the hearing, a hearing was held.

3. The Taxpayer is in default for failing to appear at the hearing.

4. The Taxpayer did not provide proof that her household income was under $30,000.

VII. CONCLUSIONS OF LAW

Based on the testimony and facts presented:

1. The Division has jurisdiction over this matter pursuant to R.I. Gen. Laws § 44-33-1 *et seq*. and R.I. Gen. Laws § 44-1-1 *et seq*.

2. Pursuant to R.I. Gen. Laws § 44-33-1 *et seq*., the Taxpayer is not eligible for said credit for 2014.

VIII. RECOMMENDATION

Based on the above analysis, the Hearing Officer recommends as follows:

Pursuant to R.I. Gen. Laws § 44-33-1 *et seq*., the Taxpayer was not eligible for the property tax relief credit for calendar year 2014 and the Division properly denied her claim for said credit.

Date: 3/9/16

Catherine R. Warren
Hearing Officer

ORDER

I have read the Hearing Officer's Decision and Recommendation in this matter, and I hereby take the following action with regard to the Decision and Recommendation:

✓ ADOPT
_____ REJECT
_____ MODIFY

Dated: 3/21/16

Neena S. Savage
Acting Tax Administrator

NOTICE OF APPELLATE RIGHTS

THIS DECISION CONSTITUTES A FINAL ORDER OF THE DIVISION. THIS ORDER MAY BE APPEALED TO THE SIXTH DIVISION DISTRICT COURT PURSUANT TO R.I. Gen. Laws § 44-33-15 WHICH STATES AS FOLLOWS:

R.I. Gen. Laws § 44-33-15 provides as follows:

Appeals. – Any person aggrieved by the decision of the tax administrator denying in whole or in part relief claimed under this chapter, except when the denial is based upon late filing of claim for relief or is based upon a redetermination of rent constituting property taxes accrued as not at arms length, may appeal the decision of the tax administrator to the sixth division of the district court by filing a petition within thirty (30) days after the denial.

CERTIFICATION

I hereby certify that on the 21ST day of March, 2016, a copy of the above Decision and Notice of Appellate Rights were sent by first class mail, postage prepaid and return receipt requested to the Taxpayer's address on file with the Division of Taxation and by hand delivery to Sharon Garner, Esquire, Department of Revenue, One Capitol Hill, Providence, Rhode Island, 02908.

Lori Belasco