



**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**

**Department of Administration**  
**BUDGET OFFICE/MUNICIPAL AFFAIRS**

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October 27, 2006

To: City and Town Financial Officials

From: Peder A. Schaefer  
Chief Budget Analyst  
Budget Office - Municipal Affairs

Subject: S-3050 (Chapter 253 of the Public Laws of 2006)

The Act referenced above entitled "Relating to Taxation – Property Taxes" modified the property tax cap, limited the increase that School Committees could request from municipal funds in their annual budget proposal, amended the definition of "state mandates", and required the Office of Municipal Affairs (OMA) to conduct a property tax study.

This communication is to advise you that OMA has posted on its website ([www.muni-info.state.ri.us](http://www.muni-info.state.ri.us)) under the communications tab draft "Standards and Procedures for Property Tax Levy Cap." I would ask that you review these standards and procedures and offer your comments in writing to me directly at the above address. Comments can also be transmitted to me at [peders@budget.state.ri.us](mailto:peders@budget.state.ri.us).

By the end of the month, we will be posting at the same communications tab the calculated property tax levy cap for each municipality applicable to your Fiscal Year 2008 budget request. Later in the year, we will send you updated information on identified state mandates so that you will be able to submit cost information relating to state mandates to us by the April 1<sup>st</sup> statutory submission date.

I thank you for your attention to these responsibilities. You are also free to call me directly with comments or concerns at 222-7700.