



## THE PROVIDENCE FOUNDATION

June 11, 2020

The Honorable Rep. Marvin Abney  
Chairman, House Committee on Finance  
State House, 82 Smith Street  
Providence, RI 02903

Re: H7246, Repealing the Sunset Provision on Historic Tax Credits

Chairman Abney and Honorable Members of the Committee:

Thank you for taking the time to hear testimony on H7246, which would repeal the sunset provision attached to the State Historic Tax Credit (HTC) program. We recognize how difficult it has been for the General Assembly to meet in a pandemic environment and truly appreciate that this important bill is being heard despite those obstacles. The Providence Foundation has long supported both the HTC program and removing the sunset provision from it, and strongly encourages you to approve H7246.

The HTC program has time and again been proven to be an effective method of attracting new investments to Rhode Island, creating new jobs, and increasing tax revenue for both the State and municipalities. HTC has been instrumental to financing many major revitalization projects in downtown Providence and all over our state, and there are 36 projects on the HTC waiting list representing an estimated \$1 billion dollars in new private investment in our state. These projects will create jobs for Rhode Islanders and help our state bounce back from the COVID crisis. Moreover, each of these projects will boost State income and sales tax revenue, and the new development spurred by HTC will expand the property tax bases of our cities towns.

Another important reason to permanently lift the sunset provision is predictability. Businesses look for predictability and consistency when deciding where and how to invest. The recent cycle of adding sunsets to the HTC and then extending those sunsets creates uncertainty for businesses and investors. Removing the sunset provision once and for all would send a strong message helping our state improve its reputation as a reliable partner and a great place to do business.

On behalf of The Providence Foundation, I strongly urge you to approve H7246 removing the sunset from the State Historic Tax Credit program. Thank you for your time and consideration of this important issue.

Sincerely,

Cliff Wood  
Executive Director