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Testimony of

Christopher Carlozzi, NFIB State Director
In Support of House Bill No. 7675
Relating to Taxation – Liability and Computation
Before the House Committee on Finance
April 9, 2024

Chairman Abney and Members of the House Committee on Finance:

My name is Christopher Carlozzi. I am NFIB's state director in Rhode Island. A non-profit, non-partisan organization, NFIB is the nations and Rhode Island's largest small business advocacy group. In Rhode Island, NFIB represents hundreds of small and independent business owners involved in all types of industry, including manufacturing, retail, wholesale, service, and agriculture. The average NFIB member has five employees and annual gross revenues of about \$450,000. In short, NFIB represents the small Main Street business owners from throughout Rhode Island. On behalf of those small and independent business employers in the state I urge you to support House Bill No. 7675, phasing out the state meals tax.

Hospitality plays an important role in Rhode Island's economy. Restaurants were no doubt hit hardest by the pandemic and its aftermath. From the Covid-related closures and restrictions to supply chain shortages resulting in higher menu prices, it has been a difficult few years for the state's restaurant industry.

Phasing out the state meals tax will help encourage more residents to dine out at local, Main Street restaurants. Meal prices increased in recent years due to higher labor, food, energy, and operating expenses. Reducing and eliminating the meals tax will help lower restaurant patrons' bills and keep more money in Rhode Islanders pockets. It will incentivize increased dining in the state's restaurants and may even draw in consumers from neighboring states.

House Bill No. 7675 is an attempt to assist the state's restaurant community to increase sales, while saving money for consumers. On behalf of small businesses in Rhode Island, I urge you to support this legislation, thank you.