Chris O'Brien

From:

Barry Ahern <bahern@yatcoenergy.com>

Sent:

Monday, March 4, 2024 1:25 PM

To:

House Finance Committee

Cc:

Barry Ahern

Subject:

Chepachet Gas and Market Opposes HB 7225, Article 6

Chair Abney and Esteemed Members of the House Finance Committee,

On behalf of Chepachet Gas and Market, I am writing to express my deep concerns about HB 7225 and the proposed tax increases on tobacco and vapor products. We are a full-line convenience store that offers a wide variety of products such as gasoline, snacks, beverages, prepared foods, and tobacco and vapor products. I am writing today to oppose HB 7225.

Please consider that the proposed tax hike on cigarettes to \$4.50 per pack would make Rhode Island's tax higher than both Connecticut and Massachusetts. This would likely drive smokers to purchase their products over state lines, resulting in lost revenue for Rhode Island businesses. Furthermore, such tax increases could lead individuals to buy cigarettes online or on the streets from criminals, where they do not check IDs to verify age. This would certainly undermine

public health and safety efforts.

Additionally, targeting a shrinking segment of the population, as the adult smoking population continues to decline year after year, is not a sustainable approach to generating state revenue.

The proposed 80% tax on vapor products is also concerning. Many of our customers have turned to vapor products as a potentially safer alternative to smoking cigarettes. However, the reality is imposing such a high tax on adult vapor users could push them back to smoking cigarettes. I do not think that is the intentions of our elected officials.

I ask this committee to vote against HB 7225 to protect local businesses, protect public health, and avoid the many unintended consequences that come with high tax rates.

Thank you for your time and consideration

Warm Regards Barry Ahern

Barry S. Ahern

Vice President of Retail Operations

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