



March 5, 2024

Honorable Marvin Abney
Chairman, House Finance Committee
State House
Providence, RI 02903

RE: H.7225 – Article 6 Section 13 – Taxation – Sales and Use Tax Exemption Filing Fee

Dear Chairman Abney and Committee Members,

The undersigned members of the Rhode Island Business Coalition would like to express our support for the Governor's proposal to eliminate the current \$25 Sales and Use Tax Filing Fee as proposed in Article 6 Section 12.

Many times, we have heard complaints related to this fee, not due to the amount, but based on the idea that retail businesses that apply for a sales tax collection exemption must pay the State of Rhode Island for the privilege of requesting the exemption.

The Governor's budget office believes the elimination of the tax will result in a loss of \$7,000 in revenue in FY2025 and a loss of \$14,000 in FY2026. This is a very little amount to recognize the millions of dollars retailers add to the State's coffers each year.

For these reasons, we ask you to support the Governor's proposed change to tax law. Thank you for your consideration.

Sincerely,

Associated Builders and Contractors, Rhode Island

East Greenwich Chamber of Commerce

Energy Marketers Association Rhode Island

National Federation of Independent Business

North Kingstown Chamber of Commerce

Rhode Island Beverage Association

Rhode Island Builders Association

Rhode Island Business Group on Health

Rhode Island Hospitality Association

Rhode Island Lumber and Building Materials Dealers Association

Rhode Island Manufacturers Association

Rhode Island Marine Trades Association

Rhode Island Mortgage Bankers Association

Rhode Island Partnership for Home Care

Rhode Island Small Business Economic Summit Regulations Committee

Rhode Island Society of Certified Public Accountants

Rhode Island Staffing Association

Sustainable Benefits Strategies, LLC

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.