



May 6, 2025

The Honorable Marvin L. Abney  
Chair, House Finance Committee  
Rhode Island State House, 82 Smith Street, Providence, Rhode Island 02903

**RE: Support for HB 5473 – An Act Relating to Taxation – Personal Income Tax; and  
HR 5477 – Joint Resolution – Making an Appropriation of \$500,000 to Establish a  
Statewide Main Street Coordinating Program**

Dear Chair Abney and Members of the Committee,

On behalf of One Neighborhood Builders, a Rhode Island housing and community development organization based in Providence, I write in support of House Bill 5473, introduced by Representative Alzate, which would create a three percent (3%) surtax on incomes over \$625,000, and House Resolution 5477, introduced by Representative Handy, which would provide funds for Grow Smart RI to work with Main Street America to bring training programs to Rhode Island communities.

HB 5473 would generate much needed revenue for Rhode Island infrastructure and government programs in the wake of likely federal cuts to public benefits and a state budget deficit. According to the Revenue for Rhode Islanders coalition, the state Fiscal Year 2026 budget has a \$220 million deficit, and this tax would generate \$190 million in revenue in Fiscal Year 2026. The top one percent of earners in Rhode Island pay a much lower percentage in taxes as a share of their income (top 1% of earners pay 8.6% of their income toward state and local taxes) than lower-income Rhode Islanders (lowest 20% of earners pay 13.3%), according to the [Institute of Taxation and Economic Policy's 2024 analysis](#). This increase in state taxes would not likely impact people moving out of state, per [the Center on Budget and Policy Priorities' analyses](#), and would not impact a significant number of businesses. Massachusetts has implemented a similar tax law, which has generated revenue for critical infrastructure improvements. Rhode Island could use this revenue to better fund services Rhode Islanders rely on, including childcare, education, senior services, and public transit.

A statewide, coordinated approach to Main Streets in HR 5477 would provide the structure and support for local efforts to grow and promote downtowns and neighborhood centers. This bill would build on similar programs in 42 other states and the District of Columbia that have successfully increased economic development in commercial districts.

I encourage the committee to pass these bills to support the vitality of Rhode Island and its communities. I am happy to talk further about these issues, please feel free to reach out to me at [chapman@onenb.org](mailto:chapman@onenb.org).

Thank you for your consideration.

Sincerely,

66 Chaffee Street  
Providence, RI 02909

info@onenb.org  
401-351-8719

[oneneighborhoodbuilders.org](http://oneneighborhoodbuilders.org)



Peter H. Chapman  
President & CEO, One Neighborhood Builders

66 Chaffee Street  
Providence, RI 02909

[info@onenb.org](mailto:info@onenb.org)  
401-351-8719

[oneneighborhoodbuilders.org](http://oneneighborhoodbuilders.org)