

From: Michael Tasca Sr <mtasca@tasca.com>
Sent: Monday, May 5, 2025 6:31 PM
To: House Finance Committee
Subject: Opposition to House Bill No. 6256

May 5, 2025

House Finance Committee
Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

Via Email: HouseFinance@rilegislature.gov

Subject: Testimony – Opposition to House Bill No. 6256

Dear Members of the House Finance Committee,

I am writing to strongly oppose House Bill No. 6256, which seeks to repeal the property and sales tax exemptions for boats in Rhode Island. As a recreational boater and customer of Harbor Lights Marina, I urge you to preserve these exemptions, which are vital to Rhode Island's economy, marine industry, and fiscal health. Below are concise reasons why the tax exemptions must remain in place, alongside a call for fiscal responsibility given Rhode Island's outsized state budget.

1. ****Economic Backbone of the Marine Industry****: The boat tax exemptions have supported Rhode Island's marine industry for over 40 years, sustaining more than 13,000 jobs and driving economic activity. Repealing them would deter boat purchases and ownership, reducing revenue for marinas, repair shops, and local businesses, which are critical to the state's economic vitality.
2. ****Preserving Tourism and Competitiveness****: Rhode Island's tax-friendly boating policies have made it a premier destination, attracting boaters regionally and nationally. Imposing sales and property taxes would push boaters to states like Massachusetts or Connecticut, where per capita state spending is lower (\$8,271 and \$7,250 vs. Rhode Island's \$13,028), eroding tourism revenue and diminishing Rhode Island's boating hub status.
3. ****Avoiding Burden on Residents****: An annual property tax on boats, combined with a sales tax on purchases, would place a heavy financial burden on boaters like myself. These costs could make boating unaffordable, prompting owners to relocate or sell their boats, which would devastate local marinas and reduce tax revenue from related economic activity.
4. ****Fiscal Responsibility Amid a Massive Budget****: Rhode Island's proposed \$14.2 billion budget for FY 2026 is disproportionately large, with per capita spending of \$13,028—far exceeding larger states like Massachusetts (\$8,271) and New Jersey (\$6,011). Facing a \$398.2 million deficit, Rhode Island must prioritize fiscal restraint. Repealing the boat tax exemptions risks shrinking a key revenue-generating industry, when instead, the state should streamline spending and preserve policies that bolster economic growth, like the boat tax exemptions.

House Bill No. 6256 threatens Rhode Island's economic and cultural identity as a boating leader. Rather than imposing new taxes that could drive away jobs and revenue, Rhode Island should model fiscal responsibility by maintaining policies that support thriving industries. I respectfully urge you to vote against this bill and protect the boat tax exemptions that strengthen our state.

Sincerely,
Michael Tasca
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