



May 28, 2025

The Honorable Marvin Abney
Chairman, House Finance Committee
Room 35
Rhode Island State House
Providence, Rhode Island 02903

Dear Chairman Abney and Members of the House Finance Committee,

The Rhode Island Retail Federation strongly opposes H 6365, which would establish a new tax on retail deliveries in our state.

Delivery taxes are bad for business and bad for consumers. They increase operational costs, depress wages, and ultimately get passed down to the end customer in the form of higher prices. This is particularly harmful for local retailers who rely on delivery business to remain competitive with national chains.

Even with exemptions for small businesses in place, taxing retail deliveries would still inflict economic harm across the retail sector. Approximately 85% of Rhode Island merchants active on DoorDash at the end of 2024 had three or fewer stores. These are true small businesses—corner stores, local restaurants, family-run shops—already operating on thin margins and trying to survive in an inflationary environment.

We are also deeply concerned about the impact on delivery workers, many of whom rely on this income to make ends meet. When a tax discourages customers from ordering, workers lose shifts and tips. It's a lose-lose scenario for everyone involved.

At a time when Rhode Island is working hard to grow its economy, H 6365 sends the wrong message to both businesses and consumers. We respectfully urge you to oppose this bill.

Sincerely,

Laurie White

Laurie White
President
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