

May 29, 2025

The Honorable Marvin Abney House Finance State House Providence RI 02903

RE: H.6365, An Act Relative to Taxation - Retail Delivery Fee

Dear Chairman Abney and Committee Members:

The Northern RI Chamber of Commerce (NRICC) represents businesses in the communities of Burrillville, Central Falls, Cumberland, Foster, Glocester, Johnston, Lincoln, North Providence, North Smithfield, Pawtucket, Scituate, Smithfield and Woonsocket. The Chamber opposes the passage of H.6365, An Act Relative to Taxation – Retail Delivery Fee.

H.6365 imposes a fifty-cent (\$.50) delivery fee on each vehicle delivery made by a retailer with gross revenues from sales of \$500,000 or more annually. There are a few exemptions, but this tax will be felt by both individual customers and businesses. A delivery tax would be damaging to local businesses, including those who manage their own delivery fleets and those who use a third-party delivery entity to drive extra revenue and profits. The tax will also be felt deeply by the many small, home-based businesses that operate in our state and receive supplies at those homes.

While the tax will increase the costs of goods, further exasperating the inflation Rhode Island businesses and individuals are experiencing, it will also place another logistical burden on businesses who will have to track, collect, remit and document the new tax as audits will surely follow at some time.

This year, several states dealing with budget shortfalls have looked at a delivery tax. **All of them** so far have rejected the idea. This includes Maryland, Connecticut, Indiana, Hawaii, Maine, and Mississippi.

For these reasons, we oppose the passage of H.6365. Thank you for your time and consideration.

Respectfully,

Lenette Horry-Menard Lenette Forry-Menard Legislative Lobbyist

10 Lincoln Drive, North Smithfield RI 02896