



May 7, 2026

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

Dear Chairman Abney,

On behalf of the Rhode Island Society of Certified Public Accountants (RISCPA), and in my capacity as Vice Chair of the RISCPA Tax Committee, I respectfully submit this testimony in support of H7312, which would increase the Rhode Island estate tax exemption from \$1,898,056 to \$15,000,000 for deaths that occur after January 1, 2027.

Rhode Island's estate tax exemption has not kept pace with economic realities, inflation, and the substantial growth in asset and property values over the past several decades. As tax practitioners who work directly with Rhode Island families, business owners, retirees, and fiduciaries, RISCPA members routinely see the unintended consequences of the state's comparatively low exemption threshold.

Many individuals subject to the Rhode Island estate tax are not ultra-high-net-worth taxpayers, but rather middle-class long-term residents whose estate primarily consist of closely held businesses, retirement assets, and appreciated real estate. In numerous cases, families are compelled to engage in costly and complex estate planning solely to mitigate exposure to a state-level estate tax that is significantly out of alignment with the federal exemption and with the policies of many competing states. This bill would align Rhode Island with Federal standards, reducing costs of estate planning for many families.

H7312 would modernize Rhode Island's estate tax framework and improve the state's economic competitiveness. Estate tax policy is frequently a factor in residency decisions, particularly among retirees and business owners. Rhode Island's relatively low exemption creates an incentive for high-income and high-net-worth residents to establish domicile elsewhere, resulting in the loss of ongoing income tax revenue, investment activity, charitable contributions, and local economic participation. Many residents have lived here their entire lives but move to states like Florida & Texas in order to avoid the estate tax. In many cases residents aren't selling their houses, they continue to live in RI part time, but all of their income & assets are apportioned to a lower tax jurisdiction, taking from tax revenue in other areas as well.

Additionally, raising the exemption would help preserve family-owned businesses and multigenerational assets by reducing the likelihood that heirs must liquidate operating businesses, investment property, or family real estate to satisfy estate tax liabilities.

RISCPA believes H7312 represents a thoughtful and appropriate modernization of Rhode Island tax policy that would enhance the state's competitiveness, encourage long-term residency, and reduce unnecessary complexity for taxpayers.

We respectfully urge the Committee to support H7312.

Respectfully submitted,

Brandon England  
Vice Chair, Tax Committee  
Rhode Island Society of Certified Public Accountants

cc. House Finance Committee members