



May 5, 2026

The Honorable Marvin Abney, Chairperson
House Finance Committee
82 Smith Street
Providence, Rhode Island 02903

RE: H7312- ESTATE TAX EXEMPTION TO \$15 MILLION

Dear Chairperson and Committee Members:

On behalf of the Rhode Island Association of REALTORS® (RIAR), we respectfully submit this testimony in support of H7312. RIAR represents more than 5,900 licensed real estate professionals who work every day in the listing, sale, leasing, management, and appraisal of residential and commercial real estate and who are committed to fair housing practices, consumer protection, and stable housing markets, to make Rhode Island a better place to call home.

H7312 would increase the Rhode Island estate tax exemption to \$15 million for decedents dying on or after January 1, 2027, while maintaining the existing framework for calculating estate tax liability. By substantially raising the exemption threshold, the legislation reduces the number of estates subject to taxation and aligns Rhode Island more closely with other states that have modernized their estate tax policies.

Supports Housing Stability and Generational Property Transfer

H7312 helps ensure that family-owned homes and real estate assets can be transferred without triggering significant tax burdens.

- Preserves intergenerational homeownership by reducing forced sales to satisfy estate tax obligations.
- Protects long-held family properties that contribute to neighborhood stability.
- Minimizes disruptions to housing inventory caused by estate-related liquidations.

Maintaining continuity in property ownership strengthens communities and supports long-term housing stability.

Enhances Rhode Island's Economic Competitiveness

Rhode Island's current estate tax structure can influence residency decisions, particularly for retirees and high-net-worth individuals. H7312 addresses this concern.

- Aligns the state more closely with jurisdictions that have higher or no estate tax thresholds.
- Encourages individuals to establish and maintain residency in Rhode Island.
- Reduces incentives for out-migration driven by tax considerations.

A more competitive tax environment supports economic growth and preserves the state's tax base over time.

Promotes Investment in Real Estate and Local Communities

By reducing future tax exposure, H7312 creates a more predictable environment for long-term investment.

- Reinforces confidence in retaining and improving real estate assets.
- Encourages continued investment in residential and commercial properties.
- Supports broader economic activity tied to property ownership and development.

Greater certainty in tax policy allows property owners to plan and invest with confidence.

Reduces Administrative Complexity and Financial Strain

Estate tax compliance can impose significant administrative and financial burdens on families. H7312 alleviates these challenges for many Rhode Islanders.

- Limits the number of estates subject to complex tax filings and valuations.
- Eases administrative burdens on executors and beneficiaries.
- Mitigates liquidity pressures that can force premature asset sales.

Simplifying estate administration benefits families during already difficult circumstances.

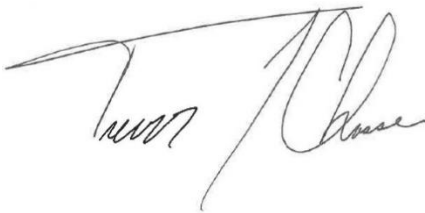
Conclusion

H7312 represents a meaningful step toward modernizing Rhode Island's estate tax structure. By increasing the exemption threshold, the legislation supports housing stability, strengthens economic competitiveness, and promotes long-term investment in Rhode Island communities.

For these reasons, the Rhode Island Association of REALTORS® respectfully urges favorable consideration of H7312.

Thank you for your time and consideration.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Trevor J. Chasse". The signature is fluid and cursive, with a long horizontal stroke at the beginning.

Trevor J. Chasse
Advocacy Manager
Rhode Island Association of REALTORS®