

Greetings House Finance Members,

My name is Claudia Espailat, I live in 70 Warwick Ave Cranston, RI 02905 and I am testifying in strong support of H-7313, Rep. Alzate's proposal to tax the Top 1%. H-7313 would raise \$203 million/year for RI by creating a 3% tax on income OVER \$640,000/year (the top 1% of income earners in the state). H-7313 would raise \$68 million more/year than the Governor's proposed millionaires tax (which would only raise \$135 million/year)

In July 2025, the federal government cut trillions of dollars in funding for healthcare and SNAP to give tax breaks to the rich, and it is only fair that we recapture some of that revenue for Rhode Island. The average member of the Top 1% in RI is getting a federal tax break of nearly \$59,000 this year. H-7313 would only affect 6,100 households, while providing \$203 million/year that the state could invest in healthcare, food assistance, affordable childcare, public education, public transportation, and senior services that families and businesses need to thrive. Because of federal cuts, RI will lose more than \$275 million/year in federal Medicaid funding beginning in FY2028 – RI needs this revenue to prevent a healthcare sector crisis. I urge you to pass H-7313.

Additionally, I strongly oppose any attempts to weaken or eliminate the estate tax (which raises almost \$100 million/year in revenue that we need). I also strongly oppose any attempts to eliminate tax on social security income (which raises \$60 million/year in revenue that we need), because seniors earning less than \$134,000/year (\$107,000/year for single filers) are already exempt from paying taxes on their social security income. Both of these proposals would primarily benefit the richest 20% of Rhode Islanders, while providing no relief for those who need it most.

Thank you,

Claudia Espailat

Rhode Island Resident