



May 8, 2026

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

HouseFinance@rilegislature.gov

OPPOSE H. 7313 – An Act Relating to Taxation – Personal Income Tax

Dear Chairman Abney and Members of the Committee:

On behalf of the Greater Providence Chamber of Commerce, I am writing to express our opposition to H. 7313, which would impose an additional three percent (3%) personal income tax on higher-income earners in Rhode Island.

This proposal raises significant concerns about Rhode Island's economic competitiveness and long-term growth. The bill would add a new tax layer on income above approximately \$640,000, effectively increasing the marginal tax burden on many business owners, investors, and job creators.

Many of the individuals impacted by this proposal are not just wage earners—they are small business owners whose income is reported through the personal income tax system. Increasing their tax burden reduces the capital available to reinvest in their businesses, hire employees, expand operations, and support local communities.

At the same time, neighboring Massachusetts is already experiencing the unintended consequences of a similar policy. Early indications show that higher earners are exploring relocation options in response to that state's "millionaire's tax." Rhode Island should be positioning itself to benefit from this regional dynamic—attracting residents, investment, and economic activity—not adopting policies that mirror those driving people away.

Rhode Island already faces well-documented challenges in retaining and attracting high-income residents. Enacting this additional tax risks accelerating outmigration and discouraging new investment at a time when we should be strengthening our competitive position.

We are also concerned about the long-term revenue implications. Policies that narrow the tax base by driving away high earners can ultimately undermine revenue stability rather than enhance it. A competitive, growth-oriented tax structure is more likely to generate sustainable revenue over time.

The Chamber believes that Rhode Island's focus should be on policies that encourage economic growth, support employers, and make the state more competitive regionally—not less. We urge the Committee to carefully consider the potential unintended consequences of this proposal.

Thank you for your consideration of our perspective. We respectfully urge the Committee to oppose H. 7313.

Sincerely,



Laurie White
President
Greater Providence Chamber of Commerce