



Testimony in Support of H-7313 – a Proposal to Tax the Top 1%

House Committee on Finance

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The Revenue for Rhode Islanders Coalition represents 30 organizations that urge passage of Rep. Alzate’s H7313, which would raise \$203 million/year in new revenue that could be used to fund much-needed investments in healthcare, childcare, public education, public transportation, senior services, and food assistance.

Rhode Islanders need and deserve tax fairness. The state is facing a \$100 million budget deficit for FY2027, and in July 2025, the One Big Beautiful Bill Act (also known as H.R.1) cut more than one trillion dollars in federal funding for healthcare and food assistance to pay for tax breaks for the wealthiest Americans; as a result, **the top 1% in RI are getting an average federal tax break of nearly \$59,000** this year. Meanwhile, H.R.1 will cause 53,000 Rhode Islanders to lose health insurance and 14,000 Rhode Islanders to be at risk of losing SNAP. Beginning FY2028, **H.R.1 will cause RI to lose more than \$400 million per year in federal funding, including \$275 million per year in federal Medicaid funding alone.** Unless lawmakers act now to raise revenue, Rhode Islanders and our healthcare system will fall into states of emergency.

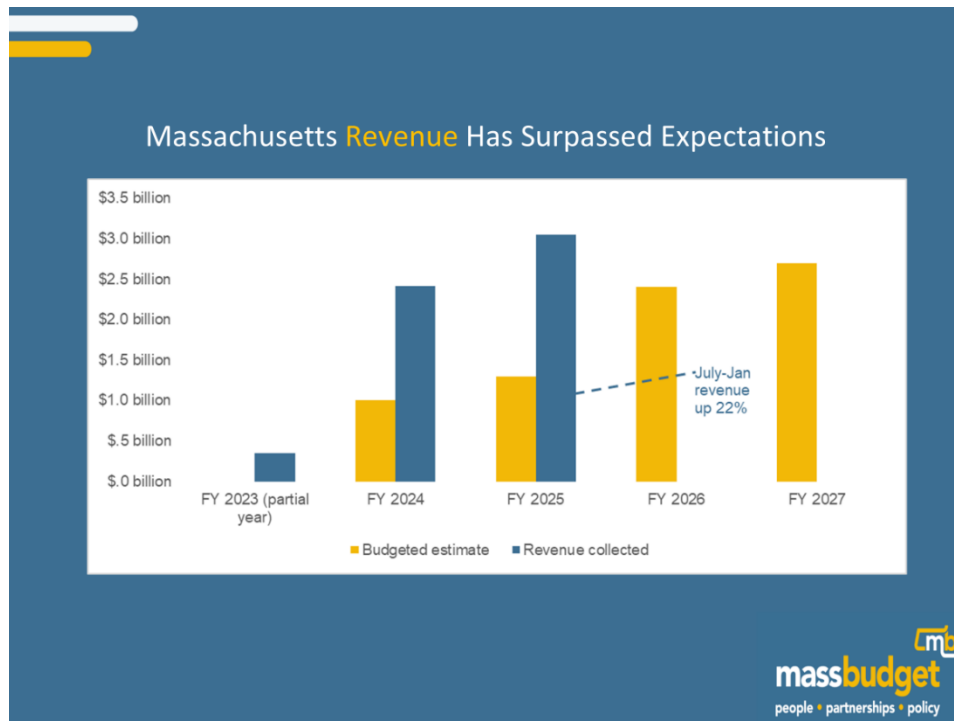
Rep. Alzate’s H-7313 would:

- Generate \$203 million in annual revenue (that’s \$68 million more per year than the proposed millionaires tax, which would only generate \$135 million/year).
- Tax the top 1% of income earners in RI by creating a 3% surtax only on income ABOVE \$640,000 (after all deductions); this would not touch the first \$640,000 in income.
- Affects only 6,100 households (the proposed millionaires tax would affect 2,300 households).

When everyone pays their fair share, everyone wins. But right now, the lowest income earners in RI pay a larger percentage of their income in state and local taxes than the top 1%. That is unfair and unjust. We implore you not to balance the budget on the backs of Rhode Islanders who are already struggling to meet their basic needs.

Regarding concerns that many high-income earners will leave the state if such a proposal is enacted, the evidence simply does not support such claims. The Massachusetts Fair

Share Amendment has proven a runaway success, with annual revenue collections and estimates above \$3 billion — and without any evidence of massive tax flight. Rhode Islanders overwhelmingly support tax fairness policies like taxing the top 1%. Your constituents are calling on you to rise to the occasion, to listen to their voices, and to invest in the programs and services that sustain and uplift us all. **We urge the General Assembly to pass this legislation and invest in a Rhode Island where everyone — not just the 1% — can thrive.**



Revenue for Rhode Islanders Member Organizations:

- AFL-CIO of Rhode Island
- Black Lives Matter RI PAC
- Carpenters Local 330
- Center for Youth & Community Leadership in Education (CYCLE)
- Coalition of Labor Union Women RI
- Economic Progress Institute
- Direct Action for Rights and Equality (DARE)
- IFTPE Local 400
- Interfaith Coalition to Reduce Poverty
- Latino Policy Institute
- National Education Association Rhode Island (NEARI)
- Planned Parenthood Votes! of RI
- Parents Leading for Educational Equity (PLEE)
- Protect Our Healthcare Coalition

Providence Central Labor Council
RI Association for Infant Mental Health
RI Black Business Association (RIBBA)
RI Coalition Against Domestic Violence
RI Coalition for Children and Families
RI Coalition for the Homeless
RI Federation of Teachers and Health Professionals (HPRIFT)
RI Kids Count
RI National Organization for Women
RI Working Families Power
Save RIPTA
SEIU 1199NE
SEIU Local 580
Senior Agenda Coalition
The Right from the Start Coalition
UNITE HERE Local 26
URI American Association of University Professors (AAUP)
Women's Fund of RI Workforce Alliance