



May 4, 2026

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

**RE: TESTIMONY IN SUPPORT OF HOUSE BILL 7594
AN ACT RELATING TO TAXATION – PERSONAL INCOME TAX**

Chair Abney and Members of the House Finance Committee:

On behalf of United Way Rhode Island, we strongly support H 7594 which raises the earned-income tax credit to 30% for the tax years 2027 and beyond. United Way's policy and advocacy efforts follow our strategic framework: **Strong Families, Strong Nonprofits, Strong United Way**. We prioritize policies that strengthen household stability, expand access to opportunity, and ensure public investments deliver measurable value.

United Way of Rhode Island partners with the IRS to deliver VITA (Volunteer Income Tax Assistance) programs at 23 sites across Rhode Island, and we're excited to release the preliminary results from the 2025 tax season (filed before April 15, 2026). VITA provides free, basic tax return preparation to low-to-moderate income (less than \$69k), disabled, elderly, or limited English-speaking individuals. Volunteers are trained to prepare tax returns by the IRS and every return is subjected to a quality review.

In Rhode Island, volunteers filed 9,470 federal returns that secured \$15,064,727 in federal refunds including \$4,490,723 in federal EITC. Volunteers filed 10,627 RI returns, securing \$6,285,063 in state refunds. The average federal EITC per filer was \$1,818. By the IRS's calculations, about 20% of Rhode Islanders eligible for VITA and EITC are not currently using the service or getting the credit. United Way of Rhode Island is committed to delivering VITA to communities that would otherwise spend a great deal on a preparer or simply not file at all.

Raising the RI EITC delivers cash directly to working Rhode Islanders. At the current rate of 16%, the average RI EITC for VITA filers is \$290.88. As a credit, this reduces the filer's taxable income, and as a fully refundable credit, it contributes to a higher tax refund. At the proposed rate of 30%, the average RI EITC for a VITA filer for this year would be \$545.40. An additional \$254.52 for working Rhode Island households goes a long way to cover rising costs of housing, healthcare, and childcare.

United Way of Rhode Island respectfully urges your support for H 7594 and thanks you for sharing our commitment to the economic security of **Strong Families**.

Very best,
Peggy Afonso



Housing and Economic Development Policy, United Way Rhode Island