



May 21, 2026

Honorable Marvin L. Abney  
Chairman, House Finance Committee  
Rhode Island State House  
82 Smith Street  
Providence, RI 02903

**Re: HB8190 - Support**

Dear Chairman Abney:

On behalf of the Rhode Island Business Leaders Alliance (the “Alliance”), I write in support of H8190 – An Act Relating to Taxation -- Estate and Transfer Taxes -- Liability and Computation.

H8190 would phase in substantial increases to Rhode Island’s estate tax threshold over time. For decedents whose death occurs on or after January 1, 2027, the tax would apply only if the net taxable estate exceeds \$5,000,000; for decedents whose death occurs on or after January 1, 2029, the threshold would rise to \$7,500,000; for decedents whose death occurs on or after January 1, 2031, the threshold would rise to \$10,000,000; and for decedents whose death occurs on or after January 1, 2033, the estate tax would be eliminated entirely. The bill also provides for annual CPI-based adjustments after each threshold change.

The Alliance supports H8190 because it represents a clear and phased effort to improve Rhode Island’s long-term competitiveness. Estate tax policy matters in a small state competing for residents, investment, and multigenerational business activity. For closely held businesses, family-owned companies, and long-time Rhode Island residents making planning decisions about where to live, invest, and keep assets, estate tax exposure can be a meaningful factor. H8190 sends a positive signal that Rhode Island intends to become a more attractive place to build, retain, and transition wealth over time. The bill’s phased structure supports that inference by progressively raising the exemption and then eliminating the tax beginning in 2033.

The gradual structure of the bill is also significant. Rather than making an immediate one-step change, H8190 increases the exemption in stages over several years before ultimately repealing the tax for future decedents. That approach gives taxpayers, families, advisors, and businesses time to plan and adjust, while also giving the State a defined transition period. Under the bill, the

first major increase would take effect for decedents dying on or after January 1, 2027, followed by subsequent increases in 2029 and 2031, with full elimination beginning January 1, 2033.

From the business community's perspective, this matters especially for family businesses and closely held enterprises. Estate taxes can complicate succession planning, capital retention, and intergenerational transfer of ownership. A higher exemption threshold reduces the risk that assets will need to be sold, restructured, or diverted in ways that can undermine business continuity. While the bill is framed as an estate tax measure, its practical effect can extend to long-term decisions about whether businesses and business owners remain rooted in Rhode Island. That business impact is an inference from the bill's increase in the exemption amounts and eventual repeal of the tax.

The Alliance also appreciates that H8190 preserves an orderly statutory framework during the transition. Rather than simply repealing the chapter at once, it sets out clear threshold amounts for successive periods and maintains CPI-based annual adjustments after each new threshold takes effect. That level of predictability is helpful for planning and administration alike.

At a time when Rhode Island should be focused on strengthening its business climate and encouraging long-term investment, H8190 is a constructive step. By phasing in higher estate tax thresholds and ultimately eliminating the tax beginning in 2033, the bill promotes competitiveness, supports succession planning, and helps make Rhode Island a more attractive place for families and business owners to remain and invest.

For these reasons, the Alliance respectfully urges the Committee's favorable consideration of H8190.

Respectfully submitted,

[Gregory Tumolo](#)

Executive Director

Rhode Island Business Leaders Alliance

CC: Members of the House Finance Committee