

**DR** Rhode Island Department of Revenue  
Division of Taxation

*Via Electronic Mail*

March 31, 2026

The Honorable Stephen M. Casey  
Chair, House Committee on Municipal Government and Housing  
Rhode Island State House  
Providence, RI 02903

**RE: Letter Regarding House Resolution 8349 – Creating a Special Legislative Commission to Study and Provide Recommendations for Amending Rhode Island General Law § 44-3-3**

Dear Chair Casey:

I am writing on behalf of the Rhode Island Department of Revenue, Division of Taxation (“Division”), to: i) express concerns regarding issues with proposed House Resolution 8349 as currently drafted; ii) explain the background and current statutory context in order to clarify the intended and unintended consequences of this resolution; and iii) make recommendations and request your support in implementing those recommendations.

This letter is not intended as a position in support of or opposition to the resolution, but only as recommendations on drafting to provide clarity in the resolution and to aid tax administration and compliance.

As you know, this resolution would create a nine (9) member special legislative commission to study and provide recommendations for amending R.I. Gen. Laws § 44-3-3, entitled “Property Subject to Taxation – Property exempt.” As related to Taxation, the commission would include the Tax Administrator and “a member of the Fraud – Special Investigation Unit . . . .” The commission would report its findings and recommendations to the House of Representatives no later than January 5, 2027, and it shall expire on March 5, 2027.

As currently drafted, the resolution would designate “a member of the Fraud – Special Investigation Unit to become a member of the special legislative commission to study and provide recommendations to amend Rhode Island General Laws § 44-3-3 . . . .” However, designating someone from the Division’s Special Investigation Unit (“SIU”) would be misleading given the actual responsibilities of SIU. SIU is responsible for investigating matters such as Cigarette Tax, Motor Fuel Tax, Other Tobacco Products Tax, Electronic Nicotine-Delivery Systems Tax, and Cannabis Tax, not fraud or non-profit organizations. A proper designation would be a member of the Division’s Audit Unit or such other staff relevant to the analysis. Additionally, as the bill is currently drafted, one third of the commission would be staff of the Department of Revenue, which may not have been the intent of the drafter. Therefore, the Division respectfully suggests that the resolution be redrafted for clarity.

The Division takes no position with respect to the remainder of the proposed legislation. Rather, the Division is concerned solely with the issues of clarity, tax compliance, and tax administration. As such, the Division respectfully suggests that the resolution be redrafted for clarity.

I look forward to working with you to address the issue raised in this letter and appreciate your consideration.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Msavage", written in a cursive style.

Neena S. Savage  
Tax Administrator

cc: The Honorable Members of the House Committee on Municipal Government and Housing  
(via: [HouseMunicipalGovernmentandHousing@rilegislature.gov](mailto:HouseMunicipalGovernmentandHousing@rilegislature.gov))  
The Honorable Scott A. Slater ([rep-slater@rilegislature.gov](mailto:rep-slater@rilegislature.gov))  
Nicole McCarty, Esquire, Chief Legal Counsel to the Speaker of the House  
Lynne Urbani, Director of House Policy  
Jane E. Cole, Interim Director, Department of Revenue