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Testimony of  
Christopher Carlozzi, NFIB State Director  
In Support of Senate Bill No. 2022  
Relating to Taxation- Business Corporation Tax  
May 28, 2026

Chairman DiPalma and Members of the Senate Committee on Finance:

My name is Christopher Carlozzi. I am the Rhode Island State Director for NFIB. A non-profit, non-partisan organization, NFIB is the nation's and our state's largest small business advocacy group. In Rhode Island, NFIB represents hundreds of small and independent business owners involved in all types of industry, including manufacturing, retail, wholesale, service, and agriculture. The average NFIB member has five employees and annual gross revenues of about \$450,000. NFIB represents the small Main Street business owners from throughout Rhode Island. On behalf of those small and independent business employers, we support Senate Bill No. 2022 eliminating the corporation minimum tax.

Current law requires that corporations pay a minimum business corporation tax of \$400 annually without regard to whether the corporation actually made a profit during the year. Senate Bill No. 2022 will eliminate the tax completely for all Rhode Island businesses. The current minimum tax of \$400 is unfair to struggling business enterprises, discourages entrepreneurs, and has a disproportionate negative impact on smaller businesses. When comparing to neighboring states, Rhode Island's current minimum tax may be below the \$456 Massachusetts tax, but still higher than the \$250 minimum in Connecticut. Since small entrepreneurial businesses are the predominant creator of new jobs and the driver of economic growth in Rhode Island, it would make sense to encourage expansion and entrepreneurship by lowering this unfair provision in the state tax laws.

In recent years, Rhode Island recognized the inequity of taxing small businesses whether or not they make a profit by lowering the minimum tax to the current level. On behalf of the state's small businesses, we urge you to support the elimination of the minimum corporate tax. Thank you.