



Senator Louis DiPalma, Chair

Senate Finance Committee

May 28, 2026

**Support for S2028 – Digital Ads Tax**

Chair DiPalma and Members of the Committee,

Rhode Island Working Families Power writes in strong support of S2028, which would impose a sales tax on digital advertising from some of the largest corporations in the world to support the services our communities rely on.

Working Families Power advocates for policies that promote economic justice and allow all residents to provide for themselves and their families and contribute to their communities. This bill would advance those goals by making our tax code more equitable and generating sustainable revenue for investments in child care, education, housing, transportation, and healthcare.

S2028 from Sen. Kallman would tax the revenue that major corporations and monopolies make from digital advertising in RI. This would only apply to corporations with \$1 million in gross revenue from these digital advertising services. This would affect only major corporation entities and not small business or traditional media. For scale, Alphabet, Meta, and Amazon together bring in over \$250B annually in ad sales - this is 1.2% of all US consumer purchases. Taxing a very small amount of this advertising revenue would bring in a significant amount for our state; if a tax on all advertising excluding traditional media were enacted in Rhode Island, this would raise at least \$91M annually

We urge you to move forward S2028 and take an important step toward a fairer tax system for Rhode Island.

Respectfully submitted,

Jivan Sobrinho-Wheeler

Progressive Governance Director

Rhode Island Working Families Power