



April 30, 2026

The Honorable Louis P. DiPalma
Chairman, Senate Finance Committee
Rhode Island State House
Providence, RI 02903

SenateFinance@rilegislature.gov

Oppose - Senate Bill S. 3154 – Wealth Proceeds Tax

Dear Chairman DiPalma and Members of the Committee:

I am writing on behalf of the Greater Providence Chamber of Commerce to express our opposition to S. 3154, which would impose a new four percent tax on certain investment income for higher-income individuals, estates, and trusts.

This proposal would have a serious impact on Rhode Island's economic competitiveness and long-term growth. S. 3154 would effectively create a new layer of taxation on capital gains, dividends, and other forms of investment income—income that is often reinvested into local businesses, real estate, and job-creating enterprises.

For many small and family-owned businesses, particularly those structured as pass-through entities, investment income is not abstract wealth—it is a critical source of capital used to expand operations, purchase equipment, and support payroll. Imposing an additional tax on these proceeds risks discouraging that reinvestment at a time when Rhode Island should be doing everything possible to encourage business growth and job creation.

We are also concerned about the signal this sends to current and prospective residents. Rhode Island already faces stiff competition from neighboring states for talent, entrepreneurs, and investment. Policies that increase the tax burden on mobile capital and high earners may accelerate outmigration and make it more difficult to attract the very individuals who drive innovation and economic activity.

This proposal comes at a time when affordability remains a top concern for Rhode Islanders. Rather than pursuing targeted reforms that improve efficiency and maximize the value of

existing resources, S. 3154 relies on increasing taxes in a way that could have unintended ripple effects throughout the broader economy.

For these reasons, we respectfully urge the Committee to oppose S. 3154. We remain committed to working collaboratively with policymakers on solutions that strengthen Rhode Island's economy, support employers, and create opportunities for all residents.

Thank you for your consideration.

Sincerely,



Laurie White
President
Greater Providence Chamber of Commerce