



June 9, 2026

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

Re: S.3367, Substitute A, An Act Relating to Taxation – Personal Income Tax

Dear Chairman DiPalma,

The undersigned members of the Rhode Island Business Coalition would like to express our support for Senate Bill 3367, Substitute A, An Act Relating to Taxation – Personal Income Tax and thank you for introducing this legislation.

In February of this year, the Division of Taxation clarified that it will require all filers with income more than \$100 to file an informational 1099 form in accordance with state law. This dollar amount hasn't changed since the law was enacted in 1971. Prior to this year, most people were under the impression that 1099's were only required if there was Rhode Island withholdings to be reported. Therefore, most people did not file Rhode Island 1099's at all.

This legislation would bring Rhode Island into conformance with the IRS guidelines regarding the threshold earnings where 1099 wages need to be reported. The bill would make clear that Rhode Island's 1099 reporting threshold will change with the federal guidelines to ensure consistency. Currently, the federal threshold is \$2,000.

Without this change, businesses and individuals would see a significant increase in 1099 reporting for one-time work sessions.

For the reasons stated above, we ask the Committee to support S3367, Substitute A.

The Rhode Island Business Coalition represents 50 industries and 6,280 businesses that employ 231,200 people throughout Rhode Island.

Sincerely,

David Chenevert, Chairman, Rhode Island Business Coalition

Associated Builders and Contractors – Rhode Island Chapter

East Greenwich Chamber of Commerce

Greater Newport Chamber of Commerce

National Federation of Independent Business

Propane Gas Association of New England

Rhode Island Builders Association

Rhode Island Hospitality Association

Rhode Island Lumber and Building Materials Dealers Association

Rhode Island Marine Trades Association

Rhode Island Small Business Economic Summit Regulations Subcommittee

Rhode Island Small Business Economic Summit Tax and Budget Committee

Rhode Island Society of CPAs

Rhode Island Staffing Association

cc. Senate Finance Committee members