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**Testimony of  
Christopher Carlozzi, NFIB State Director  
In Support of House Bill No. 7399  
Relating to Taxation- Liability and Computation  
May 14, 2024**

**Chairman Abney and Members of the House 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, I urge you to support House Bill No. 7399, to allow a sales tax holiday in Rhode Island.

August is generally a slow time of year for retailers and holding a sales tax holiday is perfect for small businesses. The annual event usually draws in bargain hunters, school shoppers, vacationers, and those who end up making an impulse buy they may not usually consider on any other weekend.

The sales tax holiday encourages shopping at Main Street businesses with consumers supporting their local communities and bolstering local entrepreneurs while saving tax dollars and taking advantage of additional promotions. It can be an event that helps consumers take advantage of countless local deals rather than moving their business to lower tax states or online. The sales tax holiday can have a positive economic ripple effect. While residents are out taking advantage of the bargains they are often more likely to frequent a neighborhood restaurant or refuel at a local gas station. The point is, that the sales tax holiday increases business for many Main Street shops.

The sales tax holiday also benefits local workers. To meet demand, most retail shops will add extra help during the sales tax holiday weekend allowing employees an extra shift. The demand for additional workers may help a high school or college student pick up an extra shift before they head back to school in the Fall.

While the sales tax holiday is nowhere near equivalent to retail sales on Black Friday and the holiday shopping season, it serves as a friendly gesture to the state's retail community during a normally slow month. On behalf of small businesses in Rhode Island, I urge you to support a sales tax holiday this year, thank you.