



May 14, 2024

Honorable Marvin Abney
Chairman, House Finance Committee
State House
Providence, RI 02903

RE: H.8132, An Act Relating to Towns and Cities – General Powers

Dear Chairman Abney and Committee Members,

The undersigned members of the Rhode Island Business Coalition respectfully oppose the passage of H.8132, An Act Relating to Towns and Cities – General Powers.

H.8132 authorizes the city of Newport to impose a nine percent (9%) amusement tax on the sale of certain amusement tickets. The new tax applies to any admission fee that is charged “for an activity provided for pleasure, enjoyment, recreation, relaxation, diversion or other similar purpose including, but not limited to, any concert, game, ride, or sporting event” as long as the activity led to the sale of more than 100,000 tickets in the previous year.

While this request is coming from the city of Newport, we believe the other 38 cities and towns will likely request the same authorization should this proposal move forward. Taxing events that bring badly needed dollars to the state such as the Newport Jazz Festival, and The Ocean Race may lead to a similar tax on AutumnFest in Woonsocket or March Madness in Providence in 2025. Rhode Island competes with many venues around the country and the world for events. We need the state to be attractive when selling the idea of location options to event promoters. At the same time, Rhode Island should not place more obstacles in the path of local groups creating events for our citizens to enjoy.

For these reasons, we ask you to oppose the passage of H.8132. Thank you for your consideration.

Sincerely,

Associated Builders and Contractors, Rhode Island
East Greenwich Chamber of Commerce
Greater Newport Chamber of Commerce
Rhode Island Beverage Association

Rhode Island Business Group on Health
Rhode Island Hospitality Association
Rhode Island Manufacturers Association
Rhode Island Marine Trades Association
Rhode Island Small Business Economic Summit Regulations Committee
Rhode Island Small Business Economic Summit Tax and Budget Committee
Rhode Island Society of Certified Public Accountants
Rhode Island Staffing Association
Sustainable Benefits Strategies, LLC

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