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To: House Finance Committee  
From: Karen Malcolm, Protect Our Healthcare Coalition ([ProtectRIHealth@gmail.com](mailto:ProtectRIHealth@gmail.com))  
Date: May 2, 2024  
Re: **SUPPORT H7338 – 3% Millionaire's Tax**

The Protect Our HealthCare Coalition is a group of leading Rhode Island non-profits and consumer groups with a shared mission to protect, improve, and expand equitable access to quality, person-centered, affordable health care for all.

The Coalition **supports H7338** and thanks Representative Alzate for putting the bill forward. We believe that **ensuring tax fairness and equity** is critical to sustaining essential state services and programs that address social determinants of health. As noted by researchers with the Center on Budget and Policy Priorities:

“Targeted tax hikes at the top make state and local tax systems fairer, while also generating substantial revenues for investments in education, infrastructure, and other services that promote equity and broad-based prosperity. And although critics warn that new taxes on high-income earners hurt the economy or drive wealthy people to leave the state, such tax-based migration is uncommon and states that have raised taxes at the top have similar economic performance as other states.”<sup>1</sup>

Our current tax system is heavily skewed in favor of the highest-income Rhode Islanders, who pay a much lower percentage in taxes as a share of their annual income. The bill's proposed 3% surcharge on millionaires helps address growing wealth disparities while generating important revenue for the state's future. Asking millionaires to pay a fair share and directing those funds, as proposed in the bill, to a special restricted receipt account dedicated to childcare, education, roads, and transportation is an absolutely essential component to the state's capacity to invest in building a stronger, healthier Rhode Island.

This proposal will generate an estimated \$126 million in new revenue, help create a fairer tax system, and begin to reduce wealth inequality in our state.

We urge passage. Thank you.

**Protect Our Healthcare Coalition allies & partners:** Economic Progress Institute, Mental Health Association RI, RI NOW, RIPIN, The Womxn Project, RI Health Center Association, United Way of Rhode Island, Planned Parenthood of Southern New England, SEIU Rhode Island Council, American Cancer Society Cancer Action Network, American Heart Association, Leukemia/Lymphoma Society, Foster Forward, RI Coalition for the Homeless, Rhode Island Working Families Party, Mental Health Recovery Coalition, Oasis Wellness & Recovery Center, RI Community Food Bank, RI Medical Society, RI Psychological Association, Substance Use & Mental Health Leadership Council, Rhode Island Coalition for Children and Families, HousingWorks RI, Rhode Island Organizing Project (RIOP), Thundermist Health Center, National Association of Social Workers RI Chapter, Advocates for Better Care

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<sup>1</sup> <https://www.cbpp.org/research/state-budget-and-tax/state-revenue-options-for-advancing-equity-and-prosperity#/policies/2>