



May 23, 2024

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

RE: H.7487, An Act Relating to Taxation – Estate and Transfer Taxes – Liability and Computation

Dear Chairman Abney and Committee Members,

The undersigned members of the Rhode Island Business Coalition would like to express our support for H.7487, An Act Relating to Taxation – Estate and Transfer Taxes – Liability and Computation.

H.7487 increases the estate tax threshold from the current level of \$1,774,583 to \$4,000,000 for deaths that occur on or after January 1, 2025. This exemption is higher than Massachusetts (\$2 million) but lower than Connecticut (\$12.92 million). The federal exemption is currently \$13.61 million. According to the Tax Foundation's 2023 report, Rhode Island has the seventh lowest estate tax threshold in the country.¹

Financial planners tell clients every day not to die in Rhode Island based on the estate and transfer tax. We believe it would be more advantageous to encourage older individuals to keep their residency in Rhode Island, spend their discretionary income here for more than 5.9 months a year, and allow their heirs to transfer assets without burdensome taxes after their loved ones have passed.

For these reasons, we support the passage of H.7487. Thank you for your consideration.

Sincerely,

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

¹ Tax Foundation, Does Your State Have An Estate Or Inheritance Tax?
<https://taxfoundation.org/data/all/state/state-estate-tax-inheritance-tax-2023/>

National Federation of Independent Business
Rhode Island Bankers Association
Rhode Island Builders Association
Rhode Island Manufacturers Association
Rhode Island Marine Trades Association
Rhode Island Partnership for Home Care
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.