



Chippendale Submits Bill To Reinstiate Tax Relief Program

STATE HOUSE, FEB 11 - Representative Michael Chippendale (R-District 40 – Coventry[Greene], Foster, Gloucester) said today he will introduce a bill to reinstate the automobile excise tax phase out program. A similar bill passed years ago, but the General Assembly suddenly cut the program in 2010 – costing RI taxpayers as well as cities and towns millions of dollars.

“Every year, many hardworking Rhode Islanders receive a tax bill for their only means to get to work and earn a living. It is time to listen to the people and remove this burden once and for all.”

Chippendale’s bill is part of the House Republican’s “Getting to 25” program, which was created to bring Rhode Island into the mainstream on financial matters. Rhode Island ranks as the 8th highest taxed state in the nation according to the Tax Foundation. Rhode Islanders pay more in state and local taxes than 82% of other states; simply, Rhode Island is an outlier and at an economic disadvantage compared to other states.

“Rhode Island is a high tax state, the motor vehicle tax is another example of the ‘tax-it’ mentality.” said Chippendale. “This economy has been hard enough on Rhode Islanders, we need to promote legislation which will actually help the middle class in a very real way.”

Rhode Island depends heavily on these resident taxes. Rhode Island ranks 6th nationally for the highest percentage of state and local tax burden used as state income, 10.9%.



Rhode Island General Assembly

Office of the House Minority Leader

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“Rhode Island was one year away from completing the automobile tax phase-out program before it was substantially cut in 2010. While this change enabled the House to complete the budget for that year, it was done on the backs of Rhode Islanders and cities and towns.”

“This bill will force the House to look very hard at where every tax dollar is being spend.” cited Chippendale. “However, every dollar of tax relief will go directly to Rhode Islanders and into our economy. The legislature must prioritize spending to help our struggling tax payers.”

The bill will reinstitute the Motor Vehicle Excise Tax Phase out over a 9 year period. The exemption amounts will increase by \$500 for the next 6 years and by \$1,000 for the final 3 years. The state will reimburse cities and towns for the higher exemption amounts.

“Last year, House Leadership found an addition \$13 million in 6 hours to fill a budget gap. That alone proved that when everyone works together, budget cuts that don’t hurt taxpayers are very realistic.”

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