



# RESOLUTION OF THE CITY COUNCIL

No. 284

EFFECTIVE June 15, 2025

WHEREAS, The City of Providence is facing a structural budget gap of approximately \$30 million for the upcoming fiscal year, including a court-mandated \$11.5 million increase in public school funding; and

WHEREAS, Under Rhode Island's statutory 4% property tax levy cap, the City is limited to raising approximately \$14.7 million in additional revenue citywide, less than half of the projected fiscal need; and

WHEREAS, The City is also seeking a one-time exemption to temporarily exceed that levy cap by up to 8%, but even with such an exemption, additional tools are needed to meet obligations and avoid placing the full burden from falling on property taxpayers alone who are already struggling amid a severe housing affordability crisis; and

WHEREAS, The proposed legislation H-6334 would authorize municipalities to adopt a \$2.00 per ticket surcharge on entertainment admissions at venues with a seating capacity of 800 or more; and

WHEREAS, This proposed, targeted \$2.00 surcharge would generate new revenue from ticket sales at large venues (such as concerts, shows, and major events) and provide a meaningful offset to the property tax increases the city must consider, and allowing those who enjoy Providence's vibrant arts and entertainment scene, including many non-residents, to contribute to the city's fiscal health at a time of growing demand and rising housing costs; and

WHEREAS, The legislation does not create a statewide tax, but rather gives municipalities the flexibility to adopt a local ordinance if and when they choose, with the authority to tailor the policy to reflect local priorities and community needs; and

WHEREAS, If authorized by the General Assembly, the City of Providence would develop a targeted, locally tailored ordinance with appropriate exemptions to ensure the surcharge is fair and responsive to the concerns of both residents and venue operators; and

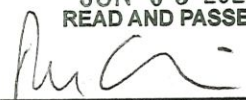

WHEREAS, Peer cities across the country, including Cincinnati, Richmond, and Portland, Maine, already use similar tools to generate millions in revenue from ticketed entertainment to fund schools, parks, and public services, and Providence deserves the same opportunity to protect and invest in its community.


NOW, THEREFORE, BE IT RESOLVED, That the City Council of Providence respectfully urges the Rhode Island General Assembly to pass H-6334, authorizing municipalities to adopt a local entertainment admissions surcharge, thereby providing a sustainable, equitable tool to help cities meet their obligations without overburdening residents; and

BE IT FURTHER RESOLVED, That upon passage, a copy of this resolution be transmitted to the President of the Rhode Island Senate, the Speaker of the Rhode Island House of Representatives, and the members of the Providence legislative delegation.

IN CITY COUNCIL

JUN 05 2025  
READ AND PASSED

  
RACHEL M. MILLER, PRESIDENT  
  
CLERK

Effective without the  
Mayor's Signature  
  
Tina L. Mastroianni  
City Clerk

2025 -- H 6334

LC002914

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2025

A N A C T

RELATING TO TAXATION -- SALES AND USE TAXES--LIABILITY AND  
COMPUTATION

Introduced By: Representatives Kislak, Morales, Potter, Diaz, Slater, Ajello, Speakman,  
Hull, and J. Lombardi

Date Introduced: May 14, 2025

Referred To: House Finance

(Providence City Council)

It is enacted by the General Assembly as follows:

1 SECTION 1. Chapter 44-18 of the General Laws entitled "Sales and Use Taxes — Liability  
2 and Computation" is hereby amended by adding thereto the following section:

3 **44-18-41. Entertainment at large venues.**

4 (a) The city or town council of any city or town is authorized to provide, by ordinance, for  
5 the imposition of a tax on the sale of a ticket for admission to a large venue, not inconsistent with  
6 this section.

7 (b) For purposes of this section, a “large venue” includes any entertainment venue that has  
8 the capacity to hold at least eight hundred (800) patrons, seated.

9 (c) If authorized pursuant to the provisions of subsection (a) of this section, a tax of no  
10 more than two dollars (\$2.00) shall be imposed upon the sale of a ticket for admission to a large  
11 venue. This tax shall be administered and collected by the division of taxation and shall be  
12 redistributed to the municipality where the large venue is located.

13 (d) Taxes received by a municipality under this section shall not be included in the  
14 calculation of a municipality’s maximum levy increase controlled by § 44-5-2.

15 SECTION 2. This act shall take effect upon passage.

LC002914

EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

A N A C T

RELATING TO TAXATION -- SALES AND USE TAXES--LIABILITY AND  
COMPUTATION

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1           This act would authorize municipalities to impose a ticket tax on ticket sales for venues  
2 large enough to hold at least eight hundred (800) patrons, seated, of two dollars (\$2.00) per ticket.  
3 The tax shall be collected by the department of revenue, and redistributed to the locality where the  
4 venue is located.

5           This act would take effect upon passage.

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LC002914  
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