The RI Proposition
Opportunities and Advantages in the Ocean State
September 2015
Why Rhode Island?

- **Predictability**
  - Increasingly favorable tax climate
  - Lowest corporate taxes in the region
  - Structural reforms that ensure long term fiscal stability

- **Talent**
  - Deep talent pool
  - New employer-driven workforce initiatives

- **Location**
  - Optimal location
  - Strong quality of life

- **Tax Incentives**
  - Powerful new tools in the toolbox
  - Sensible, streamlined regulations
Predictable & Favorable Business Climate

Rhode Island has been creating a more predictable business climate over the past 10 years.

It LOWERED the top INCOME TAX RATE from 9.9% to 5.99% in 2011.

It LOWERED the top CORPORATE income TAX RATE from 9% to 7% in 2015.

Rhode Island has not raised its top income or corporate tax rate since 1991.

Rhode Island has not raised its sales tax rate since 1990.
Highly Competitive Tax Climate

Rhode Island has the LOWEST CORPORATE INCOME TAX rate in the Northeast

RI ELIMINATED THE SALES TAX on energy for commercial use in 2015

Rhode Island has a higher exemption on the ESTATE TAX than MA and NJ, and is in line with NY, CT and ME.

Source: US Federation of Tax Administrators
A Commitment to Structural Fiscal Stability

Recent pension reforms will save taxpayers nearly $4 billion over the coming years.

-IN ADDITION-

The Reinventing Medicaid Act of 2015 will save more than $90 Million over the next year in state general revenues.

All while RI streamlines regulations through a NEW Office of Regulatory Reform and LEAN processes at the Department of Business Regulation.
A Deep Regional Talent Pool

Rhode Island's 11 colleges and universities graduated more than 18,000 college students last year, and the state is within an hour's drive of approximately 300,000 students and a wealth of talent. Boston's colleges are a 45 minute commute away, as is the University of Connecticut.
An Emerging Hub for Tech, Engineering, & Design

- Rhode Island colleges and universities award more than 2,000 STEM degrees each year.

- URI and Brown are investing nearly $300 million combined in expanding their engineering programs:
  - URI: $125 million in state investment leveraging $8 million in private investment
  - Brown: $160 million capital campaign underway for new engineering facilities

- More than 5,500 software design, data processing, and computer programming businesses within 60 miles of PVD

- Nearly 150,000 computer, software, and engineering professionals employed in the Greater Providence-Boston metro areas.
An Emerging Hub for Tech, Engineering, & Design

- The **Rhode Island School of Design (RISD)** is one of the oldest, best known, and most well-regarded schools of art and design in the United States.

- RISD has working relationships with more than 80 businesses, including many of our nation’s most recognizable brands, including:

  - Airbnb
  - Google
  - Converse
  - Nike
  - IBM
  - Samsung
An Optimal Location

- Optimal location on the Northeast Corridor
- Easy access to NYC and Boston
- The most convenient airport in the Northeast
- RI ranks 4th for peak broadband internet speeds and 6th for average speeds (Mbps) in the United States
- Hundreds of miles of world-class coastline
World-Class Quality of Life

- Rhode Island has America’s favorite and coolest city (Providence, according to Travel + Leisure and GQ)
- Strong public school districts including Barrington and East Greenwich and affordable private schools like Moses Brown and La Salle Academy
- Favorably priced homes and miles of waterfront property
- Easy access to the world’s best medical care in Boston
- T.F. Green, ranked one of America’s most convenient airports
- The Ocean House, Travel + Leisure’s top resort in the Continental U.S.
- Newport, the sailing capital of North America

The capital of Rhode Island has always punched above its weight in terms of smarts and creativity. But lately Providence has added a few new bullet points to its résumé—like a celebrated food scene and a high-style party hotel—that cement its rep as the coolest city you

GQ Magazine, May 2015
$900,000 in MA vs. $900,000 in RI

Newton, MA
1,800 SF vs.

Barrington, RI
3,500 SF
$400,000 in MA vs. $400,000 in RI

Sharon, MA
1,400 SF

vs.

East Greenwich, RI
2,500 SF
Newton North HS and East Greenwich HS

Newton North High School (MA)
Average Combined SAT: 1752

East Greenwich HS (RI)
Average Combined SAT: 1756
Philips Andover Academy and Moses Brown School

Philips Andover Academy
Average Combined SAT: 2061
Day School Tuition: $38K

Moses Brown School
Average Combined SAT: 1930
Upper School Tuition: $33K
Owen in MA vs. Owen in RI

Bay State Owen
Salary: $109,000
Rent: $2,300/month

Ocean State Owen
Salary: $93,000
Rent: $1,500/month

Advantage: Rhode Island

Photos: GE television ad campaign, September 2015
Traffic in MA vs. Traffic in RI

Bay State Traffic

Ocean State Traffic

Advantage: Rhode Island...again!
Rhode Island just passed a comprehensive set of potent new economic development initiatives, including:

- **A JOBS TAX CREDIT** for companies creating new jobs – **$25,000 to $75,000 per job over 10 years**

- **A REAL ESTATE TAX CREDIT** for new development – can fill up to 30% of a project financing gap and exempt building materials from the sales tax

- A state-level **TAX INCREMENT FINANCING program** – can pledge up to 75% of new revenues to support infrastructure construction

- **A COMPETITIVE STUDENT LOAN REPAYMENT PROGRAM** for recent STEM graduates who take and keep jobs in Rhode Island
New Employer-Driven Workforce Initiatives

Real Jobs Rhode Island

Employers determine workforce needs → State convenes employers, knits together funding → Employer clusters drive training provision → Workers ready for employer needs

P-TECH employer/college/HS partnerships

9\textsuperscript{th} graders enroll in P-TECH cohort → Take employer-structured curriculum for 5 years → Work in employer internships and with employer mentors → Graduate with diploma and associates ready to work
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