

TO: House Ways and Means Committee
FROM: Renee Reiner, co-owner of Phoenix Books
RE: Committee Bill 26-0804
DATE: April 29, 2026

My name is Renee Reiner. I am a resident of Milton and founder and co-owner of Phoenix Books, an independent bookstore with locations in Burlington, Essex, and Rutland. I write to submit written testimony in support of a new tax bracket on the top 1% of Vermont income-earners.

For many Vermonters, any reduction in financial resources has a significant impact. Vermonters losing their ACA health care subsidies this year are weighing the increased financial burden of healthcare against other basic necessities - and we know that this increased financial burden is forcing many Vermonters to be uninsured and underinsured. One of our staff members was recently surprised when her debit card was declined. Her research determined that she is now facing an additional cost of \$15,000 in 2026 for health insurance, representing 23% of her salary.

Many Vermonters are a single event away from economic precarity: a car repair; an illness that necessitates time away from work; a high property tax bill – meanwhile, the federal government is slashing taxes for those of us most able to pay, and is paying for these tax cuts by reducing funding for programs like SNAP and Medicaid. Much can be said about this choice, but perhaps the most obvious is its sheer inhumanity.

The federal government's funding decisions have a real impact on all of us: politicized decisions have led to some Vermont towns not receiving disaster recovery aid; slashed grants to our nonprofits have and will continue to impact many Vermonters; and earlier this year, the Ways and Means Committee took testimony on provisions of H.R. 1 that will create a \$113 million reduction in annual state revenue from provider taxes by FY33.

These actions – reducing taxes on the wealthiest, slashing funding for programs that Vermonters rely on, and creating long-term revenue shortfalls in Vermont – are removing significant dollars for public use. It is critical that Vermont recaptures that tax revenue at the state level, in order to keep these dollars for public investment.

Reducing funding for major government investments and setting up revenue shortfalls for Vermont will ripple throughout all of our state investments. We all want reliable infrastructure; we want clean, safe downtowns; we want good schools and accessible childcare; we want a healthcare system that works for Vermonters. And we want a government that picks up the phone when we call—whether it's the DMV, our local library, or the tax department.

All of these things – and many more – rely on public investment, and with a federal government intent on taking dollars out of public use in order to give tax cuts to people

like me, all of these things are under threat – unless we chart a different path for our State. I suspect that the bill under consideration could increase my tax obligation by as much as \$30,000. If true, I still would not be worried about paying my mortgage, having sufficient food in my fridge, or accessing healthcare. This proposal would not affect my lifestyle or have a real impact on my finances. Meanwhile, the ability of the state to make needed investments in Vermont does have a real impact on the affordability of this state.

Vermont obviously needs revenue. I cannot fathom why your committee would walk away from critical financial resources through a bill that would affect a mere 1% of our population. In this moment, it just makes sense to increase taxes on people like me.