

Connecticut Fact Sheet

STATE FACTS

Connecticut State Tax Policy: Significant changes, 2005-2014

- Note: Prior to 2011, the state had relied heavily on borrowing to avoid tax increases.
- **2013:** Corporate tax surcharge--extended for an additional two years, applied to 2014 and 2015 income years.
- **2011:** Tax increases total \$2.1 billion in the first year of the biennium (2012) and \$1.9 billion in the second (2013).
- **2010:** Municipal real estate conveyance tax—extended for one year
- **2009:** Corporation tax surcharge—10% tax for three years, retroactive to Jan. 1, 2009; Corporation combined-reporting preference tax—increased from \$250,000 to \$500,000
- **2005:** Daily rental machinery tax—surcharge of 1.5% on rental cost of certain construction, mining, and forestry equipment; Real estate conveyance tax—extends rate of 0.25% through July 1, 2007

Unemployment (Source: BLS)

- Connecticut at **6.3%** has the highest unemployment rate in New England (April 2015). [MA and ME: 4.8%; RI: 6.1%; NH 3.9%; Vermont: 3.8%]

Jobs Recovery (Source: Connecticut Dept. of Labor; US Bureau of Economic Analysis)

- Connecticut has recovered **78%** of jobs lost in the Great Recession
- US recovery 134%

Domestic Migration (Source: <http://www1.ctdol.state.ct.us/lmi/unemprateCTUS.asp>)

- Domestic Net Migration 2014: **-3249**
- Rank: **33**

State Bond Rating

- Outlook: Aa3/stable

Spending vs. key economic measures

- Appropriations budget passed to FY2017 shows 201% spending growth (estimated and adjusted for 2014 Medicaid changes) at 201% since 1992.
- Change since 1992 economic measures:
 - CT Population growth 9% (US 18%) (US Census)
 - Consumer Price Index (CPI-U US BEA) to 2015 67%
 - Median CT 4 person Household income growth to 2014 64%

RANKINGS

Category	CT Rank among U.S. states
BUSINESS ENVIRONMENT RANKINGS	
Job climate (2014 Gallup job creation index)	#50 (last)
Economic profile (CNBC economic profile ¹)	#46
Cost of doing business (CNBC economic profile)	#47
Cost of living (CNBC economic profile)	#48
Business friendliness (CNBC economic profile)	#24
Best States for Doing Business (2014 Forbes ranking)	#36
Regulatory environment (2014 Forbes ranking)	#37
Economic Climate (2014 Forbes ranking)	#44
CEO Survey of Best States for Business (Chief Executive magazine survey 2015)	#44
Best states for small business (Economist magazine ranking 2014)	Grade: D (A to F scale)
TAX RANKINGS	
Corporate income tax rate—highest	#6
Business Tax Climate (2015 TaxFoundation.org Tax Climate index)	#42 (among 10 worst business tax climates)
2015 Property Tax Rank (TaxFoundation.org)	#49
State & local tax collections per person	#2 (second-highest)

¹ CNBC Economic profile sources: Federation of Tax Administrators, American Petroleum Institute, Moody's Investor Service, Bureau of Economic Analysis, Bureau of Labor Statistics, Hartford Business Journal

CT ECONOMY AT-A-GLANCE

Connecticut	Nov 2014	Dec 2014	Jan 2015	Feb 2015	Mar 2015	Apr 2015
Data Series						
<u>Labor Force Data</u>						
Civilian Labor Force (1)	1,896.5	1,899.4	1,904.5	1,909.9	1,915.8	(P) 1,920.8
Employment (1)	1,776.8	1,779.5	1,784.2	1,788.0	1,794.0	(P) 1,800.7
Unemployment (1)	119.7	119.9	120.2	121.9	121.9	(P) 120.1
Unemployment Rate (2)	6.3	6.3	6.3	6.4	6.4	(P) 6.3
<u>Nonfarm Wage and Salary Employment</u>						
Total Nonfarm (3)	1,672.9	1,678.1	1,685.6	1,682.7	1,686.0	(P) 1,687.2
12-month % change	0.9	1.5	1.5	1.6	1.6	(P) 1.4
Mining and Logging (3)	0.6	0.6	0.6	0.6	0.6	(P) 0.5
12-month % change	0.0	0.0	0.0	20.0	20.0	(P) 0.0
Construction (3)	55.7	54.9	55.8	55.5	54.7	(P) 56.1
12-month % change	2.8	2.0	3.5	2.6	0.6	(P) 1.1
Manufacturing (3)	158.5	159.7	159.0	159.3	159.7	(P) 161.1
12-month % change	-1.9	-0.9	-1.2	-0.9	-0.4	(P) 0.6
Trade, Transportation, and Utilities (3)	303.7	304.1	301.8	303.3	304.9	(P) 304.5
12-month % change	1.3	1.4	0.6	1.2	1.5	(P) 1.1
Information (3)	31.2	31.4	31.4	31.6	31.7	(P) 31.7
12-month % change	-2.2	-2.8	-2.5	-0.9	-1.2	(P) -1.2
Financial Activities (3)	128.4	128.3	129.9	129.8	129.4	(P) 129.4
12-month % change	-0.8	-0.7	0.5	0.9	0.7	(P) 0.8
Professional & Business Services (3)	213.8	214.7	216.9	216.1	217.3	(P) 215.2
12-month % change	2.4	3.2	3.4	3.0	3.5	(P) 1.9
Education & Health Services (3)	327.6	328.7	331.5	329.6	329.6	(P) 329.8
12-month % change	1.3	2.3	2.9	2.6	2.2	(P) 2.0
Leisure & Hospitality (3)	153.1	155.0	156.8	155.1	155.5	(P) 154.8
12-month % change	2.6	4.4	3.5	3.5	3.2	(P) 2.9
Other Services (3)	62.9	63.0	63.3	63.4	64.0	(P) 64.0
12-month % change	1.1	1.3	1.3	1.3	1.9	(P) 1.7
Government (3)	237.4	237.7	238.6	238.4	238.6	(P) 240.1
12-month % change	0.4	0.7	0.7	0.5	0.4	(P) 0.8

Data extracted on: May 27, 2015; Source: U.S. Bureau of Labor Statistics

GE IN CONNECTICUT FACTS

GE employs more than 5,700 across the state of Connecticut.

- Fairfield, CT is home to the company's global corporate headquarters with more than 800 employees.
- GE Capital also has a significant presence in the state, employing 3,800+ across sites in Norwalk, Stamford and Danbury.
- GE Energy Management has a headquarters facility for its Industrial Solutions business in Plainville, employing 270+.

Supplier Spend

- GE spends over \$14B with suppliers in CT, helping to support ~65,000 suppliers jobs in the state

Key Suppliers

- ENGINE ALLIANCE LLC
- PRAXAIR SURFACE TECHNOLOGIES, INC.
- HAMILTON SUNDSTRAND CORPORATION
- B & F MACHINE COMPANY, INC.
- GKN AEROSPACE NEW ENGLAND, INC.

GE Charitable activity

- 2010: GE awards \$1.2MM to Fairfield County healthcare centers
- 2012: GE announces 5-year, \$7.5MM partnership with UConn, to fund engineering research and scholarships
- 2013: \$15MM donation to Newtown (\$10MM for community center build and \$5MM for operating costs)
- In 2014:
 - \$9.7MM Total Foundation Contributions
 - 4.5 K Volunteers
 - 49.1 K Volunteer Hours
 - 146 Volunteer Projects