

Frilling, Tara

From: Eric Rains <eric@ericrains.com>
Sent: Friday, May 08, 2015 1:58 PM
To: Sen. Fasano, Len
Cc: Frilling, Tara; Krautler Patricia; jagargiulo@gmail.com
Subject: Tax Hike - Public Hearing Testimony

Dear Senator Fasano and Representative Klarides:

Please oppose the proposal to add CT Sales Tax for professional Landscape Architecture, Architecture and Engineering Services.

There are several reasons why the tax is bad for Connecticut:

1. The increase in the cost of construction projects would discourage businesses from locating or expanding in Connecticut.
2. The sales tax would negatively impact the housing market, making housing less affordable for residents in the state.
3. It is very complicated to administer for states and taxpayers, as the multi-state nature of customers and service providers often makes it difficult to determine where, when, and how the services take place. In fact, when Connecticut taxed these services about 25 years ago, the Department of Revenue Services recommended that the tax be eliminated in part because of the complexity in administering the tax relative to the dollars the tax was generating for the state.
4. Connecticut landscape architecture firms will also find themselves at a competitive disadvantage. Owners will find ways to have the work performed out of state. Out-of-state firms will not collect the sales tax for Connecticut. The loss of work will mean fewer jobs for Connecticut landscape architects and support staff and lower income taxes revenues for the state.
5. There are many professions necessary in the permitting and regulatory process for projects. How can the design and engineering professions be taxed and not every profession involved in the approval process?

This would be a disaster for small firms trying to perform Landscape Architectural, Architectural & Engineering services for clients with limited budgets.

Please consider my position as a Connecticut small business owner, an appointed member of the Mayors Task Force for South Norwalk, a Board Member of the Norwalk Chamber of Commerce and a past President of the the Connecticut Chapter of the American Society of Landscape Architects when evaluating the additional Tax on Connecticut consumers.

Thank you very much for your attention on this matter and please do not support it.

Very Best Regards
Eric

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