## Frilling, Tara

From:

Greg Carney < gregc@whparr.com>

Sent:

Wednesday, May 06, 2015 10:36 AM

To:

Sen. Fasano, Len

Frilling, Tara

Cc: Subject:

Tax Hike - Public Hearing Testimony

Dear Senator Fasano and Representative Klarides:

Connecticut is out of hand with their taxes. Connecticut wants everything taxed! We are the only state with a gift tax. The \$2 million exemption for estates is low compared to other states. Because the estate tax is considered high, wealthy retired individuals are moving to states where the estate taxes are more reasonable. Without an increase to the individual rates, the state tax is already considered high. The proposal to charge sales tax on CPA services is just plain stupid. The CPA helps the state collect the taxes it is due. When taxpayers prepare their own returns, they are prone to "forget" to include the adjustments that increase their Connecticut tax. A CPA knows to allocate days in and out of New York. The days allocated out of New York are taxed by Connecticut. The only problem is, in may cases, Connecticut's taxes are almost the same as New York because Connecticut keeps raising its taxes. Therefore, there will be no reason to allocate days in and out of New York. An executive, who makes \$300k and works 10% out of New York, will have no reason to allocate his New York days. As a result, the taxpayer will pay New York tax on the entire \$300k. Connecticut will not receive the tax on the \$30k of wages it could have allocated. Since New York might challenge the days worked out of New York, the taxpayer will play it safe and not allocate because it doesn't save them any tax. This illustrates that raising Connecticut's tax rates could actually decrease tax revenues in certain instances. I have no idea how a small state has such a large budget. Stop asking Connecticut's taxpayers to fund everything. It is about time to demand more money from Washington, D.C. Connecticut sends the Federal government loads of money and gets very little back. I believe Connecticut, New Jersey, New York and Massachusetts should join forces to demand more money from the Federal government. The Federal government takes the money from these states and sends it to the western and southern states. All of these northeastern states have old infrastructures that need to be fixed or replaced. The Federal government has been spending money on the infrastructures of the newer states for the past fifty years. It is about time they spend money for the northeastern states. The northeastern states have high taxes because these states get very little financial support from the Federal government. Our current state taxes are considered high already. If you increase the taxes again this will drive people and jobs out of Connecticut.

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