February 5, 2009

To Members of the Finance Committee:

My name is Robert Lieberman and I am Treasurer and Chief Financial Officer of Turbotec Products, Inc., of Windsor, CT. Our company was formed in Connecticut over thirty years ago and has steadily grown during that period, in part to the favorable business conditions that have existed in the state.

I am writing to voice my strong opposition to several tax bills before you which would seriously damage Connecticut's economy and our ability to continue to compete and succeed here. These proposals would substantially increase our business costs and make it much harder for us to continue doing business in Connecticut. Specifically, we are opposing:

- HB-6350 which eliminates virtually all exemptions to state's sales tax, including for manufacturing machinery and equipment, and intercompany transfers, and sets the tax rate at 5%.
- HB-6349 which extends the state sales tax to virtually all professional and business services (professional, insurance, occupational, personal).
- SB-815 which places a two-year moratorium on the use of all corporate tax credits.
- HB-6348 which will significantly restricts the ability of Connecticut companies to use corporate tax credits, and reduces the effectiveness of the credits.
- SB-807 which will impose unitary reporting under Connecticut's corporation business tax. We have long opposed this because of the negative impact it would have on the economic competitiveness of Connecticut's wealth-creating industries

We have recently established a satellite manufacturing facility in North Carolina in response to the problem of finding available skilled labor in Connecticut and the increasingly high cost of providing a competitive benefit package to our employees. Passage of any of the above proposed legislation will significantly increase our costs of doing business in Connecticut and likely cause us to strongly consider relocating additional manufacturing jobs to that region.

We urge you to reject these proposals and work with the business community to encourage economic development and job creation in Connecticut.

Very truly yours,
TURBOTEC PRODUCTS, INC.

Robert I. Lieberman
Treasurer and Chief Financial Officer

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