

To: Kevin Ryan, House Chair  
Edith Prague, Senate Chair  
Labor and Public Employees Committée

From: John A. McCarthy  
Connecticut Labor Department

Testimony for Public Hearing, 3-03-09

Department Sponsored Bill

RB# 6459 AAC the Repeal of the Obsolete State Hiring Incentive Tax Credit.

We respectfully request favorable action on RB# 6459.

The tax credit for which we are requesting repeal is not funded. It has not been funded since 2002. (Even when it was funded it was of very limited value to employers). Fortunately there is a federal tax credit for hiring of individuals who are receiving or have received TFA (Temporary Family Assistance) benefits. The federal tax credit is very efficient for employers and provides from \$2,400 to as much as \$9,000 in tax credits per hire. It is administered by the department with federal dollars.