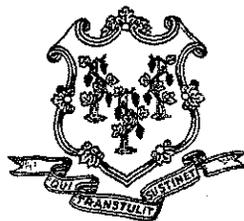


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February 2, 2011

Good Afternoon Senator LeBeau, Representative Berger and members of the Commerce Committee. I would like to express my support for SB 127, AN ACT CONCERNING UPDATES TO THE NEIGHBORHOOD ASSISTANCE ACT. This legislation would increase the allowable annual tax credit amount per business firm as well as delete the requirement that the business firm increase its contribution to a program in order to be eligible for a subsequent tax credit.

The Connecticut Neighborhood Assistance Act (NAA) Tax Credit Program provides funding for municipal and tax exempt organizations by providing a corporation business tax credit for businesses that make cash contributions to these entities. Businesses are granted a tax credit for contributing to certain programs approved by the Department of Revenue Services. The current tax credit amount was set some years ago and updating the allowable amount is a matter of fairness. In addition the logic for requiring a business to increase its contribution in order to be eligible in a subsequent year is not clear to me. I hope that we can make these sensible changes so that the NAA can continue to support affordable housing and neighborhood stabilization as well as important educational institutions. Thank you for raising this important bill.