

March 1, 2011

Governor Malloy and the CT legislature,

On behalf of hundreds of workers in the marine industry in the greater Norwalk/Stamford area, please uphold CT- PA 81-423, and do not allow a luxury tax on any boats. Please recognize the link between proposed taxes and a profitable marine industry which provides thousands of jobs statewide.

PA 81-423 and lack of a luxury tax is a cornerstone to the employment of hundreds of high paying jobs in the greater Norwalk/Stamford area alone. "... The Norwalk Harbor has more than 1,800 berthing spaces and more than 500 harbor mooring locations. About 800 boats may be launched from storage racks at marinas and clubs as well as via the city-maintained launching ramp in Veterans Park." (Economic impact of maritime industries in CT 2010)

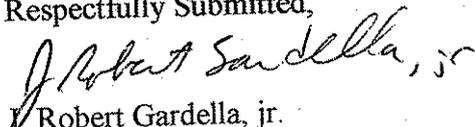
Jobs such as repair shops, machine shops to rebuild engines, canvas and upholstery shops, yacht clubs, carpet and drape cleaners, sandblasters, immigrants that paint and wax, mechanics, boat dealerships, boat supply stores in Norwalk and Stamford are already at risk after three years of this economy. Please do not add taxes during this era of record unemployment, record losses of homeowner's net worth, record fuel prices, and unparalleled uncertainty over federal and state fiscal imbalances. Boat owners will not stand still and allow themselves to be taxed any greater.

Taxing boats on a personal property basis was proven to be revenue negative in 1981. (CT doc 2010-R-0018) "... The reasons given for exempting boats and aircraft from local property taxes were the same, namely that Connecticut was losing business and property tax revenue as boat and aircraft owners moved them to neighboring states where they would not be subject to property taxes..." (OLR research report: document 2010-R-0018). The repeal of the federal luxury tax in 1994 provides plenty of case studies of negative revenue in the marine industry.

Further, Florida and Rhode Island rely on states with provincial tax policies such as these to help them grow! Qualified employees from CT will seek higher wages in those states, and the boaters who can move, do in fact move their boats away. (Reference the work that Marina Industries of South Florida as done in conjunction with the Florida Governors Initiative of 2010).

I hope you will choose to save the jobs we have remaining over increasing taxes on boats whose owners will not elect to stay and be taxed. As boaters leave CT there will be job losses in CT.

Respectfully Submitted,



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Service Director

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