



State of Connecticut

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March 12, 2012

Senator Daily, Representative Widlitz, and distinguished members of the Finance, Revenue and Bonding Committee,

I am State Senator Michael McLachlan, and I am here to speak in support of *Senate Bill 356, An Act Expanding the Neighborhood Assistance Act*.

This bill would enable certain business entities to qualify for credits under the Neighborhood Assistance Act, clarifying eligibility that had been blurred in the past.

During the 2011 legislative session, the legislature passed PA-11-40, An Act Concerning the Continuance of the Majority Leaders' Job Growth Roundtable. This legislation expanded the Neighborhood Assistance Act tax eligibility to S corporations, limited liability partnerships, and limited partnerships – all of which tend to be smaller business entities.

While this bill accomplished a great deal, it did not make reference to all the types of tax credits that can be taken from these entities. Under the Neighborhood Assistance Act, there are several types of tax credits that can be offered, all of which for various reasons. Some of those reasons include:

- Energy conservation
- Child Day Care facilities
- Energy conservation, job training, and programs serving low-income persons
- Community based alcoholism prevention

This bill clarifies that small business entities are eligible for all tax credits under the Neighborhood Assistance Act.

I urge the committee to support this legislation to assure that small business entities are receiving the tax credits they are eligible for.

Thank you.