



MONDAY MARCH 4, 2013

STATEMENT FROM ERLAND SLAYTON (President, Car And Truck Rental And Leasing Association—"CATRALA" OF CT) on Governors proposed bill SB843 Sec 17

To co-chairpersons Representative Widlitz and Senator Fonfara, and the members of the Finance, Revenue and Bonding Committee: thank you all for allowing me to submit this written testimony on behalf of CATRALA of Connecticut regarding *Governors proposed bill SB843 Sec 17*.

My name is Erland Slayton, and I am the President of the Car and Truck Rental and Leasing Association (CATRALA) of Connecticut.

Our organization represents vehicle daily rental and leasing companies in Connecticut. Our membership includes large, well-known car rental operators such as Alamo, Avis, Hertz, National, and Enterprise among others, as well as many lesser-known locally owned and operated car dealerships and stand-alone vehicle rental and leasing businesses.

Large or small, our member-companies are operated locally, and employ a great many of your local constituents. The vehicle rental industry in Connecticut is by virtue of Connecticut's current vehicle tax system, already one of the most heavily taxed industries in the state. Our companies are burdened by millions of dollars in vehicle property taxes every year. Millions that could be better used in expanding our businesses to provide service and jobs to the people of Connecticut.

This is why, when the Governor proposed to eliminate or modify the vehicle property tax system in Connecticut, our industry took immediate notice. However, in studying the Governor's budget proposal, *it becomes clear that the vehicle rental industry is the one and only industry that is left out of any vehicle property tax relief*. No other industries, including those that operate vehicle fleets in the hundreds and thousands in Connecticut, have been targeted in this way—only the car and truck rental industry. This is unfair, and frankly, unconscionable. To propose that the vehicle property tax burden be lifted from individuals and all businesses except vehicle rental companies shifts the burden of the remaining tax structure firmly and solely upon our industry's shoulders.

In an economic climate where businesses have been leaving the state in droves due to the increasingly unfavorable taxes and a less-than-favorable business climate in our state, the consequences of leaving the car and truck rental industry out of any property tax relief proposals will result in the shifting of the entire vehicle property tax burden upon vehicle rental companies. This will no doubt have a devastating effect on our industry's ability to sustain itself in Connecticut. Consumers will be hurt, rental business activity will diminish and job creation by our industry will be stifled. As a result, the revenues generated for the State of Connecticut by our already heavily taxed industry will suffer.

We urge the Committee to act immediately to correct this unfairness in the Governor's Budget Proposal, and include car and truck rental fleets in Connecticut in any budget or legislation that seeks to reduce or eliminate Connecticut's vehicle property tax burden.

Thank you for your consideration and thank you for allowing our organization to submit this testimony.

Sincerely,  
Erland H. Slayton  
President, CATRALA of Connecticut