

House Co-Chair Patricia M. Widlitz

Senate Co-Chair John Fonfara

Finance, Revenue and Bonding Committee

300 Capitol Avenue

Hartford, CT

Dear Chairs, Vice Chairs, Ranking Members and Members of the Finance, Revenue and Bonding Committee.

I submit this testimony in support of **Senate Bill 1110: An Act Concerning the Collection and Remittal of Sale and Use taxes**

My name is Peter Pavlidis and I live in Torrington, Connecticut.

My family and I own Christie's Diner also located in Torrington.

In 2008 we fell behind in paying our sales taxes for our other business known as Rainbow Pizza because we had other pressing bills. The Department of Revenue Services actually shut us down. At that point I said to myself, "You know, if I could escrow my taxes like I do my real estate taxes, I wouldn't be in this mess".

That's when I started the company Pay My Taxes, LLC in partnership with First Data Corporation, that will automatically fund a sales tax trust account at the direction of the merchant from the merchant's credit card receipts.

Since 2011, my family and I have been escrowing my sales taxes on a daily basis with the Pay My Taxes Program for Christie's Diner. It does not cost me anything extra. I have 10% of my credit and debit card receipts automatically deposited into a separate sales tax account at my bank. I get a statement from First Data that tell me how much I received from credit card revenues and how much was deposited into my separate Sales Tax account on a daily basis. At the end of the month, I have saved enough money to pay my monthly sales taxes. Ever since I signed up with the Pay My Taxes Program, I have been current on my Sales Tax obligations because the money is always there.

I am sure there are a lot of Mom and Pop businesses who like me don't have the discipline to put money aside for the sale taxes. Now, I don't have to think about it. I know that the money in my operating account is all my money to be used for my business and the separate sales tax

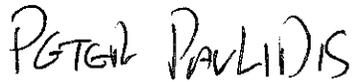
account is the State' money. I am no longer stressed out at the end of the month trying to figure out how I am going to pay my taxes.

Senate Bill 1110 should be approved by this Committee; I am certain that the Department of Revenue Services will do its analysis and conclude that making businesses escrow their taxes on a daily basis whether that is done by using the technology of the credit card processors or actually going on line and doing it themselves is not a big burden. In fact, it's not a burden whatsoever. Being able to sleep nights, knowing that I have no worries about paying my taxes, is more important than anything else.

I would recommend this type of program to every business in CT and I hope that the Department of Revenue Services will see its benefits.

Thank you

Respectfully submitted,

A handwritten signature in black ink that reads "PETER PAVLIDIS". The letters are written in a cursive, slightly slanted style.

Peter Pavlidis