



**TOWN OF RIDGEFIELD**  
Office of the First Selectman

*COMMENTS PRESENTED TO THE COMMERCE COMMITTEE*

*March 10, 2016*

**SB 399 AN ACT CONCERNING THE RESEARCH AND DEVELOPMENT TAX CREDIT**

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Senator Hartley, Representative Perrone, Senator Frantz, Representative Camillo and Members of the Commerce Committee,

The Town of Ridgefield fully supports **Senate Bill 399: An Act Concerning the Research and Development Tax Credit**. Our Town's largest taxpayer is a business that is fully vested in Research and Development, and we recognize that this credit is critical to their successful operations in the state.

Based on data collected from the State Department of Revenue Services, it is clear that the R&D tax credit program provides a significant return on investment (ROI) to the state. It's also important to understand the impact these credits have beyond this calculation – what's not included is the tremendous ROI these projects bring to the local economies. This includes the benefits of local construction, goods and support services that are necessary for the success of these R&D projects, many of which accompany these investments over the lifetime of a project. Localities also benefit from the property taxes generated from projects that are supported by the R&D tax credit program.

Bioscience companies are vital economic partners at the local, state and regional levels, generating tax revenue, creating high-paying jobs and providing growth opportunities for related industries and domestic labor. To be effective, these companies are often seeking out partnerships with stakeholders across the research and development value chain – from leading academic groups, to public research institutes and nonprofits. The R&D tax credit program creates a stable and predictable environment for these companies to make long-term, strategic business investments in both the state and local economies, which is good business practice and a win-win.

The Town of Ridgefield commends the Committee in supporting SB 399 and restoring utilization of the R&D tax credit program back to the original 70 percent threshold.