

**Testimony of Tom Swan, Executive Director of the Connecticut Citizen Action Group (CCAG)**

**BEFORE THE FINANCE, REVENUE AND BONDING**

**COMMITTEE WITH RESPECT TO SB 446**

**March 18, 2016**

Senator Fonfara, Representative Berger and members of the Finance Committee, my name is Tom Swan and I am the Executive Director of the Connecticut Citizen Action Group (CCAG). I am here today to oppose SB 446: An Act Repealing the Estate and Gift Tax and in doing so to suggest some other adjustments to the tax code we believe you should consider this year instead of embracing the flawed policies of austerity and trickledown economics.

I had to look at my calendar to make sure today wasn't April 1<sup>st</sup> due to my shock that such a giveaway to the wealthiest amongst us while cutting so deeply into the social safety net was being considered. These policies will only exacerbate racial and economic inequality in Connecticut and further move us away from providing all of our residents with an opportunity to lead a healthy, secure and vibrant lives.

Instead of considering further giveaways to those that already have more than enough as outlined in SB 446, the legislature should be figuring out how to raise the revenue necessary to meet the needs of the residents of Connecticut. Some ideas should include:

- Sunset all tax expenditures and force them to be considered annually like other expenditures and subject to true cost benefit analysis.
- Enact a low wage employer fee for at least large retailers and fast food chains. Their business model is based upon leaving their worker in poverty and reliant on state programs for survival. Instead of punishing their hard working employees through budget cuts we should make them either pay a living wage or to reimburse the state for some of the cost of their low wages.
- Join the proposed regional compact for northeast states to close the carried interest loophole that could bring in over \$500 million annually.
- Put a price on carbon pollution. The fossil fuel industry for too long has been subsidized by being able to externalize the cost of their pollution including climate change. We need to stop subsidizing their destruction of our planet and enact a state carbon tax as is being considered in Washington State, Vermont and elsewhere.
- Collect a larger share of taxes on internet sales by passing a law similar to Colorado's reporting law.
- Increase the rates on Capital Gains as proposed by Connecticut Voices. Close the Expedia loophole.
- Legalize Marijuana. This would not only lessen our expenditures on law enforcement and punishment, but as Colorado has shown it would bring in significant new revenue.

Thank you for your consideration.