Robert Wiedenmann  
Testimony before the Finance Committee  
April 10, 2019  

Please Oppose House Bill 7410  

- I have concerns with sections I, beginning on line 334 regarding services to residential real property and section X, beginning on line 404 regarding services to buildings and dwellings.  
- The building and remodeling business in Connecticut has been depressed since the 2008 recession.  
- There has been no appreciation in home values for the past 10 years.  
- Homeowners are less inclined to invest in their homes when their home values are stagnant.  
- Remodeling rarely increases a home’s value as much as the cost of most remodeling projects. Adding sales taxes only makes this situation worse.  
- This bill will likely drive more contractors to work in the “underground economy” to avoid having to charge their clients sales tax.  
- Most contractors are very small businesses, having 1 to 6 employees with little or no administrative staff. How will they keep track of what is or is not taxable?  
- The bills language is very confusing.  
- Material costs, which are already taxable, will need to be separated from services.  
- Typically, all construction costs are marked up.  
- Will contractors be required to separate the mark up on materials and services?  
- Are profit and overhead part of “services”?  
- This bill is overly confusing and extremely difficult to enforce. It will encourage more contractors to find a way around the law and not produce the revenues anticipated.