



# Branford Yacht Club, Inc.

P.O. Box 384

Branford, Connecticut 06405

Good Afternoon Senator Fonfara, Representative Rojas, Representative Scanlon, Representative Candalora, and distinguished members of the Finance, Revenue and Bonding Committee.

My name is Dean DeNegrin and I am the Commodore of the Branford Yacht for 2019. As leader of the Club representing our membership I ask that you please consider supporting Bill Number 5497.

Our Club was established in 1909 and had seen itself flourish and grow to a club with a Charter for 375 Members. In the past we would have full membership, often with a waiting list several years long just to become a member, and then several more years to be assigned a slip. We have seen our membership diminish in recent years. No longer do we maintain a membership of 375 let alone have a waiting list. The constant rise in the cost of maintaining a marina has forced us to increase fees which as lead to many giving up boat ownership. In a constant effort to keep costs at a minimum we rely heavily on the volunteerism of our members.

In an effort to offer yet another amenity with the long range goal of saving our members money, in 2014 we purchased an adjacent piece of property next to an unused parcel we owned and established a storage yard. All of this could not be done if not for the hard work and volunteerism of our members. Only to realize that our savings is being eaten up by a tax that would not otherwise be paid if stored or moored at another facility. Additionally after a recent dredge of our marina this past fall, which cost nearly double the budgeted rate, we had to significantly increase marina fees, which have had a very negative effect on our club. Adding to which we now pay even more in dues tax.

As a private not for profit Club we are penalized with a 10% Dues tax on Storage and Mooring Services. For profit marinas, are not subject to such a tax. So in fact we are paying as much as 16.35% between the 6.35% Sales and Use Tax and the 10% Dues tax levied on these services as a private club. Is this not in fact a form of double taxation? I think this is an unfair practice and is contributing to our loss of members and losses to the boating community.

It is my understanding that there are only about 10 of the 50+ yacht and boating clubs in the state of CT that this would pertain to. This means the economic impact would minimal to the state but would go a long way in helping the Branford Yacht Club and clubs like us to maintain a strong membership which ultimately supports the State of CT in many other facets.

Again I reiterate my concerns and ask that you please consider proposed Bill No. 5497, An Act Exempting Boat Moorings and Winter Boat Storage from Dues Tax

Thank you for your time and consideration.