Opposition Testimony to H.B. 5040
Excise Tax on Ammunition

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My testimony is to explain to you how the State of CT will lose a tax revenue with approval of the 35% proposed excise tax. For that matter, this includes ANY percentage level you conjure up. From my background with businesses in the State, I recognize the Net effect of any added taxes or fees will not provide the funds desired to support “Gun violence prevention and reduction efforts” as cited in H.B. 5040.

My testimony will then provide a couple of examples of how the Legislature continues to make the same mistakes which repeatedly drives down revenue “opportunity”.

I have had a career in commercial banking since 1982 and I am recently retired. Essentially 36 years working experience of watching what the Legislature has DONE TO business and to taxpayers. I would suggest to you that I am approximately the quintessential firearms owner in this State. I am a middle income, middle aged person with a little disposable income to spend on my hobby. I belong to the Fin, Fur & Feather sportsmen’s club in Chaplin, CT. I further encourage you to take note of the demographics of the people giving testimony today and not just hear their words. I and they are legal and law abiding firearm owners with disposable income. We are not gang-bangers. We are not drug dealers. We are not criminals.

There is an underlying theme that continues to permeate the broken group-think that exists in the Legislature. Somehow, you are under the mistaken perception that if you legislate something, the citizenry will just roll over and comply. Wrong folks, CT has a very educated and creative citizenry. When you IMPOSE something uncomfortable to us, we adapt and overcome you. “Over come you!” In this State, it is very much a legislature versus citizenry environment. To your disadvantage, our adaptability leaves you, the legislature, with unintended consequences.

First, let’s get something straight between us. This is a PENALTY TAX on the hobby, sport and passion of harmless, law a biding citizens. This is not a “public health measure”. By your own records, you know there are hundreds of thousands of us licensed in this State. This proposed tax is an assault on us because of hate filled people in power that take personal offense to our hobby, sport and passion. So do not show yourselves to be liars or treat us as fools by referencing this tax as a kindly effort to fund “Gun violence prevention and reduction efforts”. This proposed tax is a mean-spirited attack on “nice people, harmless people” from beginning to end. If the tax intent were at all sincere, the legislature would be putting the excise tax on drug companies, alcohol providers and on proposed future recreational marijuana sales. It is those sins that are documented to be at the core for most inner city crime.
This is how the Proposed Tax is going to Cost the State Money.

First, we all appreciate that Connecticut is physically tiny. With the tax in place, we citizens are just going to drive into RI and NY to buy ammo. Those States do not even require a license to buy ammo. Your effort to levy an Excise tax is immediately impotent because we have easy other options. Heck, we can even easily reload our own ammo. That means, not only do you not get the excise tax but now you have lost out on the sales tax on ammo. But, it does not stop there. When I go to the firearms store for ammo, I purchase paper targets. I purchase clay pigeons (moving aerial targets). I may purchase some clothing or a holster or a bag for my equipment. There are lots of accessories I spend money on for my hobby. Now, the unintended consequence is that a wide amount of sales tax you are generating from firearms outlets is shrinking. But, it does not stop there. Eventually, some of the small shops will be going out of business because they have lost so many sales. Property tax and income tax is now lost. This is how your overall cash flow is starting to shrink. Not generating more!

This is where it gets ugly. All of us harmless, legal firearms owners are now sitting around the dinner table and we are expressing evermore displeasure to our families with how this State is run. Our sour mood is pressing our children, our grandchildren and our neighbor’s children. “Get out of this State. It is terrible here!” When we retire, we are “OUTTA HERE….” You, the Legislature, have exacerbated the population decline of middle income, honest citizens off into the future. The ill will you have created also generates even more energy to fight the Legislature on every attempt to raise any form of taxes and fees. Everything you do becomes the negative and unsupported experience such as you have had with the Toll system debacle.

But, in your larger cities, you still have the gang bangers, the drug dealers and the criminals. The 35% tax is not stopping them or re-educated them. Because there never was any revenue generated to support the “feel good” programs. All those bad people remain with their illegal guns and are still shooting up your inner cities.
A Short History of CT Losing Tax Revenue because of Tax Increases.

How do I know this downward spiral of overall tax revenue will happen? I just look at my own experience of watching this State’s history. A history focused on the Legislature’s assault on business with relentless growth of regulations and tax increases. As I read the newspapers in the years of the late 80s through approximately 2010, there was never ending hate filled rhetoric about the profit greedy corporations making too much money. Raging on about business needing to be regulated to the extreme because business had nothing but ill intent.

So comes the unintended consequences.

In 1984, the newly placed CEO of Aetna insurance, James Lynn, spoke before the Glastonbury, CT Chamber of Commerce. I will never forget what he said in that presentation. He said: “The State of CT has made is clear that they do not want us here anymore and we are going to oblige them”. Ever since that year, the footprint of the entire insurance industry has shrunk and Hartford is no longer the insurance capital of the world. Hartford is bankrupt. I am not sure what the Legislature did that was an assault in the insurance industry but I do know in that year the City of Hartford increased its property tax by 40%. That one tax move motivated the build out of the corporate office parks north, south and west of Hartford. Hartford hollowed out of tax paying entities and is now bankrupt. Your taxes and regulations did that. You bankrupted Hartford as an unintended consequence.

But, you did not stop there. Through the 90s and into the 2000s you raised taxes and placed heavier and heavier regulations on business. The response as we all know. Business flooded out of the State or grew their operations anywhere but here. The lack of work, opportunity and burdening taxes on the citizens has led to a multi-year period of a Net Population decline with no end in sight.

Your taxes and regulations have cost the State more in lost opportunity than was thought to be generated. CT is a mess.

You did that. With this proposed Excise Tax on law a biding citizens harmlessly enjoying a hobby, sport and passion, you continue to collapse the State.