Finance, Revenue and Bonding Committee

MEETING MINUTES

Wednesday, February 19, 2020

1:30 PM in Room 2C of the LOB

I. CONVENE MEETING:

The meeting was called to order at 1:36 PM by Chairman, Rep. Rojas J. 009.

The following committee members were present:

Senators: Cassano S. S04; Fonfara J. S01; Leone C. S27; Logan G. S17; Maroney J. S14; Martin H. S31; McCrory D. S02; Moore M. S22; Needleman N. S33; Sampson R. S16; Witkos K. S08

Representatives: Altobello E. 082; Barry J. 031; Butler L. 072; Candelora V. 086; Carney D. 023; Cheeseman H. 037; Concepcion J. 004; Devlin L. 134; Doucette J. 013; Elliott J. 088; Farnen B. 132; Gresko J. 121; Hennessy J. 127; Hill L. 017; Klarides-Ditria N. 105; Lemar R. 096; Meskers S. 150; Miller P. 145; Morin R. 028; Mushinsky M. 085; Napoli R. 073; Paolillo A. 097; Perone C. 137; Phipps Q. 100; Piscopo J. 076; Rojas J. 009; Sanchez R. 025; Santiago H. 084; Scanlon S. 098; Wood K. 029; Wood T. 141; Yaccarino D. 087; Zullo J. 099

Absent were:

Senators: Davis C. 057; Floren L. 149; Frey J. 111; Lopes R. 024; Perillo J. 113; Polletta J. 068; Stafstrom S. 129

II. REMARKS BY THE CHAIRS:

Rep. Candelora informed the members that Ranking Member Rep. Davis is absent due to illness.

III. PROPOSED BILLS TO BE RESERVED FOR A SUBJECT MATTER PUBLIC HEARING:

A motion was made to reserve the following bills for a Subject Matter Public Hearing by Sen. Witkos and seconded by Sen. Fonfara.

1. **Proposed H.B. No. 5001** AN ACT EXEMPTING ALL AIRCRAFT FROM THE SALES AND USE TAXES.  (FIN)

2. **Proposed H.B. No. 5002** AN ACT CONCERNING THE PENSION AND ANNUITY INCOME DEDUCTION FROM THE PERSONAL INCOME TAX AND THE QUALIFYING INCOME THRESHOLD FOR MARRIED INDIVIDUALS FILING JOINTLY.  (FIN)

3. **Proposed H.B. No. 5090** AN ACT CONCERNING A SURCHARGE ON CAPITAL GAINS AND A REDUCTION OF THE PERSONAL INCOME TAX RATES ON CERTAIN INCOME.  (FIN)

4. **Proposed H.B. No. 5061** AN ACT INCREASING THE CAP ON RESEARCH AND DEVELOPMENT CREDITS.  (FIN)

5. **Proposed H.B. No. 5109** AN ACT EXEMPTING BREASTFEEDING SUPPLIES FROM THE SALES AND USE TAXES.  (FIN)

6. **Proposed H.B. No. 5003** AN ACT CONCERNING THE ESTATE TAX EXEMPTION THRESHOLD AND THE GIFT TAX CAP.  (FIN)

7. **Proposed H.B. No. 5025** AN ACT ESTABLISHING A PERSONAL INCOME TAX CREDIT FOR LONG-TERM CARE INSURANCE PREMIUM PAYMENTS.  (FIN)

8. **Proposed H.B. No. 5034** AN ACT ELIMINATING THE ESTATE TAX.  (FIN)

9. **Proposed H.B. No. 5059** AN ACT ESTABLISHING A TAX CREDIT FOR BUSINESSES THAT EMPLOY INDIVIDUALS WITH INTELLECTUAL OR DEVELOPMENTAL DISABILITIES.  (FIN)

10. **Proposed H.B. No. 5060** AN ACT PHASING OUT THE PERSONAL INCOME TAX ON CERTAIN INDIVIDUAL RETIREMENT ACCOUNT INCOME.  (FIN)

11. **Proposed S.B. No. 26** AN ACT EXEMPTING FROM THE PERSONAL INCOME TAX PROCEEDS FROM THE SALE OF AGRICULTURAL LAND DEVELOPMENT RIGHTS TO THE STATE.  (FIN)
The motion was passed unanimously by a voice vote.

The following bill was reserved for a Subject Matter Public Hearing by a roll call vote. A motion was made by Rep. Lemar and seconded by Rep. Morin.

1. Proposed H.B. No. 5040 AN ACT ESTABLISHING AN EXCISE TAX ON AMMUNITION. (FIN)

Sen. Witkos expressed his concerns with the proposal as it seems like it is aimed at punishing a certain segment of the population with an excessive/regressive tax. He pointed out that if passed this will result in citizens in the state paying more for the tax than the actual cost of the item itself. It is his feeling that this proposal is a masquerade to stop violence, yet it just punishes law abiding citizens unfairly.

Rep. Rojas explained that this proposal is not aimed to punish a certain segment of the population and that the proponent of the bill is willing to compromise on the specifics of the tax amount as the bill progresses through the legislative process. He expects that if passed there will be an exemption for law enforcement. He closed by stating that he believes that while he understands the sensitive nature of the proposal it is a good exercise to hold a public hearing on such issues as a learning experience for everyone involved in the debate.

Sen. Sampson expressed the political nature of the proposal which will only embolden criminals and backfire as a public policy. He also noted that there is a petition that has been signed by thousands of law-abiding citizens in the state who are opposed to the proposal that the committee should be aware of as this issue is deliberated upon.

Rep. Candelora noted his concern that this proposal uses taxation in a punitive manner which is not the purview of this committee- tax policy should not be used in this way.

Rep. Yaccarino closed the debate on the issue by questioning the constitutionality of the proposal.

Roll Call Vote: 26 Yea, 18 Nay, 0 Abstain, 7 Absent and not voting

IV. CONCEPTS TO BE RAISED:

A motion was made to raise the following concepts by Sen. Fonfara and was seconded by Sen. Witkos:

1. AAC Invest CT Funds
2. AA Establishing a Credit Against the Personal Income Tax for Adoption Expenses
3. AAC School Building Project Grants For Inclusive Municipalities
4. AAC a Rapid Workforce Retraining Program
5. AA Creating the JobsCT Tax Rebate Program
6. AA Establishing a Hartford Convention and Visitors Bureau
7. AAC Bonding For Certain Municipal Projects
8. AAC a Municipal Option Surcharge on Food and Beverages
9. AA Establishing a Three-Tiered PILOT System for Colleges, Hospitals and State Property
10. AA Eliminating the Personal Income Tax
11. AAC an Interstate Compact to Phase Out Corporate Incentive Packages
12. AAC Resale Certificates For the Sale of Certain Motor Vehicles
13. AAC Ambulatory Surgical Centers
14. AAC Community Restoration Funds
15. AAC Property Tax on Motor Vehicles
16. AAC the Sales Tax Transfer Into the Municipal Revenue Sharing Account
17. AA Incentivizing Data Storage Facilities
18. AA Reducing Municipal Reliance on the Property Tax
19. AA Establishing Regional Development Corridors
20. AAC Deposits in Lieu of Taxes
21. AAC Community Wealth Retention
22. AAC the Use of State Bond Funds for Housing
23. AAC the Distribution of Bond Funds for Workforce Development
24. AA Establishing a Community Finance Agency
25. AAC the Financing of the State’s Unfunded Pension Liabilities
26. AA Establishing a Credit Against the Personal Income Tax For Donations to Certain Training and Education Programs
27. AAC Nexus Provisions For Certain Disaster- or Emergency-Related Work in the State
28. AAC the Tourism Account Surcharge on Motor Vehicle Rentals and Leases
29. AAC the Department of Revenue Services’ Recommendations For Minor and Technical Changes to the Tax Statutes
30. AAC the Legislative Commissioners’ Recommendations For Minor and Technical Changes to the Tax and Related Statutes
31. AAC the Failure to File For Certain Grand List Exemptions
32. AAC the Digital Media Production Tax Credit
33. AA Increasing the Aggregate Amount of the Rehabilitation of Historic Structures Tax Credit
34. AAC the Names of Delinquent Taxpayers
35. AAC the Neighborhood Assistance Act
36. AAC the Admissions Tax
37. AAC Municipal Stormwater Authorities
38. AAC the Repurposing of Municipal Buildings
39. AAC the Tax Treatment of Tobacco Products That Are Exported From the State
40. AAC a State Grant Program for Residential Repair Expenses for Low-Income Homeowners
41. AAC Administrative Pronouncements and Certain Business Reporting Requirements of the Department of Revenue Services
42. AAC the Passport to the Parks Fee
43. AAC Finance
44. AAC Revenue
45. AAC Revenue Collections
46. AAC Taxation
47. AAC Tax Policy
48. AAC Revenue Policy
49. AAC Fiscal Policy
50. AAC Finance Policy
The motion passed unanimously by a voice vote.

V. ADJOURNMENT:

A motion was duly made and seconded to recess the meeting until 4:00 PM – votes will be held open in Room 3700 of the LOB until that time.

The meeting was adjourned at 4:00 PM.

Tom Spinella  
Administrator

Dawn Silveira  
Committee Clerk