

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200

Hartford, CT 06106 ◊ (860) 240-0200

<http://www.cga.ct.gov/ofa>

SB-1107

AN ACT CONCERNING THE TAXATION OF AMBULATORY SURGICAL CENTER SERVICES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Revenue Serv., Dept.	GF - Revenue Loss	6.4 million	6.4 million
Revenue Serv., Dept.	GF - Cost	30,000	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which terminates the 6% ambulatory surgical centers (ASC) gross receipts tax and instead subjects ASC services to the 6.35% sales tax, subject to certain exclusions, results in a General Fund revenue loss of \$6.4 million annually beginning in FY 22 and a one-time cost to the Department of Revenue Services of \$30,000 in FY 22 only for information technology costs to implement the changes.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.