

OFFICE OF FISCAL ANALYSIS

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HB-7268

AN ACT CONCERNING THE JOBSCT TAX REBATE PROGRAM.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Department of Economic & Community Development	GF - Potential Cost	73,500	98,000
State Comptroller - Fringe Benefits ¹	GF - Potential Cost	29,922	39,896
Department of Revenue Services	GF - Revenue Loss	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which establishes lower eligibility standards for the JobsCT tax rebate program for businesses with 75 or fewer employees, which results in a potential cost of \$137,896 annually to the Department of Economic and Community Development (DECD) to the degree that the bill significantly increases the number of applications towards the JobsCT program. DECD may require one full time position at an annual cost of \$98,000 in salary and \$39,896 in fringe benefits to administer and process additional applications.

The Out Years

The bill results in General Fund revenue losses of less than \$100,000

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.71% of payroll in FY 26.

in FY 28, approximately \$150,000 in FY 29, and approximately \$500,000 in FY 30. The annual revenue loss is expected to peak at \$2.1 million in FY 34 before falling to \$1.1 million by FY 37.²

The annualized ongoing potential cost identified above would continue into the future subject to inflation.

² The revenue impact is limited to the out years as the credit is allowed beginning in the second year after acceptance into the program.