



Recruiting | Staffing | Payrolling

A.R. Mazzotta Employment Specialists has been doing business in Connecticut for over 45 years. With four offices – Middletown, Wallingford, Watertown and Westbrook – we have clients in most of the state. Here are some facts regarding temporary staffing in Connecticut.

2014 Connecticut Staffing Statistics from the American Staffing Association

- Average number of temporary workers each week: 25,238
- Annual staffing employment: 115,842
- Average annual earnings per job: \$39,554
- 2013 total annual sales: \$1.6 billion

The staffing industry is a significant contributor to the state's economy.

We at A.R. Mazzotta oppose sales taxes on temporary and contract services because of the detrimental effect they have on jobs, wages, other businesses and the state economy. Sales taxes on staffing services result in job losses which negatively affect the entire state economy.

By raising the cost of temporary and contract labor the demand for those services is reduced. With that reduced demand comes less employment and less economic activity in the state. The negative effect of such taxes increases the labor supply and causes wages to go down.

Other businesses are also affected by sales taxes on staffing services. When temporary jobs are reduced, the support services associated with temporary work are also reduced. Employment in telephone service and other utilities are negatively affected. When people are no longer working, they are no longer spending, causing declines in other sectors of the state's economy.

Sales taxes as a revenue-generating measure are ultimately self-defeating because the resulting job losses reduce not only expected sales tax revenue, but also income tax and other tax collections. At the same time, state unemployment insurance payments and other social welfare costs tend to rise. Finally, sales taxes put Connecticut's businesses at a competitive disadvantage because none of the surrounding states tax staffing services.

The repeal of this onerous tax will go a long way toward making Connecticut a more business friendly state. Help Connecticut companies employ more people!

Laura M. Pedersen, CEO/President

Nancy M. Cronin, Vice President, Office & Professional Placement

www.armazzotta.com

Shoreline & S.E. CT
860.399.9995
Westbrook

Central & Northern CT
860.347.1626
Middletown

Southern & Western CT
203.949.4242
Wallingford