



Commerce Committee
February 27, 2020

The Connecticut Conference of Municipalities (CCM) is Connecticut’s statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent 100% of Connecticut’s population. We appreciate the opportunity to testify on bills of interest to towns and cities.

SB 9 ESTABLISHING THE JOBSCT TAX REBATE PROGRAM

CCM supports SB 9.

This bill would create an incentive program to encourage business to locate or expand within the state, with increased incentives offered to businesses within distressed municipalities or federally designated Opportunity Zones.

The JobsCT program, will provide businesses that create and maintain 25 or more full-time jobs at 85% of the median household income will be rebated 25% of the withholding taxes generated by those jobs for up to seven years. This wage requirement will preclude companies that hire low wage employees from taking advantage of the program and encourage the creation of quality jobs that will have a positive economic impact throughout the state.

CCM strongly supports the added incentives for businesses that expand or relocate in one of Connecticut’s 72 federally-designated opportunity zones or 25 distressed municipalities, which increases the rebate to 50% of the withholding taxes for each of the 25 full-time jobs created. This enhanced incentive will help make our urban centers and Opportunity Zone areas more attractive to developers and businesses looking to locate or expand within Connecticut.

CCM has consistently discussed the negative impact that high local property taxes have on businesses and their decisions to either locate or expand within our communities. SB 9 creates an incentive for companies to locate and grow within the state that does not come at the expense of municipalities in the form of a property tax exemptions, which simply shift the burden to other taxpayers.

Economic growth is the key to creating vibrant, livable communities and is the best means to achieving property tax relief. A larger, more robust property tax base allows municipalities to thrive while not asking residents and business to carry more of the burden. It is encouraging to see proposals that aim to increase the size of local tax bases rather than just developing plans that seek to get more from the existing base.

CCM urges the Committee to support SB 9.

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If you have any questions, please contact Randy Collins, Advocacy Manager of CCM at rcollins@ccm-ct.org
or (860) 707-6446.