

OFFICE OF FISCAL ANALYSIS

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sSB-98

AN ACT EXTENDING THE MANUFACTURING APPRENTICESHIP
TAX CREDIT TO PASS-THROUGH ENTITIES.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Department of Revenue Services	GF - Revenue Loss	Up to 1.4 million	Up to 1.4 million
Department of Revenue Services	GF - Cost	Less than 100,000	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which allows pass-through entities to claim manufacturing apprenticeship tax credits against the personal income tax or pass-through entity tax, results in a revenue loss of up to \$1.4 million annually beginning in FY 23. This also results in a one-time cost of less than \$100,000 in FY 23 to the Department of Revenue Services associated with updates to the online Taxpayer Service Center to allow pass-through entities to claim the credit on their tax forms.

This is based on data indicating there are currently 6,510 registered apprentices, of which approximately 200 are in manufacturing trades.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to fluctuation in the number of manufacturing apprentices.

Sources: Connecticut Department of Labor

Primary Analyst: CW
Contributing Analyst(s):
Reviewer: MM

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Connecticut State Apprenticeship Council