

State Tax Panel

Meeting, April 21, 2015 10:00 am in Room 2B
Minutes

The meeting was called to order at 10:05 by Co-chair Bill Nickerson. Present were voting members: Melinda Agsten, Al Casella, Alan Clavette, Bill Dyson, John Elsesser, Tiana Gianopulos, Lou Schatz, and Robert Testo. Also in attendance were ex-officio members: Ben Barnes, Rep. Jeff Berger, Rep. Chris Davis, Sen. Scott Frantz, Joe Mooney, Deputy Commissioner of DRS sitting in for Commissioner. Kevin Sullivan. Absent were: Bill Breetz(work conflict) Sen. John Fonfara. Marian Galbraith(work conflict) Howard K. Hill(traveling), Anika Singh Lemar(work conflict) Sen. Martin Looney, Don Marchand (out of the country) David Nee (out of state), Rep. Brendan Sharkey, Commissioner Kevin Sullivan (out of state).

Co-chair Bill Nickerson indicated that this process would be the opposite of the Legislative process in that we would establish criteria, have consensus documents, and revenue neutrality would be a key guidepost to all our work. It was also agreed that we would proceed as a committee of the whole on the issues. Co-chair Bill Dyson indicated that this would be a very open process and we would hear from as many interested parties as we possibly could both at meetings and hearings later in the summer. They also indicated that all matters related to the panel should go through the chairs and Mary Finnegan.

The consultants were introduced by Bill Nickerson. Robert Ebel will be the executive director of the study and he will be assisted by Michael Bell. Mr. Ebel then went over the packet that was presented which included a research agenda/scope of study. a panel meeting calendar, and a document on the guiding principles and criteria for evaluating the Connecticut State and Local Revenue system. (copies of these documents are available on the website)

In order to locate the website go to www.cga.ct.gov then **committees**, then **Finance, Revenue and Bonding Committee** web page and scroll to the bottom left and click on **State Tax Panel**. Mr. Ebel indicated that he hoped we would build consensus and vote on a general report by December. Each meeting in the fall will be devoted to a different topic and position papers for discussion would be e-mailed in advance of the meeting.

Mr. Bell indicated that on property tax he would be looking at a strategic view to see if there was other ways to provide direct relief. Lou Schatz indicated that he thought we should look at how all taxes were administered. John Elsesser asked the consultants to

look at PA 490 on farmland taxation as it affects many communities ability to collect taxes but then can be sold for development at a much higher valuation.

Mr. Joe Henschman from the Tax Foundation spoke to the panel on Connecticut's Tax Climate. He indicated that policy changes can have immediate effects on business and individual local decisions. He indicated we should look at short term vs. long term, total cost vs marginal cost, and benefits vs. costs. According to his foundation Connecticut's overall rank is 42nd out of 50. He suggested that we look at some of the issues that led to this overall poor rating and see if they can be addressed.

The **next meeting is Tuesday, May 12, 2015 at 10:00 am in Room 2B** of the Legislative Office Building. We will be discussing the criteria for evaluating Connecticut's state/local revenue system at the next meeting of the tax panel.

The meeting adjourned at 12:15 pm

Mary E. Finnegan
Administrator