

Legislative History for Connecticut Act

HB683	FA279	scan	1945
Finance	209-210		2
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Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate and House of Representatives Proceedings

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FINANCE

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1945

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FINANCE
COMMITTEE
HEARING
APRIL 19TH
1945

Members present:

Chairmen: Sen. Nicholas Spellman and Rep. Frederick Holbrook
Senators Hanmer, Wallace, Kiernan, and Aaron.

Representatives Rylander, Allen, Curtis, Miller, Stone, Gund,
Weeks, Wochomurka, Branson, Sawicki, Shafner,
Beers, Woodford, Upson.

Senator Spellman: The meeting will please be in order.

Sub. H.B. 683 AN ACT CONCERNING THE TAXATION OF WATER, GAS,
ELECTRIC AND POWER COMPANIES, AMENDING CHAPTER
73 OF THE GENERAL STATUTES, REVISION OF 1930.

Mr. Austin D. Barney; Attorney representing:

Hartford Electric Light Company, Conn. Power Company,
Hartford Gas Company, United Illuminating Company and all Gas
Companies in the State.

Mr. Chairman I have here a statement which I will
file and speak briefly and then will answer questions. The purpose
of this amendment is solely to put into the present law a definition
of "gross earnings" which at the present time the law did not con-
tain. (Read from prepared Statement filed with committee.)

Mr. Howard; Attorney for Connecticut Light & Power Company and
Connecticut Water Works Association:

I wish to register in favor of this bill.

Commissioner Walsh: As Mr. Barney has informed this committee this
bill is a result of a court decision wherein
an appeal from the doings of the Tax Commissioner was taken and the
Supreme Court felt the taxes imposed were justly imposed. I have
a copy of the decision and it is a rather lengthy one of five pages
and quite technical. I think the most important part of the decision
is the fact that this bill does not relieve the burden of taxation
that is imposed by the specific position admitted. The objection
is simply that the decision goes a lot further than we needed it to
go but there is a possibility if certain items were left to the
personal judgment of the head of a department there is such a
possibility that taxes may be imposed and could be imposed injuriously
under those circumstances. The aim and object is simply to take
care of those things which are not entirely unforeseen but it
definitely is foreseen at this time. It simply tries to tie it down.

Commissioner Walsh continues:

I have had many conferences on the bill with counsel on the points and several arguments and this is the agreement we have finally reached and we hope it sets up some criterion by which we can gauge what is taxable and not taxable.

Representative Holbrook: You don't feel it will reduce the ultimate amount of taxes?

Commissioner Walsh: I can see the possibility of saving administrative difficulties. The only possibility of an occasion where a tax might be imposed of \$7,000 on contributions made by people for construction of utility lights and that money is retained by the company. They claim it is a capital contribution and the claim is supposed to be supported by the case. Anything outside of the scope of this would lead to litigation. I further think the experience of the last two years should be sufficient to say if it is fair or not fair.

The attitude now is that the companies represented here would be fair two years from now if they found the Tax Commissioner at that time found it to be unworkable at that time? Do you gentlemen concur?

Mr. Barney: Yes.

Mr. Howard: Yes.

Mr. Austin D. Barney: The effective date would be to take its natural course. 1945 would be the first year to apply. The Commissioner mentioned this matter where you build an extension for only one customer and they cannot pay for it. That kind of instance is under the System of the Accounts and always has been in the capital accounts and never shows up in the earnings.

Senator Spellman: Any opposition?

None appearing the hearing is closed.

S.B. 95 An ACT CONCERNING BUDGETING AND FINANCING IN THE TOWN OF GREENWICH.

Senator Fenn; 36th District:

This is a clarifying act and changes two words in the act amending a form of government in Greenwich. The auditors require these words be used to clarify the act. After the word "yield" it should be "in cash" and after the word "income" it should be "revenue" "receipts".

Commissioner Walsh: Have you any objection if I state the Tax Department is in favor.

Senator Fenn: Thank you.

HB 12

CONNECTICUT
GEN. ASSEMBLY

HOUSE

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GENERAL ASSEMBLY
The House of Representatives

Monday
May
Twenty-first
1945

The House was called to order at 1:17 p. m. by the Speaker, - the Honorable E. Lea Marsh, Junior.

Prayer was offered by the Chaplain, the Reverend W. Dixon Hoag of Old Lyme:

Our Father, we are assembled to do the work of another week but before we assume the business on the Calendar we lift our thoughts to Thee that we may take our bearings. We would remember whither we would be bound and correct our wanderings away from our proper course. Too often in the storm of debate and the strife of tongues we lose our way. In this moment we would sight Thy fixed stars of Truth, and Right, and Wisdom, and resolve to follow them, Amen.

Favorable reports were received from the committees named, the bills read the second time and tabled for the Calendar and printing as follows:

APPROPRIATIONS - (committee bills) - House Bills No. 1200[✓] and 1201[✓].
BANKS - House Bills Nos. 639[✓] and 866[✓] (both substitute bills).
EDUCATION - House Bill No. 302 (substitute) and House Bill No. 670[✓].
FINANCE - House Bill No. 30 and substitute House Bills Nos. 33[✓], 511 and 683[✓].
FISH and GAME AND SHELL FISH - House Bills Nos. 96[✓] and 102[✓].
CITIES AND BOROUGHs - House Bills Nos. 59[✓], 977[✓], 1164[✓], 1165[✓], 1168[✓] and 1172[✓],
also substitute House Bills Nos. 347[✓], 496[✓], 666[✓] and 914[✓].
JUDICIARY - House Bill Nos. 736[✓]; substitute House Bill No. 991[✓] and
committee bills Nos. 1202 and 1203.
PUBLIC HEALTH AND SAFETY - House Bill No. 1057 (substitute)[✓].
PUBLIC PERSONNEL - House Bills Nos. 796 and substitute bills Nos. 200;
801 and House Bill No. 808.
PUBLIC WELFARE AND HUMANE INSTITUTIONS - House Bills No. 815 (substitute)

Unfavorable reports were received from the committees named, the bills were read the second time and tabled for the Calendar:

5.24.1945

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(Bills passed without debate continued.)

House Bill No. 30- An Act Concerning the Financing of Towns Pending the Adoption of Budgets. This bill was explained by Mr. Wochomurka of Willington, a member of the committee on Finance.

House Bill No. 96 - An Act Concerning the Killing of Deer. This bill was explained by Mr. Hammond of Waterford, a member of the committee on Fish and Game and Shell Fish. Mr. Curtiss of Norfolk inquired of Mr. Hammond as to the spelling of the word "deer". Mr. Hammond replied that it is spelled in two ways and that "Diana was able to get her deer and her man, both at the same time." Mr. Boyd of Kent inquired as to whether there were any extra charges for the use of the "bow and arrow". Mr. Hammond replied that the law included the use of the bow and arrow, whether "co-quiver or all aquiver". Mr. Hutchings of Harwinton inquired as to whether the law would permit deer to be killed with a club. Mr. Hammond referred the question to "our old friend, Laf Maine", for an answer.

House Bill No. 302 - An Act Concerning Authority to Confer Academic Degrees. This bill was explained by Mr. Sherwood of Newington, a member of the committee. On motion of Mr. Sherwood the bill was amended by House Amendment Schedule "A", as printed in the Journal for the day. (Education committee)

House Bill No. 683 - Finance committee - An Act Concerning the Taxation of Water, Gas, Electric and Power Companies. The bill was explained by Mr. Woodford of Avon, a member of the committee.

House Bill No. 796 - An Act Concerning Positions Exempt from the Classified Service. This bill was explained by Mr. Curtiss of Norfolk, Chairman of the committee on Public Personnel, who also explained *

House Bill No. 801- An Act Extending the Benefits of the State Retirement System to Employees of Certain State Aid Institutions.

House Bill No. 866 (substitute) Banks. An Act Authorizing Savings Banks to Make Personal Loans. This bill was explained by Mr. Stuart of Newtown, a member of the said committee.

House Bill No. 1165- Cities and Boroughs. An Act Permitting a Municipality to Remove Debris and Wreckage from Waterways and to Assess the Cost Against the Responsible Party. This bill was explained by Mr. Pratt, House Chairman of the committee.

The following Senate bills were taken from the table, read the third time, the reports of the committees named accepted and the bills passed without debate in concurrence with the Senate:

Senate Bill No. 132 - An Act Concerning Approval of Water and Sewerage Systems. The bill was explained by Mr. Pruyn of Colebrook, a member of the committee. On motion of Mr. Pruyn of Colebrook the bill was amended by House Amendment Schedule "A" and, as amended, the bill was transmitted to the Statute Revision Commissioner in accordance with the provisions of Joint Rule IXA. Remarks were as follows:

The Speaker: The gentleman from Westport.