

Act Number	Session	Bill Number	Total Number of Committee Pages	Total Number of House Pages	Total Number of Senate Pages
PA 71-837		1187	14	1	1
<u>Committee Pages:</u> <ul style="list-style-type: none"> • Finance 653 • Finance 668-679 • Finance 695 				<u>House Pages:</u> <ul style="list-style-type: none"> • 5900(consent) 	<u>Senate Pages:</u> <ul style="list-style-type: none"> • 2966(consent)

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**CONNECTICUT
GENERAL ASSEMBLY
HOUSE**

**PROCEEDINGS
1971**

**VOL. 14
PART 13
5555-6226**

Wednesday, June 9, 1971

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of the Parole Process, File No. 1650; Calendar No. 1629, substitute for S.B. No. 0821, An Act Concerning the Disclaimer of Property, File No. 1604; Calendar No. 1630, substitute for S.B. No. 0839, An Act Concerning the Escheat of Ownership Interests in Business Associations, File No. 1693; Mr. Speaker, in as much as this is the last consent calendar we'll have the privilege to bring before the House, I would now yield to Rep. Gilles from Middletown.

MR. GILLIES (75th):

Mr. Speaker, I move the following items be placed on consent, Calendar No. 1631, substitute for S.B. No. 0910, File No. 1590, An Act Concerning Rates Charged by Municipalities; Calendar No. 1632, substitute for S.B. No. 0988, An Act Concerning Persons Exempt from Registration as Professional Engineers and Land Surveyors, File No. 1054; Calendar No. 1633, substitute for S.B. No. 1017, An Act Concerning Full Disclosure of Property, Wages or Indebtedness on all Support Cases to the Circuit Court Family Relations Division, File No. 1605; Calendar No. 1636, substitute for S.B. No. 1187, An Act Concerning the Admissions, Dues and Cabaret Tax, File No. 1645; Calendar No. 1644, S.B. No. 1787, An Act Concerning Parole or Conditional Discharge of Persons to a Residential Community Center, File No. 1692; Calendar No. 1645, S.B. No. 1828, An Act Concerning Medical Internships, File No. 966; Calendar No. 1646, S.B. No. 1836, An Act Extending the Time for Filing Biennial Reports of the Norwalk Town Union of the King's Daughters and Sons, Incorporated, File No. 1714. I move that these items be passed on the consent calendar.

THE SPEAKER:

Is there objection to any of these items being adopted on the consent calendar? If not, the question is on acceptance and passage. All those in favor indicate by saying aye. Opposed? The bills indicated are PASSED.

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CONNECTICUT
GENERAL ASSEMBLY

SENATE

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June 5, 1971

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SENATOR CALDWELL:

On page 1, Cal. 1134, 568; on page 5, C L. 1047; on page 6, Cal. 1067; on page 7, Cal. 1110, 1116; on page 8, Cal. 1131, 1133; on page 11, Cal. 1159 page 12, Cal. 1160, 1164, 1165, 1168, 1169; I might point out that that Calendar is currently marked Banks and should be the Liquor Committee; on page 13, Cal. 1170, 1171, 1179; page 14, Cal. 1182; on page 17, Cal. 1208; on page 23, Cal. 919, on page 26, Cal. 327; on page 28, Cal 491; on page 30 Cal. 664; on page 31, Cal. 733; on page 14, I omitted one, that we might take up, Mr. President, and that is Cal. 1181. SB1017, SB808, SB1187, SB1837, SB584, SB839, SB1787, SB592, SB890, SB337, SB1836, HB5190, SB1588, SB31, SB1828, SB988, SB1139

THE CHAIR: SB1836, HB5190, SB1588, SB31, SB1828, SB988, SB1139

Is there any objection to the motions recommended by the Majority Leader for suspension of the rules on any single starred or no starred items and for the passage of all bills, as described by him? If not, the motions are granted, said bills are declared passed.

SENATOR CALDWELL:

Mr. President, I had a request from the Chairman of the General Law Committee, to remove one of those that I had placed on the Consent Motion, so I withdraw my motion with respect to that particular matter, it's on page 28, top of the page, Cal. No. 491.

THE CHAIR:

I don't think it's necessary to go through the proceeding of reconsideration. The motion is to withdraw the approval of that bill from the consnt list, if there is no objection. So ordered. That bill is not passed.

SENATOR CALDWELL:

Now, may we take up the following matters? On page 2, Cal. 665, recomit 765, take up 788; on page 3, take up Cal. 851, 858, 865, 925, and 929; on

**JOINT
STANDING
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FINANCE

**PART 2
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Rep. Pearson: this is not mine either, but I noticed this one and it sounds like a good one great bill. This would eliminate the requirement of a municipality having and approved CDAP to be eligible for housing for the elderly. I spoke in opposition to this bill when it came on the floor last session, I think this is a horrible thing to do to our Senior Citizens of our State to place the housing for the elderly under the Department of Community Affairs - it was an appalling thing to do. It has probably in some towns restricted our elderly citizens who need homes, from having the town consider constructing them. Any town that has come, I shouldn't say this, but any town that has asked me about this, I'd say go to the Federal Government, you get more money, you get less problems than you do with the State. Trying to get money for putting up housing for the elderly, so if you can consider removing that I strongly urge you do it.

Sen. Rimer: Thank you Rep. Pearson. Any questions from members of the Committee. Are there any further members of the General Assembly that wishes to be heard. If not Commissioner Carlson.

Comm. Carlson: of Finance and Control. I'd like to speak in support of three bills this morning. One is SB1187
SB1187 A TAX ON ADMISSION TO CABARET AND DUES. The basic intent of this bill is to continue the present tax beyond July 1, 1971. When this tax was first imposed by an Act of the General Assembly in 1969, the experience of the tax department in administering this act led to recommendation so numerous as to warrant a re-drafting of the entire law. Many of the speakers you have heard this morning on this particular bill, not this bill but on sections to clarify the basic law. What we have done in consultation with the Tax Department have redrawn and are offering a substitute bill for filing with your Committee. The basic purpose of this substitute bill is on the application of the present law. It is proposed in the substitute bill to exempt membership dues of \$50. or less payable annually. This would exempt many small groups, societies, organization, with nominal fees. It would also work to assist clarifying the points that have been spoke to this morning on the imposition of a admission tax on the many of the same classification of groups of charitable nature, so hopefully this reads, this redrafted bill would help resolve the many legitimate concerns that have been expressed here this morning. The second bill I would like to speak on is HB7704 A TAX ON ALCOHOLIC BEVERAGES. This bill would increase the rate of taxation on alcohol on beverages by 20%. Still liquor is now taxed at \$2.50 per gallon but will drop to \$2.00 per gallon July 1, 1971 under the statutory law. This bill would impose a tax of \$3.00 per gallon an increase over today's rate. The tax on wines and beer

Frank Le Volsi: Mr. Chairman, members of the Committee, I'm a former member of the Connecticut Legislation in 1937. I'm presently representing 300,000 musicians in the United States and Canada. I am here representing musicians to opposition of any type or form of cabaret tax, because it is discriminating against the musicians, because it affects their employment and has affected the employment of waiters, the employment of bar tenders, the employment of anybody connected with a restaurant. This type of tax was in the United States Congress immediately after the second World War, in temporary measures.

Sen. Rimer: Excuse me Mr. Le Volsi, would you identify the bill number for us so that

Frank Le Volsi: As a matter of fact there's a bill here 1187, but I'm coming in late, I understand that there are other bills that are asking the continuance or a new bill something in reference. The cabaret tax presently in your statutes was enacted last year without a chance or opportunity to oppose it. This tax was in the United States Congress several years ago and we fought we fought very hard and the United States Congress after after getting a lot of information, realized that they lost money by having this tax, because of the unemployment and the revenue that would come under other forms of taxation. One of the individuals who would work for this in opposition of this tax is your present tax Commissioner Sullivan who happens to be a musician out of New Britain at the time. This tax not only discriminates against the family that has a little birthday party, a little anniversary party or something of that nature and he goes out about 6:00 to a restaurant with a child to enjoy a birthday or the children take out the grandparents who at this time are senior citizens who enjoy an anniversary and immediately as I'm bringing out the cake and singing a song that they get up to dance - they are going to be taxed for other commodities or other items which are already, have been taxed on the table, such as liquor, food and other items as such. However, if these families could afford to belong to some private clubs such as the country club, a yacht club or a golf club who would enjoy the same type of social function without being taxed. It's not fair, really and perhaps it never came to the attention of this Committee. In addition this is the only State in the Union that has this type of cabaret tax. Every State in the Union has a tax problem and I'm sure there must be other avenues where you could raise your taxes to meet your obligation - some other method - rather than be discriminatory against the musicians. The musician makes a great contribution to the local community. He plays for voluntary restaurants, for hospitals, he plays for service clubs, he plays free concerts, he contributes to the culture of the community. Yet with this cabaret

Frank Le Volsi: tax effects, he and he alone. I question very much whether the - you received \$4. million in cabaret taxes in the state of Connecticut this year, I would like to see that time, that item, I would wish it could come up for publication because there are other forms of recreation just as important as the recreation on a ball field, football field or on the bridge tables or anything else, I think the type of recreation that when a family goes out and enjoys an evening - this type of family goes out perhaps once a year and yet they are taxed and it doesn't seem justifiable to keep the tax on your statutes. I'm sure that if you will realize---that musicians supplements his income or they give full time to their livelihood and use it. He cannot stand it, and the unemployment in this state has been part of the .10 unemployment in Connecticut - this is very high. Now in behalf of the 300,00 members of the American Federation of Musicians, including those that live and work in Connecticut, we'd like very much to have you concern and do all you can to stop this cabaret tax. I'd be glad to answer any questions if you like.

Rep. Holdridge: One of the other questions asked before, has this your organization taken any stand on how we can raise money - this is our job here.

Frank Le Volsi: Well as a citizen, any citizen in the State will naturally we're all knowledgable in the fact that there must be some form of tax. As an individual I also know that the surrounding states have the same problem. I also know that their, they are meeting their obligations, which are even higher than the obligations that we have in Connecticut. I'm sure that your group, as members of the Legislature who represent we who have voted for you, should come up with some kind of taxation that should treat equal and at the same time to meet the needs. I don't think you should have any taxes that would discriminate against any group, regardless of whether they are musicians or otherwise. I do favor an income tax.

Sen. Rimer: Thank you Mr. Le Volsi. May the record note that Sen. Ciarlone has left a statement with the Committee in support of bill 7156. Kathleen Martindale.

HB7156

Kathleen Martindale: I, a very hard act to follow. Mr. Chairman I'd like to address myself very briefly to bill 8312. The Executive Board of the Women's Junior Club of Windsor which I represent would like to on record in support of Congressman's Dooley proposal to exempt local and state service clubs and organizations from said tax. The main purpose of our existence as a club is to raise funds for charitable purposes. Along with other Junior Clubs throughout the state we give not only on the local level but on the state and national level as well. Just briefly

HB3312

K. Martindale: this past year we have donated to the ship "Hope" we support an Appalachian family with medical expenses, we give to FISH which stands for Friends In Service here on our own local level and to the mentally retarded and to the rehabilitation center. So just in summary we would like to hope that hope that the fruits of our labor who is to go in its entirety to charity. Thank you very much.

Sen. Rimer: Thank you very much. Joseph Sauchilli.

Joseph Sauchilli: Gentlemen, how do you do. I'm firmly against the 10% amusement tax.

Sen. Rimer: Excuse me. Would you identify yourself, for the record please.

J. Sauchilli: President of Local 136 American Federation of Music in Waterbury and also representing the Connecticut Conference of Musicians. I'm against it as I reiterate just as much as I was a year ago. May I read a text service on the letter I sent to the then Chairman of the Finance Committee Mr. Verricker. "Dear Senator Verricker: I find it very difficult to understand the betrayal of trust place in the hands of his Senator and representatives by the tax payers of Connecticut. The enactment of the 10% tax without prior notification to the public was without doubt the, a grave injustice. The deception was so skillful that the owners of hotels and motels, restaurants and what have you in the line of entertainment didn't know about this at the time of July 1969. This was quite a surprise to the American Federation of Musicians also. I in turn called Sen. Verricker and then he told me that, well, everybody was tired. And then about 4 o'clock in the morning they said let's call it a morning or a night or a day - and such as the Beatles, let's call it a day - Let's call it a night and inaudible to the public and say here it is man and take it. So this is evidently what is happened. Now, again I say this is an imposition on the working man, because it is double taxation. He get's taxed for working - his prime source of income has been taxed already. In these troubled times I believe a man, a working man, or any man should have the privilege of going out an unwinding without being taxed again and this is what is being done, because this same person goes to a club and he is already taxed for sitting down. This is what it is and this is unfair to the man, because he's got to sit down to enjoy a meal and he is being taxed for it. So again gentlemen you might just as well tax the sick man for going to a Doctor to try to improve his health because this is what the poor man is doing to unwind after a tough day in the shop, he wants to sit down and have a drink and relax with his family. Now it is also a detriment to the who

J. Sauchilli: write music aspects of this industry because we use to have 4 or 5 or 6 men playing in night clubs. It has gone down to as far as two and a single because the owner cannot afford to pay the income tax, the excise tax or the entertainment tax, so I am very much against this particular tax and again gentlemen to be a little facetious in 1969 the House and the Representatives of the House and the Senate which was controlled by the democrats and the democrats I voted wholeheartedly in favor of the 10% tax. Now the Republicans at that time were in the minority and everyone of them voted against the 10% amusement tax, so here we have a paradoxical form whereby the Republicans are in office, we shouldn't have any problems in repealing this, should we gentlemen. Now O.K. I played my part I think. Now Sen. Cutillo has asked 2 or 3 previous speakers where we might get this added revenue if we repeal the 10% cabaret tax. Well none of us inaudible of taxes, it's always and I haven't heard it today, is the cut in spending on non-essentials, maybe insignificant, but I should think it would help and it probably would upset the repeal of the 10% cabaret tax because I'm sure that, well I can't be sure, gentlemen, such as \$4.5 million spent on non-essentials, I can't be so facetious as all that, so again, gentlemen, I urge the repeal and I am now looking at one of our Representatives, all the 10% excise or cabaret tax and admission tax and dues tax also, I might just as well cover the whole situation. Thank you for being so kind gentlemen.

Sen. Rimer: Thank you sir. Are there any questions from members of the Committee. George Frantzis.

George Frantzis: Mr. Chairman, members of the Committee. I would like to talk in opposition to bill 1187 and substitute bill 1187 and if these cannot be eliminated at least in favor of bill 8148. I'm President Lake Quonssapaug, Amusement Park, Middlebury, Connecticut. Now the reason for our opposition to bill 1187 is that we feel that the amusement park is basically a unique operation. First of all we have a very short season, secondly we are subject to the whims of the weather, thirdly amusement parks appeal to very fine people but who are basically from lower to middle income groups who come out to our parks as family units to entertain primarily their children. Amusement device to make money depends on repeat rides, therefore an amusement tax on a 15¢ or a 13¢, or 30¢ inaudible which according to the law is to be passed on to the consumer is in essence the, is absorb by the industry, because the father gives the child \$1.00 or \$2.00 bill and says o.k. go have some fun. Now, because there is an added tax, the child doesn't get any more money. It is not like a one price admission situation if you go to the theater and it's a \$2.00 admission, the 20¢ extra may not as a rule be deter a person from going to a movie, but certainly on amusement devices the

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HB3143

G. Frantzis: father, as I mentioned before gives a \$2.00 bill to the child and says go and have fun, when it's all over, it's all over and you come back to the picnic table. Certainly an amusement park also is unique in that unlike a carnival we are a permanent part of the business scene in our community and as such we feel that we are responsible citizens and get involved in all sorts of programs dealing with the handicapped, with the poor, with children from the inner city areas where we either bring them out for days of entertainment and we reduce our prices substantially and yet now we have to tax these children that are coming in to our areas. I would submit that the amusement tax as presently stated poses an undue hardship on our industry. I would further submit that the substitute bill 1187 is even more horrendous than the existing act because into it have been thrown additional activities which were exempt by the 1969 bill. This new bill that was presented to you gentlemen today concludes athletic activities such as admission for swimming, admission to gymnasiums, admission to skating which were all excluded in the 1969 act, therefore I am firmly opposed to these two bills and I wish that you would give consideration to my arguments. Thank you very much. Oh, If I may add, the question has been asked other members, and what I would suggest to raise some money and for what it is worth since I was an unsuccessful candidate for the 93rd district of this august body, I was very strongly in favor of a State income tax.

Sen. Rimer: Thank you sir. Henry Zaccardi, please.

Henry Zaccardi: Mr. Chairman, members of the Committee, retired and in 1965, formerly president of the Hartford Musicians Association and for 23 years, prior to my retirement an Administrative Assistant to President James C. Patrillo and Herman D. Cannon of the American Federation of Musicians. During my tenure in the National Office of the Musicians Association I was on the team which worked for a period of ten years, spent almost \$400,000 to convince the Congress of the United States that the then cabaret tax was a deterrent to the employment opportunities of musicians and other personnel involved in the service and night clubs, restaurants, cabarets, country clubs etc. Now in 1969 when this section 12-539 supplement to the General Statutes was enacted, it was my opinion then and still is that it was unconstitutional of an imposition of a tax in so far as that the opposition had no opportunity to be heard. Immediately after the commencement of the tax period on September 1, several attempts were made to organize groups to possibly test the constitutionality

SB1187

H. Zaccardi: of this Act in the Courts of the State. At that time we were advised from various Counsel legal and otherwise "Look the taxes are going to expire on June 30, 1971". I was of the opinion then that this is a lot of boloney and I'm still of that opinion. However here's my opinion that the 1969 Legislature in passing this tax and by its very language imposed a promise and a commitment to the people of this State that the tax would end on June 30, 1971. Now if this bill 1187 is allowed to take place it seems to me that this is a definite breach of promise and that I as an individual will no longer have any faith in the promises of any Legislative bodies now or in the future. I speak on behalf of the musicians who already lost jobs since September 1, 1969 and suggest to you gentlemen and ladies of the Legislature that by defeating this particular bill you may create some jobs, you might even possibly take some people off the welfare rolls and place them in decent employment and thereby save the State some money. In anticipating that perhaps you are going to ask me how you can raise revenue. I've been a registered Democrat all my life and I don't hold with these inaudible opinions that the Governor of this State threw a gauntlet down to the Democratic Legislation. Let me say this gentlemen, I'm against the piggy-back situation, but I am in favor of a decent well drawn up income tax proposition and I don't think that you members of the Legislature will have anything to fear if you come up with an honest tax bill that treats everyone fairly and taxes those in accordance with their ability to pay. Thank you very much.

Sen. Rimer: Thank you sir. Mr. Henry T. Gage.

HB7704

Attorney Henry T. Gage: I'm an Attorney in Detroit, Michigan. I am Counsel for the Wine Institute in the East. While not a resident of the State of Connecticut, I have had the privilege of serving in my Legislature and I know some of the problems that you gentlemen are faced with and also no one else could keep my remarks brief and that I hope to the point, addressing myself to the particular equity that the Wine Industry in this bill. Wine is the smallest of the alcoholic beverages by far, while we have heard many times in the Bible and there is the take home beverage, we hope, of the middle income and lower income brackets. Its growth has been very slow and in fact we sell about 5% of the beverage dollar and our taxes are commensurate with that small consumption. It also has a long shelf space time when compared with other beverages, so that a 5% or 12~~1/2~~ increase in tax, there's a higher mark-up and therefore has a set cost to any wholesaler or retailer just as freight or invoice cost it is bound to have an increase in the cost to the point where a small proportion of tax will bear rather higher resulting consumer cost and a 12~~1/2~~ increase on a cold duck beverage or a beverage that we are trying to bring out to our table wine increase will have a inaudible retail cost that is much higher because of this mark-up, which are part of the fixed costs and part of the laws of the State of Connecticut in the form of mark-up regulation. Also, I wish to address myself to the fact that we are as the Wine Industry and make no bones about it, we think we are sort of taken along with some of these tax raises. The consumption figures and the revenue figures a re not really what you are shooting at here, as far as revenue is

H. T. Gage: concerned - if you have to raise more money through alcoholic beverages - so you bring in beer, spirits and then you bring along wine too as a part of the ballgame. We hope that in your considering this you will also reflect on what I understand was the recommendations of the Task Force which studied the beverage and which someone was kind enough to send me in connection with recommendations of the tax increase. I'm not too well acquainted with what this body consisted of, but I understand that the recommendation of some public body in which members of the Legislature did not recommend an increase in wine and did not recommend an increase in beer, because these are the, let's say the lower beverages on the totempole. I do appreciate being the only representative of the Wine Industry, we are happy that we were able to hear and represent our people. If there are any questions, I'll be happy to answer them.

Sen. Rimer: Thank you very much sir. Are there any questions. If not, thank you. William Hickey. Excuse me, before you testify, may the record note that Rep. Simons of the 139th district has left a statement in support of bill 5309.

HB7704
William Hickey; Thank you Mr. Chairman and members of the Committee, I'm from Stamford and I represent the Connecticut Brewers and Beer wholesalers Board of Trade in the State. You've heard comments here this morning by Attorneys Maloy and Brennan and Gage all concerned with the aspects of HB7704 which includes the increases on alcoholic beverages. Mr. Gage just referred to results of the Revenue Task Force study with which, I think you are all familiar in general. I would if I may take one moment to read a portion thereof, this is on the summary, page 23, it has to do specifically with alcoholic beverages tax and it reads as follows: "Rates on alcoholic beverages were increased 25% across the board under the temporary tax program. The Task Force is of the view that a distinction can and should be made between distilled spirits and alcohol on the one hand and beer and wine on the other. Accordingly we recommend that the tax on distilled spirits and alcohol be increased to \$2.75 and the tax on beer and wine should be allowed to revert to the pre-1969 level." Now that level was \$2.00 and I think when you go through the report made by the Task Force, certainly we all recognize that this body made an exhausted study of the problems with respect to money in the State. You will recognize that they took into consideration when they made this recommendation the facts that have been stated by Mr. Brennan, Mr. Maloy and Mr. Gage. I would simply restate that beer we think is the beverage of the small working force population in the State; if you tack on this additional tax to what appears to be an increased sales tax and take into consideration the ready availability in neighboring states to purchase this item, I think the only conclusion you can reach will be that you will be actually defeating your own purpose. I honestly believe that you will see a decrease in the revenues in this area, so from simply that standpoint, as well as the other matters of equity that have been discussed I would certainly hope that this Committee would refuse to increase the tax on beer. Thank you.

Sen. Rimer: Thank you very much. Any questions. Mr. S. Daniel Juliani.

Sen. Rimer: Mr. Juliani is not here? Mr. John Gerardo.

John Gerardo: I'm speaking on behalf of 1187, but the Musicians Union have done such an excellent job that I could almost take five and in addition to that the liquor industry was absolutely intoxicating this morning, but I shall very seriously - I do have someone here from the Senesta but in addition I'm speaking on behalf of the Connecticut Hotel Association and I'm also speaking for Mr. Kevan Kenney who was called away and he is with the Associated Restaurants, but what these gentlemen in the Musicians Union have pointed out, it is a discriminatory tax and is a loser. Now while we are talking about losers, I can make one or two corrections. I did talk to Mr. Tarrant who could give you some figures, he gave them to me - they're figures they don't look any different to me then when they read them, but he did indicate to me that the admission tax, which he indicates is \$4. million - this included everything, it was not limited to the cabaret taxes as some of the musicians thought, because believe me I don't think there are that many swingers in the whole Western Hemisphere. The cabaret tax does comprise a very small part of that. In addition to that, I think the musicians should take note, and also you gentlemen, on this new substitute 1187 on the cabaret. One of my great difficulties which Mr. Verrick and some of the others last year, that when the tax was put on, of course there was not public hearing, and they had some of the weirdest interpretation that you ever heard. A live piano player could play, but if a pianoplayer played you were in a cabaret - this is for real and I suppose it's like a deaf and dumb impersonator, but at any rate this time at least it has eliminated all of this and they have discriminated almost entirely against the live musicians and they say if it is mechanical it is not cabaret, but they don't define what mechanics are at that point, but at any rate I know what I'm going to do and what I would say is a substitute and I like Mr. Le Volsi's did run for something a long time ago, but it was a long time ago. I'm not going to say a word about the income tax but I am an Attorney and I 'll buy the Attorney's tax which will probably disbar me for life, but I will go on record for that. Very seriously this tax, any amusement tax is very discriminatory and unfair and I don't think they belong in this particular package. I would be happy to answer any questions.

You, as an Attorney, would you promise not to pass it on to the consumer.

J. Gerardi: I have no consumers, only clients. Gentlemen I eat my own words. Thank you very much.

Sen. Rimer: Thank you. William Holsten.

William Holsten: I'm Chairman of the Legislative Committee of the Connecticut Council of Senior Citizens, Inc. with a membership of over 80,000. We testified on March errd before your Committee on tax relief for the elderly supporting bills HB7632 - 5828 - SB1147- HB 7877. I am attaching a copy of this statement to avoid the necessity of repeating it here. We support HB5655 - 7230 and 7633 which will extend these benefits to permanently and totally disabled persons. We also support the HB8144 covering the permanently disabled before reaching the age of 65. While the reasons state in my testimony of March 23rd are not necessarily the same for such persons, their inability to have the benefits enjoyed by the regularly employed places them in much the same category as the elderly and the need for this tax relief is as urgent. We also support HB7873 which extends such relief also to widows '62 of age and older. The difficulties, especially financial, for the widow is increased by the reduction of the Social Security income from the couple's income, i. e., husband plus 50% for the spouse, to $32\frac{1}{2}$ % of husband's income upon his decease. This is a reduction fo $67\frac{1}{2}$ %. Further, in many cases the wage earner's industrial pension expires with his death. This reduction of income will be a great burden and could easily force the spouse to seek welfare and reluctantly. It also could force such spouse to dispose of such property because of inability to finance its upkeep and taxes. We urge your favorable action. We also support HB8307 to establish Mobile Home Parks for those elderly who gave up their permanent homes because of their inability to continue the maintenance and tax demands but who find it possible to purchase cheap mobile homes and retain their usual home life. Such park rentals to be such as persons having mobile homes can afford. I also on behalf of myself I have no authority to speak for anyone else, I support Rep. Pearson's bill 8316 which would eliminate the holding from CDAP. Our town does not have CDAP, did not approve of it, and we have to go to the Federal Government to get loans for housing rather than a grant from the State.

HB5655

HB7230

HB7633

HB8316

Sen. Rimer: Thank you very much sir. Mr. Ballard.

James Ballard: Goodmorning Mr. Chairmand and members of the Committee. I'm General Manager of Hotel Senesta and a Director of the Connecticut-Motel-Hotel Association. Unlike Mr. Gerardo, I am not a comedian, but I am a very concerned Inn-Keeper and a very concerned businessman and I am here to indicate my very strong and opposition to bill 1187 which proposes the continuance of the admissions, cabaret and dues tax. Particularly concerned about the cabaret tax. As an Inn-Keeper and operator of a night club, I'm in full agreement with those comments that have been

HB1187

James Ballard: by members of the union, or the liquor distributors, wine distributors, I personally and members of my Association feel that this is an unfair tax, is a tax that we strongly urge all of you to take another look at, please consider the discontinuance of it. Connecticut is the only State that has an entertainment tax. New York State did, New York City did and they eliminated it. It has reduced our revenue, consequently it has reduced sales tax income to the State of Connecticut and I think also that it is a great disservice to people visiting the State of Connecticut who are coming here, we are promoting tourism, we are bringing people into the State and at the same time we are hitting them with an unfair taxation in the form of the entertainment tax. Thank you very much.

Sen. Rimer: Thank you Mr. Ballard. Are there any questions, if not thank you very much. Mr. Walter A. Adams.

Walter Adams: Sen. Rimer, members of the Finance Committee, I live in Southington and I'm President of the Connecticut Council of Senior Citizens and I'm saying this on behalf of the Seniors in back of me, so they don't think that I'm deserting them but today I'm representing the Connecticut Society of inaudible. The Chairman of our Legislative Committee is not able to come here, so she has asked me today to speak on behalf of Senator Cohen's bill 8307 and the provision of a mobile court for elderly persons. I think gentlemen that you all know that we have done a tremendous amount of work on this for some six or seven years; we have been asking that the State purchase some sort of a park where we could move the mobile homes, because the private concerns today are pricing our elderly out of this. So we see a lot of these people have to move out of these mobile homes particularly ones that we have in Wallingford. We have a case in Southington, these people have to sell their mobile homes and they become welfare recipients. There is I understand a bill that was passed by the last session of the Legislature on the mobile homes parks, but it was not funded and so this is the wishes of the Society of Gerontology which is made up of all professional people. I would like to concur with Sen. Peterson on HB7879 and this is the elderly person who did not file with the town of assessors. We have a lot of loss on this among the elderly for this is a sad situation and just because of a deadline they lose out on that particular date. I would also like to concur with Sen. Peterson's and others that have spoken both on behalf of the HB8316 and that is the CDAB grants for housing for elderly. We have experienced that in Southington, we need housing down there and because we are not affiliated with CDAB

HB8307

HB7879

HB8316

W. Adams: unfortunately we can't house those people and there is a need for that. Thank you.

Sen. Rimer: Thank you very much. Are there any questions.
Mr. Richard L. Norton.

SB1187
HB3148

Richard Norton: Senator, members of the Committee, I'm the General Manager and Vice-President of Lake Compounce Amusement Park in Bristol. Mr. Francis, I believe has quite adequately covered the nature of our business. The uniqueness of the seasonal part of it, my remarks briefly will be towards HB1187 and HB3148. I concur with Mr. Francis that the 1187 is a discriminatory tax because of the fact that we feel in a sense, in a nickel and dimes operation and to the lower income groups, middle groups, we find that it is also imposes a hardship because of the nature of the operation. Our business is probably 75% done in roughly 15 days during the year, I'm referring to Sundays and holidays. On these days you have a 3 or 4 hour period in the afternoon and it is a very high volume operation. We get to the basics hamburgers, hot dogs and rice which is 20¢ or 30¢ item in nickel portions. If we have to add pennies this creates a great bookkeeping item. The creation of ticket problem. We have some things in the park that are taxable, some that aren't although in this new bill, as I see it there, have including debating and have figured most items taxable anyway. I would like to point out that an amusement park is part of the American tradition, we've been in the business, I believe the longest park in the United States; we have been, this park has been in our family all of this time and a tax such as this threatens our very existence. I am very serious about this because it now imposes one more little straw so to speak that may break the camel's back. I am not opposed to taxes, we realize they are necessary and you gentlemen have a particular problem here which I can see is very difficult. I do feel however though to impose a tax on all items, sort of all inclusive under a dollar is just getting to the point that it is hard to live with and our particular case. We have no objection whatsoever to a tax on items under a dollar, this we could live with and in that vein I'm speaking in favor of HB3148. I would like to point out that over the years, as I said the amusement park is in somewhat an American tradition and if you will note the fact, in our state it has gone on, out of business because of rising labor cost, taxes all encompassing. Savin Rocks, Pleasure Beach, Lakewood Parks at the moment there is only two of us left. Lake Quasipaug and ourself as private parks. I believe we now have the only roller-coaster left. Maybe this doesn't seem greatly important to some of you here, but to us it is, it has been a tradition for years and we feel that we would

R. Norton: like to keep entertaining the kids and the lower income groups - those with a great deal of money can have their boats and run around Long Island Sound but we have a unique group that we are catering to and I believe that if we could not eliminate this HB1187 then we certainly should give serious consideration to 8148 to make the tax a little more liveable with. I think that about covers what I have to say. Thank You.

Sen. Rimer: Thank you very much Mr. Norton. We have a question.

Rep. Violette: I want to ask you the standard question that was asked of all our speakers this morning, how do you feel about other alternatives taxes to help meet the needs of the state.

R. Norton: I'm absolutely in favor of an income tax. I believe if we eliminated every tax we have in the state except for an income tax and told people this is what we have to spend and this is what you owe and stop kidding ourselves with all the little hidden taxes I think we would have it right, but then people would realize what it is costing them, but I do think the income tax is the answer.

Sen. Rimer: Thank you very much sir. Mr. Paul Sullivan, I believe it is.

Attorney Paul Sullivan: I represent Music Operators and Music Operators is an organization of persons engaged in the vending machine business and included in our organization are people who are in the cigaret vending machine business and therefore I'd like to speak on HB7707. Attorney Schatz has very adequately covered the problem of bootlegging but I think that something more has to be said about it because there is an additional concern with the problem of the disparity between the tax in this state and the taxes in the other states as would be represented by this bill. And I think the real problem, or a real problem is the fact not so much of criminal elements, except in high-jacking which is serious problem, but the fact that the bill is in fact an inducement for the common ordinary citizen to go from our state into another state in order to purchase his cigarets and this in a very subtle way, gentlemen, ends to place the law itself in disrespect and it is an inducement for our people to avoid the very law that our people are to live under and we have seen that disrespect for the law is obviously a serious problem in this community and when you do make a situation where there is an inducement to avoid the tax then I think that it is tantamount to somewhat plainer gain, and I think that as a lawyer that when you get involved in this kind of

THE PRESENT TAX OF 10% ON ADMISSIONS, CABARET AND DUES EXPIRES ON JUNE 30, 1971. THE INTENT OF THIS BILL IS TO CONTINUE SUCH TAX AT THE SAME RATE FROM JULY 1, 1971 THEREAFTER, WITHOUT ANY OTHER CHANGE WHATSOEVER.

THIS TAX WAS FIRST IMPOSED BY ACT OF THE GENERAL ASSEMBLY IN 1969. THE EXPERIENCE OF THE TAX DEPARTMENT IN ADMINISTERING THE ACT HAS LED TO RECOMMENDATIONS SO NUMEROUS AS TO WARRANT REDRAFTING THE ENTIRE LAW. THIS HAS BEEN DONE AND A SUBSTITUTE BILL PREPARED FOR FILING WITH YOUR COMMITTEE.

IN ONLY ONE INSTANCE DOES THE SUBSTITUTE BILL DIFFER WITH RESPECT TO THE APPLICATION OF THE PRESENT LAW. IT IS PROPOSED IN THE SUBSTITUTE BILL TO EXEMPT MEMBERSHIP DUES OF \$50.00 OR LESS, PAYABLE ANNUALLY. THIS WILL EXEMPT SMALL GROUPS, SOCIETIES AND ORGANIZATIONS WITH NOMINAL MEMBERSHIP FEES.

THE TAXES ON ADMISSIONS, DUES AND CABARETS ARE ESTIMATED TO AMOUNT TO \$6.4 DURING 1971-1972.

W. C. [unclear]