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Thomas J. Perrone, CLU, President
2514 Boston Post Rd C-2
Guilford, CT 06437
800-311-1115 or 203-453-0471
Fax; 203-453-0877
Email: tpnecgginc@comcast.net
www.necgg.com

Re: Connecticut tax changes

Higher Connecticut taxes arriving Friday

Here's how changes will affect taxpayers

Starting Friday, it will cost more for drivers who fail to renew their licenses on time.

Here are some of the many tax changes that take effect Friday as part of the budget approved by Gov. Dannel P. Malloy and the General Assembly in May.

The state's diesel fuel excise tax will increase by 6.6 cents per gallon to 46.2 cents, making it the highest in the nation, according to Independent Connecticut Petroleum Association President Eugene Guilford Jr. The base diesel tax is set to rise by 3 cents to 29 cents.

Stafford Motor Speedway, Thompson Speedway, Waterford Speedbowl and Norwich's Dodd Stadium are among the venues that will no longer be exempt from the 10 percent admissions tax.

The Millstone Nuclear Power Station in Waterford will begin paying a new electricity generation tax.

The Office of Policy and Management, which is Malloy's budget department, provided a list of some of the tax hikes.

Tobacco

Cigarette tax will rise to \$3.40 per pack from \$3.

Cigarette floor tax of 40 cents will be added.

Snuff tax will rise to \$1 per ounce from 55 cents.

Other tobacco products' taxes will increase to 50 percent of wholesale price from 27.5 percent.

Cap cigar tax will be set at 50 cents per cigar.

Liquor

Alcoholic beverage taxes all will be increased by 20 percent.

A 3 percent "cabaret" tax will be imposed on establishments that offer live music, dancing or other entertainment while serving alcohol.

Rental car surtax will be increased to 9.35 percent from 6 percent.

Automotive

Base diesel fuel tax will go up to 29 cents per gallon from 26 cents.

Sales tax will be applied to automotive storage.

Sales tax will be applied to automotive road and towing services.

Sales tax will be applied to limousine/driver services.

The new laws will impose a \$25 late fee for drivers who fail to renew a driver's license or commercial driver's license on time. It also increases other motor vehicle fees, including various registrations and permits.

Beauty and fitness

Sales tax will be applied to yoga studio services.

Sales tax will be applied to spa services.

Sales tax will be applied to manicures and pedicures.

Health care

Sales tax will be applied to nonprescription drugs.

4.6 percent quarterly tax will be set on hospitals' net patient revenue.



New England Consulting Group Of Guilford, Inc.

Sales tax will apply to cosmetic surgeries.

Other changes

Overall sales tax will be boosted to 6.35 percent from 6 percent.

Sales tax will be applied to clothing and footwear costing less than \$50.

Sales tax will be applied to cloth and fabric for noncommercial sewing.

Luxury goods tax will be increased by 0.65 percentage points to 7 percent.

Sales tax will be applied to pet grooming services.

Sales tax will be applied to packing and crating.

Hotel tax will rise to 15 percent from 12 percent.

Sales tax will be applied to airport valet parking.

Sales tax will apply to hazardous waste removal.

A new electricity generators tax will be \$0.0025 per kilowatt-hour.

Marginal income tax rates will apply at \$100,000 for joint filers; \$50,000 for single filers and married people filing separately; and \$80,000 for heads of households. Number of income tax brackets will increase to six from three.

Maximum property tax credit will be cut to \$300 from \$500.

A 20 percent surcharge on the corporation tax will be imposed for 2012 and 2013 income years.

Estate and gift tax threshold will lower to \$2 million from \$3.5 million.

State tax on real estate transactions will rise by 0.25 percentage points; a 0.25 percent municipal tax will be permanent.

An earned income tax credit program equal to 30 percent of the federal credit will be created.

Certain remote sellers with no physical presence will be required to collect sales tax.

Cremation certificates will increase to \$150 from \$40.

Read more: [Higher Connecticut taxes arriving Friday - Norwich, CT - The Bulletin](http://www.norwichbulletin.com/archive/x1647079960/Higher-Connecticut-taxes-arriving-Friday#ixzz1RtfQYGh0)
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Sincerely,



Thomas J. Perrone, CLU, President