



AMERICANS *for* TAX REFORM

March 17, 2017

State of Connecticut General Assembly
210 Capitol Avenue
Hartford, CT 06106

Dear Members of the Connecticut General Assembly:

On behalf of Americans for Tax Reform I urge you to oppose House Bill 7247, “An Act Establishing a Carbon Price for Fossil Fuels Sold in Connecticut,” introduced by Representative Josh Elliott and the Committee on Environment.

House Bill 7247 would impose a carbon tax on energy in the state at a rate of \$15 per ton of emissions that will increase by \$5 annually. The proposed tax would reduce the state’s economic competitiveness by driving up the cost of energy, impacting jobs and increasing costs for Connecticut’s most vulnerable citizens.

Connecticut’s tax climate was recently ranked 43rd worst in the U.S. by the bipartisan Tax Foundation’s *2017 State Business Tax Climate Index*, with some of the highest corporate, individual, and property tax rates in the country.

Connecticut’s gas tax in 2016 was also ranked as the 6th highest in the country at 37.51 cents per gallon, on top of the federal rate of 18.4 cents. Estimates show, after just the first year, House Bill 7247 could add an additional tax of 20 cents per gallon of gas.

Studies show a carbon tax rate of \$20 per ton in Connecticut would result in the loss of worker income equivalent between 1,000 and 9,000 jobs, and would increase the cost of using natural gas in the state by more than 40 percent. Such an increase would drive up the cost of doing business in the Constitution State, which would hit low-income households the hardest, as a larger portion of their monthly income is spent on energy costs.

I urge all members of the Connecticut General Assembly to oppose House Bill 7247.

Sincerely,

Grover G. Norquist
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