

Connecticut's Cost of Doing Business Not As High As Believed

Report Rates State Well for Low Business Tax Burden

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Property Valuation attorney Gregory F. Servodidio writes about the findings of a report prepared by the Council on State Taxation (COST) and Ernst & Young analyzing state and local business taxes nationwide for fiscal year 2009.

According to Greg's article, Connecticut does well when compared with other states when it comes to several measures of the state and local tax burden on business. For example, the total effective business tax rate, a ratio of state and local business taxes to the portion of a state's gross product generated by the private sector, is 3.7 percent in Connecticut versus a national average of 4.7 percent.

Looking ahead, Greg cautions that property tax revenue growth will slow in the 2010 and 2011 fiscal years. "The result will be that municipalities, which are heavily dependent on the property tax for their funding, will most likely attempt to pursue other ways to raise revenue either as part of, or apart from, the property tax," he writes. "Businesses must remain vigilant in analyzing and managing their property tax expense as this trend unfolds."

For more information or a copy of the article, please contact info@pullcom.com.

Practice Areas

Property Tax and Valuation

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