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## LATE TESTIMONY

### HOUSE COMMITTEE ON ECONOMIC REVITALIZATION & BUSINESS

#### TESTIMONY OF THE DEPARTMENT OF TAXATION REGARDING HB 831 RELATING TO THE GENERAL EXCISE TAX

TESTIFIER:               FREDERICK D. PABLO, INTERIM DIRECTOR OF  
                                  TAXATION (OR DESIGNEE)

COMMITTEE:             ERB

DATE:                    FEBRUARY 8, 2011

TIME:                    8AM

  

POSITION:                COMMENTS

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This measure allows licensed contractors to pay general excise tax liabilities "in-kind."

The Department of Taxation (Department) very much appreciates the innovative thinking behind this measure.

All things being equal, this measure makes a lot of sense and could be an effective means of obtaining necessary services from cash-strapped contractors that will end up costing the State the same amount in cash.

However, given the other competing fiscal requirements of the general fund, the Department must prefer cash payments so that the funds may be disbursed as appropriated by the Legislature.