

# AMERICAN PAYROLL ASSOCIATION

August 23, 2019

Mr. Tom Spinella  
Committee Administrator - Finance, Revenue, and Bonding Committee  
Connecticut Payroll Commission  
Legislative Office Building, Room 3700  
Hartford, CT 06106

RE: Offer of assistance regarding Connecticut Public Act 19-117 § 385

Dear Mr. Spinella:

The American Payroll Association (APA) offers the Connecticut Payroll Commission assistance in evaluating the proposed Connecticut Payroll Tax, as called for by Public Act 19-117 § 385. APA members are well-positioned to offer insights that may be relevant, such as implications for multistate employers and impacts on programs designed to measure and enforce pay-equity laws and the state's minimum wage, among other considerations.

## **About APA**

Established in 1982, APA is a nonprofit association serving the interests of about 21,000 payroll professionals nationwide. More than 200 members are physically located in Connecticut. Many more members work for employers conducting business in Connecticut, including payroll service providers serving Connecticut employers and payroll software developers.

APA's primary mission is to educate its members and the payroll industry about the best practices associated with paying America's workers while complying with applicable federal, state, and local laws and regulations. APA members are directly responsible for calculating wages and tax withholding for their employers.

## **Offer of Assistance**

APA members have been following state initiatives related to Public Law 115-97 (131 Stat. § 2054), referred to as the Tax Cuts and Jobs Act, and understand the policy and revenue

concerns of state decision-makers. We are grateful that this legislation established the Payroll Commission to study payroll tax implications prior to implementation. While a broad, nonvoluntary program would be far simpler than New York's version, there would still be many issues that should be clearly understood before considering a final legislative proposal.

APA appreciates that the Payroll Commission consists of Connecticut stakeholders and that Connecticut employers are being surveyed. Our hope is that the Payroll Commission will accept APA's offer of assistance to provide perspectives from multistate and national employers that also are Connecticut employers.

At issue are systemic considerations, including how quickly businesses can implement the applicable software changes, train payroll management employees, and educate all employees about potential changes to their tax withholding.

APA members have accommodated a variety of diverse payroll taxes in every state. We could arrange a meeting in Hartford with interested members, phone conferences, or any other form of communication that the Payroll Commission may find helpful. Please contact Alice Jacobsohn at 202-248-3901 or [ajacobsohn@americanpayroll.org](mailto:ajacobsohn@americanpayroll.org) and let us know if any of these options would be of interest. Thank you.

Sincerely,



Pete Isberg  
Cochair, State and Local Topics Subcommittee



Bruce Phipps, CPP  
Cochair, State and Local Topics Subcommittee



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