



**TESTIMONY OF  
CONNECTICUT HOSPITAL ASSOCIATION  
SUBMITTED TO THE  
FINANCE, REVENUE AND BONDING COMMITTEE  
Tuesday, April 20, 2021**

**SB 1107, An Act Concerning The Taxation Of Ambulatory Surgical Center Services**

The Connecticut Hospital Association (CHA) appreciates this opportunity to submit testimony concerning **SB 1107, An Act Concerning The Taxation Of Ambulatory Surgical Center Services**.

Before commenting on this bill, it is important to acknowledge that, since early 2020, Connecticut's hospitals and health systems have been at the center of the global public health emergency, acting as the critical partner in the state's response to COVID-19. Hospitals expanded critical care capacity, stood up countless community COVID-19 testing locations, and are a critical component of the vaccine distribution plan. Through it all, hospitals and health systems have continued to provide high-quality care for everyone, regardless of ability to pay.

SB 1107 changes the tax on ambulatory surgery centers (ASC) from a provider tax under Section 12-263i of the general statutes to a sales tax under Section 12-407. The current language in Section 1, subdivision (b)(1)(B), excludes "net revenue of a hospital that is subject to the tax imposed under Section 12-263q" from the calculation of the tax. This provision ensures that ambulatory surgery services provided in a hospital outpatient department are not subject to multiple taxes.

We request that subdivision (45) of subsection (a) of Section 12-407, in Section 3 of the bill, be amended, to be consistent with the original intent of Section 12-263i, to exclude net revenue of a hospital that is subject to the tax imposed under Section 12-263q from the calculation of the sales tax under Section 12-407.

Thank you for your consideration of our position. For additional information, contact CHA Government Relations at (203) 294-7310.