

Connecticut Environmental Laboratory Advisory Committee
Meeting Minutes
September 19, 2011

Attendees: Peter Frick, Bert Gueser, Kim Maloney, Phil Schlossberg, Kathy Shaw, Dermot Jones, Ron Warila, Greg Lawrence, Garret Johnson, Peter Santagata CTDRS, Lou Bucari CTDRS.

Meeting Began at approximately 9:30 AM

DPH Update (Phil and Dermot)

- DPH drinking water action limits coming up for review in October.
- Dermot will send out links to websites with other various states action limits.
- Per EPA, microwave digestion can be used for drinking water metals.

Membership Review

- No changes in members

Upcoming Schedule

- Next meeting: January 2012

New Tax Law Changes

- Peter Santagata and Lou Bucari of the CTDRS spoke about the recent changes to the tax laws affecting environmental laboratories. Some of the main issues discussed were:
 - Primarily pertains to samples from commercial income producing properties. Residential, municipal, public and other exempt entities are not taxable.
 - Applicable samples analyzed on or after July 1, 2011 are taxable. Samples collected and analyzed before July 1st are not taxable.
 - If the lab doesn't get paid by their client, tax must still be paid to the DRS.
 - Labs will pay sales tax on a quarterly basis for the first year.
 - If labs report financials on a cash basis, then they should pay tax that way.
 - Labs must have exemption and/or resale certificates on file for all customers that are not being taxed that are not residential customers.
 - Phase 1 site assessments and data validations are not taxable.
 - Out of state labs that have a presence in CT must register with the DRS and charge tax to their customers, otherwise the use tax must be paid by the person requesting the testing.
 - pH and other physical properties testing are taxable. See 95(17) of the tax code.
 - Tax audits are performed in "three year chunks". Auditors have been instructed to be "understanding" during the transition period.

DEP Update – Peter Hill

- RCP surveys have been derailed by the tax issue; will revisit in November.

Action Items

- Dermot will send a list of the certified out of state labs to the DRS to inform them of their tax responsibility.
- Committee will draft a letter to send to the state legislators and the co-chairs of the finance committee regarding the negative impact that the new tax laws will have on laboratories and other businesses in Connecticut.

Meeting adjourned approximately 12:04 PM.