

# BUSINESS INSIDER

## Florida governor urges Yale to abandon the campus it's inhabited for 300 years

Abby Jackson

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Florida Governor Rick Scott has a suggestion for Yale University: Consider a move south to avoid taxes.

Scott's proposal comes after news that Connecticut lawmakers have been trying to dip into Yale University's \$25.6 billion endowment, and that the mayor of New Haven, Connecticut is backing a proposal that could make it easier to tax Yale's commercial real estate.

“With news that the Connecticut Legislature wants to unfairly tax one of the nation’s most renowned universities to deal with the state’s budget shortfall, it is clear that all businesses in Connecticut, including Yale, should look to move to Florida,” Scott said, according to the Connecticut Post.

Meanwhile, Ira Stoll wrote in the Hartford Courant that prominent Yale alum Walter Olson of the Cato Institute has suggested that Yale relocate a little closer, to Boston, but the school doesn't seem likely to relocate anytime soon.

"It's wonderful to be recognized as an outstanding asset, but Yale, New Haven, and Connecticut have been on common ground to great mutual benefit for 300 years. We're looking forward to reaching even greater heights in education, research and civic engagement over the next three centuries and more," Tom Conroy, a spokesman for Yale University, said in a statement provided to the New York Daily News.

Despite Yale's commitment to staying in the Nutmeg State, the school is facing increasing pressure to pay more taxes. The Connecticut Legislature proposed a bill earlier this month that would tax income from Yale's \$25.6 billion endowment, Bloomberg reported.

The legislation specifically targets schools in Connecticut with endowments of \$10 billion or more. Yale is the only such school in the state with an endowment of more than \$10 billion.

And the city of New Haven, Connecticut introduced a proposal that attempts to distinguish between real estate that Yale holds for educational purposes, and is therefore tax exempt, and its commercial real estate property.

In her testimony supporting the proposal, New Haven Mayor Toni Harp used an example of a building that Yale recently purchased. Previously, the city received \$275,000 annually in taxes for the property.

The city risks losing that taxable income since Yale, as an educational institution, owns the property — even though Yale stands to make money from the building for products and services it may sell, according to Harp.

Richard Jacob, a Yale associate vice president for federal and state relations, presented written testimony opposing the proposal backed by the mayor.

“Given Yale’s unparalleled commitment to New Haven, and the gains made by the City of New Haven and Yale in building employment, expanding the tax base, and strengthening neighborhoods and schools, the proposal to single out Yale by imposing unprecedented, ambiguous, and sweeping new taxes on the University is troubling,” Jacob said.

The suggestion to uproot Yale from its 300-year-old campus and move it 1,200 miles south may not be as far-fetched as it seems. General Electric announced in January that it would be moving headquarters from Connecticut to Boston to avoid increasing corporate taxes on the company.