



General Assembly

January Session, 2005

Proposed Bill No. 5770

LCO No. 1809

Referred to Committee on Planning and Development

Introduced by:

REP. KEELEY, 129th Dist.

AN ACT CONCERNING CAPPED MILL RATES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That chapter 223 of the general statutes, imposing a real estate
2 conveyance tax, be amended to increase the amount of such tax, and
3 that such increase be used to provide additional property tax relief to
4 towns pursuant to a program that includes the following provisions:
5 (1) Determination by the state of a capped mill rate for towns, derived
6 by averaging the mill rates of all, exclusive of the three highest and
7 lowest mill rates, (2) a prohibition on mill rates in excess of the capped
8 mill rate, and a state subsidy to the towns if increased revenues are
9 needed, (3) a prohibition that tax revenues shall not increase in any
10 municipality more than two per cent annually, or no more than the
11 cost of living for all areas published by the Department of Labor,
12 whichever is lower, and (4) establishment of state oversight board for
13 any municipality receiving a subsidy to examine budget and verify the
14 need for the subsidy and to modify the budget, if necessary.

Statement of Purpose:

To remedy the disparity of mill rates in municipalities by capping mill rates and providing additional grants to local governments, thereby helping the cities attract commercial development and become sustainable communities.