

RICHARD BLUMENTHAL
ATTORNEY GENERAL



55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120

Office of The Attorney General
State of Connecticut

*TESTIMONY OF
ATTORNEY GENERAL RICHARD BLUMENTHAL
BEFORE THE JUDICIARY COMMITTEE
MARCH 14, 2008*

I appreciate the opportunity to comment on Senate Bill 602, An Act Concerning the Collection of Delinquent Property Taxes on Motor Vehicles.

This proposal limits the accrual of interest on unpaid motor vehicle taxes to three years unless the tax collector provides a hand delivered delinquency notice to the taxpayer. Under current law, interest may accrue for 15 years.

My office annually receives dozens of complaints from citizens who have recently received delinquency notices for car taxes due over ten to fifteen years. These delinquency letters are often the first notice that they owe car taxes. Most frequently, the car tax was unpaid because the taxpayer moved from the town between October 1 -- when the grand list is established -- and the following June when the car tax bills are mailed. Under current law, the tax collector is prohibited from exercising any discretion to waive or reduce the interest and penalties -- which accrue at a rate of 18% per year.

Senate Bill 602 is a step in the right direction but may leave taxpayers who deliberately refuse to pay taxes on motor vehicles free to avoid their legal liability if they can remain untraceable for three years. I urge the committee to consider other measures. One would enable waiver of interest and penalties if the delinquency occurs due to a good faith lack of knowledge of the delinquency, along with timely payment of the principal after notice.

I appreciate the committee's interest in this issue. I would be pleased to work with you in developing an appropriate mechanism to provide relief to the many taxpayers who have been charged significant interest and penalties on delinquent taxes they had no idea they owe.

Thank you.