



March 10, 2008

Sen. McDonald, Rep. Lawlor and members of the Committee on Judiciary my name is Stanley Gorzelany and I am President of the Connecticut Tax Collectors Association, which represents over 200 professional Tax Collectors. I am writing to oppose Senate Bill 602.

Senate Bill 602, if passed, will cost municipalities hundreds of thousands of dollars in lost revenue. The effect of this bill is to stop the accrual of interest on all past due motor vehicle bills outstanding after three years, unless the Tax Collector mails out or hands the person liable a statement of account and it also reduces the statutory time limit for collection of motor vehicle taxes to six years. The current statutory limitation is 15 years.

The primary reason that taxpayers fail to receive their motor vehicle bills is that they fail to change both their license and registration addresses with the Department of Motor Vehicles when they move. This notification is required within 48 hours of an address change. Even though municipal assessment offices receive an address update from D.M.V. approximately one month before tax bills are prepared, many tax bills are misdirected because taxpayers fail to keep their addresses current.

Passage of Senate Bill 602 will have the effect of rewarding scofflaws, who fail to follow rules already in place. This proposal overturns a legal principle that has stood the test of time in Connecticut since 1862:

"A demand (bill) by the Collector is not necessary to make the tax due; it is not a condition precedent to the duty of the taxpayer to pay. The duty rests with the taxpayer to pay, not with the Collector to demand. As a matter of law, the interest - which became due after August 1st (or any other installment deadline) - became a part of the tax due. The Collector is required as a matter of law to apply the amount paid, first to interest and last to principal and has no discretion in the matter." (Goddard v. Town of Seymour, 30 Conn. 394 (1862))

Municipal Tax Collectors rely on strong collection enforcement techniques, such as the imposition of interest charges and on the ability to collect taxes for the current statutory period of 15 years, in order to maintain high tax collection rates. This ultimately results in lower taxes for responsible taxpayers who meet their tax obligations and account for 96% to 99% of those who pay their taxes timely. On behalf of professional Tax Collectors throughout the state, I strongly urge you to oppose Senate Bill 602.

Respectfully submitted,
Connecticut Tax Collectors' Association, Inc.

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President