



TESTIMONY
of the
CONNECTICUT CONFERENCE OF MUNICIPALITIES
to the
FINANCE, REVENUE AND BONDING COMMITTEE

March 2, 2009

CCM is Connecticut's statewide association of towns and cities and the voice of local governments - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to testify before you on issues of concern to towns and cities.

CCM opposes Raised Senate Bill 935, "AAC A Property Tax Exemption For Machinery and Equipment in Mobile Manufacturing Operations."

This bill would **expand the state-mandated property tax exemption** for manufacturing machinery and equipment to machinery and equipment in mobile manufacturing operations.

CCM appreciates that over the last few years the State has kept its promise to provide 100% reimbursement for manufacturing machinery and equipment it took off the municipal tax rolls. However, **this year is different – before the General Assembly is a proposal by the Governor that would cap such reimbursements at the level of appropriations.** That means if there is not enough money in the account to provide full reimbursement, every municipality will get less than what they should. Expanding the property tax exemption for any other type of manufacturing machinery and equipment would mean the same thing – **exempting more property without more money for reimbursement would mean a loss for every municipality.** RB 935 would cut a shrinking pie into smaller pieces.

Residential and business property taxpayers would end up subsidizing the beneficiaries of this new mandate.

Facing a massive state deficit over the next biennium it is highly unlikely the State will increase the line-item for this reimbursement.

This is simply not the time to mandate another loss of revenue. *We urge you to take no action on this bill.*

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