



**State of Connecticut**  
**HOUSE OF REPRESENTATIVES**  
STATE CAPITOL  
HARTFORD, CONNECTICUT 06106-1591

**REPRESENTATIVE MICHELLE COOK**  
SIXTY-FIFTH ASSEMBLY DISTRICT

LEGISLATIVE OFFICE BUILDING  
ROOM 4044  
HARTFORD, CT 06106-1591  
CAPITOL: (860) 240-8585  
TOLL FREE: (800) 842-8267  
FAX: (860) 240-0206  
E-mail: Michelle.Cook@cga.ct.gov

**MEMBER**  
SELECT COMMITTEE ONAGING  
EDUCATION COMMITTEE  
HUMAN SERVICES COMMITTEE

**Testimony of Rep. Michelle Cook**  
**State Representative, 65<sup>th</sup> District**

**on**

**HB 5254: An Act Repealing the Municipal Jeopardy Tax**

Representative Sharkey, Senator Coleman and distinguished members of the Planning and Development Committee:

For the record, my name is Michelle Cook, and I represent the 65<sup>th</sup> Assembly district in Torrington. I am here today to testify in support of *HB 5254: An Act Repealing the Municipal Jeopardy Tax*.

For those who may be unaware of this provision, Section 12-163 of our General Statutes reads in part, "If, between the assessment date and the tax due date, any tax collector *believes* that the collection of any tax will be jeopardized by delay, he shall, subject to the provisions of this section, collect such tax forthwith."

I asked the committee to raise this bill due to several instances in my district where this provision has been used to the detriment of local businesses. Representatives of those businesses are here to testify today.

My issue with this statute as it is currently written is that it provides a municipal tax collector with enormous latitude to collect on a tax bill months in advance on nothing more than the gut feeling that a business – or a family – may be unable to pay their municipal taxes on time. This is quite a power.

In this economic downturn, we should be doing everything we can to assist businesses in keeping their doors open. Instead, we have a policy on our books which allows a tax collector to request in March thousands of dollars which might not be due until July. I know of few small businesses, with slumping sales and tight credit markets, which are able to absorb a large, unanticipated extra expense such as a municipal tax bill. This policy, which is in place to protect a town from losing tax money on a failed business, can actually cause a business to fail.

I have met with, and plan to continue to meet with a group of municipal tax collectors on this issue. Our mutual goal with this legislation is to adjust this statute to at minimum spell out a concrete set of measures which must be met before jeopardy tax collection procedures could be used and to perhaps adjust the amount of the tax which can be collected in advance, prorated to the date collection is demanded.

I am sure there are some collectors who have written standards on the use of the jeopardy tax, and I would welcome their input this process continues.

I don't want to completely eliminate the ability of a town to collect on taxes which are rightfully due, but a "belief," or a gut feeling on the part of the tax collector, is not enough to send a homeowner or business owner a tax bill long before it is due to be paid.

Thank You.