



**TESTIMONY**  
of the  
**CONNECTICUT CONFERENCE OF MUNICIPALITIES**  
to the  
**BANKS COMMITTEE**

February 10, 2011

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

**CCM supports House Bill 5192 – “An Act Concerning the Real Estate Conveyance Tax”**

This bill will remove transfers of real property through foreclosure by sale as an exemption from the real estate conveyance tax, and require that the tax be paid by the foreclosing lender rather than the borrower.

The conveyance tax is the only non-property-tax that municipalities currently can levy. In these difficult economic times, municipalities need to protect any revenue sources they have in order to balance their budgets. With likely no increase in state aid, the elimination of this exemption will help to diversify the municipal revenue base and relieve pressures on town officials to increase the property tax on local residents and businesses.

Note that this bill requires the tax to be paid by the foreclosing lender, rather than the borrower, thereby (1) protecting individuals facing foreclosure from excess cost and (2) have no negative impact on the housing market.

CCM urges the committee to support this bill and favorably report it.

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If you have any questions, please contact Michael Muszynski, Legislative Analyst of CCM  
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