

Testimony of Gayle Weinstein, First Selectman of Weston

Submitted March 7, 2011

My name is Gayle Weinstein and I am First Selectwoman from the Town of Weston. Thank you for giving me the opportunity to testify today in favor of making the real estate conveyance tax permanent, as proposed in SB 1007.

Weston is a small rural town of approximately 10,000 residents, located in lower Fairfield County. People move to Weston for its outstanding school system, 2 acre zoning, and the small town, rural feeling. We have the distinction of ranking 2<sup>nd</sup> to last in the state for commercial development, and the majority of our residents like it that way.

Because of our lack of commercial development, 97% of our revenue comes from property taxes collected from homeowners. State aid accounts for 1.5% of our revenue, and other local non-tax revenue, such as the real estate conveyance tax account for the remaining 1.5% of our revenue.

The real estate conveyance tax is the only revenue we can generate that does not impact the population at large or the state budget.

This year, we are anticipating collecting approximately \$350,000 from the real estate conveyance tax. In previous years, when house sales were stronger, we collected much more. While this sum may seem small, we need to put it in context. Our town operating budget for the current fiscal year is just under 11 million dollars, and our total town budget, including the schools, is approximately \$61 million. Our mill rate is currently 23.86. We have done everything possible to not increase taxes next year, including cutting our land use department down to a 4 day work week. The Board of Education has proposed a small increase of 1.27 %. Given the obstacles we are facing with increasing pension and health insurance costs, our total town budget is going to increase by \$607,046.

The revenue from the real estate conveyance tax equals more than half of that number. If we did not collect this tax, our taxes would have to increase 50% more than anticipated, and we would have to increase our mill rate by an additional 8 cents to cover the loss of revenue. There is nothing left for us to eliminate from our budget.

I am most appreciative of Governor Malloy's efforts to level fund municipalities. By making the real estate conveyance tax permanent, you would be giving municipalities the security of much needed revenue, without impacting the state budget.