



TESTIMONY
of the
CONNECTICUT CONFERENCE OF MUNICIPALITIES
to the
PLANNING AND DEVELOPMENT COMMITTEE

March 2, 2011

The Connecticut Conference of Municipalities (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 90% of Connecticut's population. We appreciate the opportunity to testify on the following bill of interest to towns and cities:

S.B. 505, "An Act Concerning the Assessment of New Construction"

CCM opposes this costly, unfunded state mandate.

This bill would prohibit municipalities from collecting property taxes on partially-completed construction sites. It would create at least a \$25 million hole in municipal budgets.

Currently, CGS 12-55 requires assessors to file an annual Grand List and add anything that needs to be added. CGS 12-63 (rule of valuation) states that all real estate assessments are to be based on "fair market value". For these reasons, assessors have always added new construction that is not 100% complete because, although not completed, its FMV is certainly greater than that of a vacant building lot if something has been constructed on it.

At a time when towns and cities are cutting services, laying off employees and reluctantly examining raising taxes, a \$25 million hole would make a very bad situation drastically worse.

CCM urges the Committee to take no action on this bill.

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If you have any questions, please contact Jim Finley (jfinley@ccm-ct.org) or Ron Thomas rthomas@ccm-ct.org at (203) 498-3000.