



General Assembly

January Session, 2011

Proposed Bill No. 5580

LCO No. 2172

Referred to Committee on Planning and Development

Introduced by:

REP. SHARKEY, 88th Dist.

SEN. LOONEY, 11th Dist.

**AN ACT ESTABLISHING A STATE-WIDE MILL RATE FOR THE
TAXATION OF MOTOR VEHICLES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That the general statutes be amended to establish a state-wide mill
2 rate for the taxation of motor vehicles which would initially be set at
3 the current median state-wide mill rate and which would hold
4 harmless for one year any town that may lose money as a result of
5 such change. The subsidy to such towns would decrease by twenty
6 per cent per year over five years such that the state-wide rate would
7 phase in completely after a period of five years. Also, local tax
8 collectors would continue to collect the motor vehicle tax, but transmit
9 the proceeds to the state Department of Revenue Services for
10 redistribution. Those towns with a mill rate lower than the state-wide
11 median would initially be prohibited from receiving more than five
12 per cent above their current revenues. The remainder of such tax
13 funds would be available during such five-year phase-in period to
14 fund those communities that had higher initial mill rates. Additionally,
15 tighten the eligibility for "antique" car exemptions, and change the

- 16 current subsidy for cars over ten years to those over twenty-five years.
17 Finally, another provision would tighten the current exemptions to the
18 motor vehicle tax.

Statement of Purpose:

To simplify the motor vehicle taxation system and encourage the registration of vehicles.