



House of Representatives

General Assembly

File No. 351

February Session, 2012

Substitute House Bill No. 5405

House of Representatives, April 11, 2012

The Committee on Planning and Development reported through REP. GENTILE of the 104th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT ESTABLISHING A STATE-WIDE MILL RATE FOR MOTOR VEHICLES AND AMENDING THE DEFINITION OF ANTIQUE, RARE OR SPECIAL INTEREST MOTOR VEHICLES.

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

1 Section 1. (NEW) (*Effective July 1, 2012, and applicable to assessment*
2 *years commencing on or after October 1, 2012*) (a) For purposes of this
3 section:

4 (1) "Discrepancy amount" means the amount that is equal to the
5 difference of (A) the amount of tax revenue actually collected under
6 the state-wide mill rate by a municipality with a local mill rate that is
7 higher than the state-wide mill rate, as certified to the Secretary of the
8 Office of Policy and Management pursuant to subsection (c) of this
9 section, and (B) the amount of tax revenue such municipality would
10 have collected under the local mill rate, assuming the same collection
11 rate as the actual collection rate, as certified to the Secretary of the
12 Office of Policy and Management pursuant to subsection (c) of this

13 section;

14 (2) "State-wide mill rate" means the median of the local mill rates in
15 all municipalities of the state for the assessment year in which such
16 state-wide mill rate is calculated; and

17 (3) "Excess collection amount" means an amount that is equal to the
18 difference of (A) the amount of tax revenue actually collected under
19 the state-wide mill rate by a municipality with a local mill rate that is
20 lower than the state-wide mill rate, as certified to the Secretary of the
21 Office of Policy and Management pursuant to subsection (c) of this
22 section, and (B) the amount of tax revenue such municipality would
23 have collected under the local mill rate, assuming the same collection
24 rate as the actual collection rate, as certified to the Secretary of the
25 Office of Policy and Management pursuant to subsection (c) of this
26 section.

27 (b) On or before September 1, 2012, and each September first
28 thereafter, the Secretary of the Office of Policy and Management shall
29 calculate the state-wide mill rate for the purpose of levying property
30 tax on motor vehicles subject to taxation under chapter 203 of the
31 general statutes. The secretary shall notify the assessors of each
32 municipality of the state-wide mill rate. For assessment years
33 commencing on or after October 1, 2012, the assessor of each
34 municipality shall calculate the amount of motor vehicle property tax
35 due from each taxpayer based on the state-wide mill rate determined
36 by said secretary.

37 (c) Effective for fiscal years commencing on or after July 1, 2013, the
38 tax collector of each municipality shall collect the property tax on
39 motor vehicles and, not later than the fifteenth day of October,
40 January, April and July, (1) remit any excess collection amount realized
41 in the preceding calendar quarter to the Commissioner of Revenue
42 Services for deposit into the motor vehicle property tax account
43 established under section 2 of this act, and (2) certify to the Secretary of
44 the Office of Policy and Management, on a form prescribed by said
45 secretary, the amount of tax revenue that such municipality (A) would

46 have collected in the preceding calendar quarter with respect to the
47 property tax on motor vehicles under sections 12-71 and 12-71b of the
48 general statutes except for the application of the state-wide mill rate
49 calculated by said secretary pursuant to this section, and (B) actually
50 collected with respect to such property tax in the preceding calendar
51 quarter under the state-wide mill rate, together with such supporting
52 information as said secretary shall require. For the purposes of
53 calculating the amount a municipality would have collected except for
54 the application of the state-wide mill rate, the tax collector shall
55 assume that the municipality would have realized the same tax
56 collection rate as the actual tax collection rate in the preceding calendar
57 quarter. Such remittance and certification shall be made in each
58 calendar quarter commencing on October 1, 2013, except that no such
59 remittance or certification shall be made for any calendar quarter after
60 July 15, 2018.

61 (d) (1) Effective for fiscal years commencing on or after July 1, 2013,
62 the secretary shall, not later than the first day of November, February,
63 May and August, calculate: (A) For each municipality with a mill rate
64 that is higher than the state-wide mill rate, the discrepancy amount for
65 such municipality in the preceding calendar quarter; and (B) for each
66 municipality with a mill rate that is lower than the state-wide mill rate,
67 the amount equal to five per cent of the tax revenue such municipality
68 would have collected in the preceding calendar quarter except for the
69 application of the state-wide mill rate. Such calculations shall be based
70 on the amounts certified and any supporting information provided to
71 said secretary pursuant to subsection (c) of this section. Such
72 calculations shall be made in each calendar quarter commencing on
73 November 1, 2013, except that no such calculations shall be made after
74 the calendar quarter preceding August 1, 2018.

75 (2) Effective for fiscal years commencing on or after July 1, 2013, the
76 secretary shall, not later than the first day of November, February, May
77 and August, certify to the Comptroller the motor vehicle property tax
78 payment due to each municipality as follows:

79 (A) For any municipality with a mill rate that is higher than the
80 state-wide mill rate: (i) For the period of time beginning November 1,
81 2013, and ending October 31, 2014, such municipality shall receive a
82 quarterly motor vehicle property tax payment equal to the discrepancy
83 amount calculated by the secretary pursuant to subparagraph (A) of
84 subdivision (1) of this subsection for any tax revenue due under the
85 assessment year commencing October 1, 2012; (ii) for the period of
86 time beginning November 1, 2014, and ending October 31, 2015, such
87 municipality shall receive a quarterly motor vehicle property tax
88 payment equal to eighty per cent of the discrepancy amount calculated
89 by the secretary pursuant to subparagraph (A) of subdivision (1) of
90 this subsection for any tax revenue due under the assessment year
91 commencing October 1, 2013; (iii) for the period of time beginning
92 November 1, 2015, and ending October 31, 2016, such municipality
93 shall receive a quarterly motor vehicle property tax payment equal to
94 sixty per cent of the discrepancy amount calculated by the secretary
95 pursuant to subparagraph (A) of subdivision (1) of this subsection for
96 any tax revenue due under the assessment year commencing October
97 1, 2014; (iv) for the period of time beginning November 1, 2016, and
98 ending October 31, 2017, such municipality shall receive a quarterly
99 motor vehicle property tax payment equal to forty per cent of the
100 discrepancy amount calculated by the secretary pursuant to
101 subparagraph (A) of subdivision (1) of this subsection for any tax
102 revenue due under the assessment year commencing October 1, 2015;
103 and (v) for the period of time beginning November 1, 2017, and ending
104 October 31, 2018, such municipality shall receive a quarterly motor
105 vehicle property tax payment equal to twenty per cent of the
106 discrepancy amount calculated by the secretary pursuant to
107 subparagraph (A) of subdivision (1) of this subsection for any tax
108 revenue due under the assessment year commencing October 1, 2016.

109 (B) For any municipality with a mill rate that is lower than the state-
110 wide mill rate, for the period of time beginning November 1, 2013, and
111 ending October 31, 2018, any such municipality shall receive a
112 quarterly motor vehicle property tax payment equal to the amount
113 calculated by the secretary pursuant to subparagraph (B) of

114 subdivision (1) of this subsection.

115 (3) Effective for fiscal years commencing on or after July 1, 2013, the
116 Comptroller shall draw an order on the Treasurer on or before the
117 fifteenth calendar day following November first, February first, May
118 first and August first, and the Treasurer shall pay the amount thereof
119 from the motor vehicle property tax account to such municipality on or
120 before the fifteenth calendar day following said dates.

121 (e) If there are any remaining funds in the motor vehicle property
122 tax account after the amount of the payments described in subsection
123 (d) of this section are calculated, such funds shall be carried over into
124 the following fiscal year. If there are any remaining funds in said
125 account on December 1, 2018, the secretary shall transfer such funds to
126 the General Fund.

127 Sec. 2. (NEW) (*Effective October 1, 2012, and applicable to assessment*
128 *years commencing on or after said date*) There is established an account to
129 be known as the "motor vehicle property tax account" which shall be a
130 separate, nonlapsing account within the General Fund. The account
131 shall contain any moneys required by law to be deposited in the
132 account. Moneys in the account shall be expended by the State
133 Treasurer for the purposes of section 1 of this act.

134 Sec. 3. Subsection (b) of section 12-71 of the general statutes is
135 repealed and the following is substituted in lieu thereof (*Effective*
136 *October 1, 2012, and applicable to assessment years commencing on or after*
137 *said date*):

138 (b) Except as otherwise provided by the general statutes, property
139 subject to this section shall be valued at the same percentage of its then
140 actual valuation as the assessors have determined with respect to the
141 listing of real estate for the same year, except that any antique, rare or
142 special interest motor vehicle, as defined in section 14-1, shall be
143 assessed at a value of not more than two thousand five hundred
144 dollars. The owner of such antique, rare or special interest motor
145 vehicle may be required by the assessors to provide reasonable

146 documentation that such motor vehicle is an antique, rare or special
147 interest motor vehicle, provided any motor vehicle for which special
148 number plates have been issued pursuant to section 14-20 shall not be
149 required to provide any such documentation. The provisions of this
150 section shall not include money or property actually invested in
151 merchandise or manufacturing carried on out of this state or
152 machinery or equipment which would be eligible for exemption under
153 subdivision (72) of section 12-81 once installed and which cannot begin
154 or which has not begun manufacturing, processing or fabricating; or
155 which is being used for research and development, including
156 experimental or laboratory research and development, design or
157 engineering directly related to manufacturing or being used for the
158 significant servicing, overhauling or rebuilding of machinery and
159 equipment for industrial use or the significant overhauling or
160 rebuilding of other products on a factory basis or being used for
161 measuring or testing or metal finishing or in the production of motion
162 pictures, video and sound recordings.

163 Sec. 4. Section 12-71d of the general statutes is repealed and the
164 following is substituted in lieu thereof (*Effective July 1, 2012*):

165 On or before the first day of October each year, the Secretary of the
166 Office of Policy and Management shall recommend a schedule of
167 motor vehicle values [which] that shall be used by assessors in each
168 municipality in determining the assessed value of motor vehicles for
169 purposes of property taxation. Such schedule shall include motor
170 vehicle values for motor vehicles up to thirty years old. For every
171 vehicle not listed in the schedule the determination of the assessed
172 value of any motor vehicle for purposes of the property tax assessment
173 list in any municipality shall continue to be the responsibility of the
174 assessor in such municipality, provided the legislative body of the
175 municipality may, by resolution, approve any change in the assessor's
176 method of valuing motor vehicles. Any appeal from the findings of
177 assessors concerning motor vehicle values shall be made in accordance
178 with provisions related to such appeals under this chapter. Such
179 schedule of values shall include, to the extent that information for such

180 purpose is available, the value for assessment purposes of any motor
 181 vehicle currently in use. [The value for each motor vehicle as listed
 182 shall represent one hundred per cent of the average retail price
 183 applicable to such motor vehicle in this state as of the first day of
 184 October in such year as determined by said secretary in cooperation
 185 with the Connecticut Association of Assessing Officers.] Said secretary
 186 shall determine the value for each motor vehicle as listed, provided no
 187 motor vehicle shall be assessed based on the fair market value
 188 applicable to such motor vehicle.

189 Sec. 5. Subdivision (2) of section 14-1 of the 2012 supplement to the
 190 general statutes, as amended by section 37 of public act 10-110 and
 191 section 61 of public act 11-213, is repealed and the following is
 192 substituted in lieu thereof (*Effective October 1, 2012*):

193 (2) "Antique, rare or special interest motor vehicle" means a motor
 194 vehicle [twenty] thirty years old or older which is being preserved
 195 because of historic interest and which is not altered or modified from
 196 the original manufacturer's specifications;

197 Sec. 6. Section 12-122a of the general statutes is repealed. (*Effective*
 198 *October 1, 2012*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2012, and applicable to assessment years commencing on or after October 1, 2012</i>	New section
Sec. 2	<i>October 1, 2012, and applicable to assessment years commencing on or after said date</i>	New section
Sec. 3	<i>October 1, 2012, and applicable to assessment years commencing on or after said date</i>	12-71(b)
Sec. 4	<i>July 1, 2012</i>	12-71d

Sec. 5	<i>October 1, 2012</i>	14-1(2)
Sec. 6	<i>October 1, 2012</i>	Repealer section

Statement of Legislative Commissioners:

In subsections (a), (c) and (d) of section 1, technical changes were made for consistency in terminology and to conform to the style of the general statutes.

PD *Joint Favorable Subst.-LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$
Department of Motor Vehicles	TF - Cost	\$160,000	None
Department of Motor Vehicles	TF - Potential Revenue Gain	\$366,600	None
Department of Revenue Services	GF - Revenue Loss	Less than \$25,000	Less than \$25,000

Note: TF=Transportation Fund; GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 13 \$	FY 14 \$
All Municipalities	Revenue Impact	None	See Below
Various Municipalities	Revenue Loss	Less than \$1,000	Less than \$1,000

Explanation

The fiscal impact to the state and municipalities associated with (1) establishing a statewide mill rate for motor vehicles, (2) increasing the property tax assessment cap for antique, rare or special interest (henceforth "antique") motor vehicles, and (3) changing the definition of an antique motor vehicle, are described below.

Statewide Mill Rate (Sections 1 - 2)

An analysis of the impact of instituting the bill's statewide mill rate program¹, based upon 2009 grand list data, indicates that payments into the newly authorized Motor Vehicle Property Tax Account (the "Account") would have been insufficient to support the mandatory discrepancy and bonus payments had the program been in place in

¹ The median municipal mill rate in 2009 was 23.80.

that fiscal year. The aggregate annual amount remitted to the state for municipalities that currently have a lower mill rate, would have approximated \$40 million. This would create a shortfall in the discrepancy payments by approximately \$81.2 million.

Aggregate and town-specific payments into and out of the Account in each of FY 14 – FY 19 would be impacted by the motor vehicle component of each municipality’s net grand list and its local mill rate in each year, and the given year (payments to towns having higher than median mill rates would be phased-down by 20% annually). Any balance remaining in the Account on 12/1/18 would be transferred to the General Fund.

Antique, Rare or Special Interest Motor Vehicles (Sections 3 – 5)

Effective with the 2014 fiscal year, the bill (a) increases the property tax assessment cap on antique motor vehicles from \$500 to \$2,500, and (b) changes, from 20 years or older to 30 years or older, the age at which a motor vehicle qualifies as antique.² This results in the following fiscal impacts:

- A statewide increase in property tax revenues of at least \$2 million. This estimate is based upon an average increase of \$1,950 in the assessed value of 43,700 antique motor vehicles older than 30 years of age; and by \$3,250 for 7,800 motor vehicles older than 20 but less than 30 years of age, applying the 2009 median municipal mill rate¹. Additional revenues would be collected in those communities (a minority) that currently apply the \$500 assessment cap to vehicles older than 20 years that are not registered as antique; the number of such vehicles is unknown at this time.
- A one-time cost of \$160,000 in FY 13 to the Department of Motor

² There are approximately 51,500 registered motor vehicles having Early American plates; of these approximately 7,800 are of model years 1982 through 1992. A significant number of additional vehicles are in excess of 20 years old but not registered as Early American.

Vehicles (DMV) to recall and replace Early American plates issued to owners of motor vehicles model years 1982 through 1992. This estimate includes \$4,000 for processing and mailing notices, and \$156,000 for the manufacture of replacement marker plates. The cost per plate to DMV is \$20.00.

- A one-time potential revenue gain of \$366,600 to the Special Transportation Fund from the \$40 transfer fee and \$7 plate fee charged to replace the recalled plates. This revenue gain would be expected to extend over FY 13 and FY 14. There are approximately 7,800 Early American plates assigned to vehicles model years 1982 through 1992.
- A sales tax revenue loss to the General Fund of less than \$25,000 annually. CGS Section 14-62b permits dealers and repairers to acquire motor vehicles for the purpose of dismantling and selling the parts for use in antique motor vehicles. There would therefore be a loss in sales tax revenue from the sale of motor vehicle parts as a result in the decrease in the number of antique vehicles. There would also be a corresponding revenue loss to the municipal revenue sharing account of less than \$1,000 due to the decrease in sales tax revenue.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in local mill rates, and rates of antique motor vehicle ownership.

OLR Bill Analysis

HB 5405

AN ACT ESTABLISHING A STATE-WIDE MILL RATE FOR MOTOR VEHICLES AND AMENDING THE DEFINITION OF ANTIQUE, RARE OR SPECIAL INTEREST MOTOR VEHICLES.

SUMMARY:

This bill establishes a statewide mill rate for motor vehicle property taxes and a five-year transition period (from FY 14 through FY 18) to help municipalities adjust to the revenue changes resulting from the statewide mill rate.

Beginning in FY 14, the bill requires municipalities to tax motor vehicles at the statewide rate. It requires towns to report quarterly to the Office of Policy and Management (OPM) secretary on the amount of motor vehicle tax revenue they collect. Any town that collects more revenue under the statewide rate than it would have collected under its local rate must remit the excess quarterly to the Department of Revenue Services (DRS). The bill requires the OPM secretary to distribute the excess revenue among towns based on whether a town's local mill rate is higher or lower than the statewide rate. Beginning in FY 19, towns retain all motor vehicle taxes they collect under the statewide rate.

The bill also increases, from \$500 to \$2,500, the property tax assessment cap for antique, rare, or special interest motor vehicles. It increases, from 20 to 30 years, the age at which a motor vehicle qualifies as antique, rare, or special-interest. In doing so, it restricts the vehicles that qualify for (1) the assessment cap, (2) special number license plates, and (3) an exemption from the law prohibiting dealers and repairers from buying a motor vehicle for its parts.

The bill also modifies the schedule of motor vehicle values that the

OPM secretary recommends and assessors use to assess motor vehicles for property tax purposes.

EFFECTIVE DATE: October 1, 2012, except that the (1) statewide motor vehicle property tax provisions are effective July 1, 2012 and applicable to assessment years beginning on or after that date, (2) assessment schedule changes are effective July 1, 2012, and (3) assessment cap and motor vehicle property tax account provisions are applicable to assessment years beginning on or after October 1, 2012.

SETTING THE STATEWIDE MILL RATE AND NOTIFYING ASSESSORS

The bill requires the OPM secretary to (1) calculate, on or before September 1, 2012 and annually thereafter, the median mill rate among all municipalities in the state and (2) notify assessors of the rate. Beginning with the 2012 assessment year (which begins October 1, 2012), assessors must use the statewide rate to calculate the amount of motor vehicle property tax due from each taxpayer. Municipal tax collectors use the 2012 assessments to calculate tax bills due in FY 14. The bill does not specify whether unconsolidated cities and boroughs are municipalities this purpose.

The bill also makes a conforming change by eliminating the requirement that a municipality with more than one taxing district set a uniform citywide mill rate for taxing motor vehicles.

DISTRIBUTING MOTOR VEHICLE PROPERTY TAX REVENUE

Reporting and Remittance Requirements

Beginning in FY 14, the bill requires municipal tax collectors to (1) certify the amount of motor vehicle property tax revenue collected in the preceding quarter to the OPM secretary and (2) remit any excess revenue to DRS. They must do so for each calendar quarter, by the 15th of October, January, April and July, beginning by October 15, 2013 and through July 15, 2018.

Table 1 shows the quarterly deadlines for these and other actions under the bill.

Table 1: Administrative Deadlines for Distributing Statewide Motor Vehicle Property Tax Revenue

<i>Calendar Quarter</i>	<i>Towns remit excess revenue to DRS and certify amounts to OPM by:</i>	<i>OPM calculates and certifies to the comptroller payments to towns by:</i>	<i>Comptroller draws an order on the treasurer by:</i>	<i>Treasurer pays towns by*:</i>
July 1 – Sept. 30	Oct. 15	Nov. 1	Nov. 16	Dec. 1
Oct. 1 – Dec. 31	Jan. 15	Feb. 1	Feb. 16	March 2 or 3
Jan. 1 – March 31	April 15	May 1	May 16	May 31
April 1 – June 30	July 15	Aug. 1	Aug. 16	Aug. 31

*The treasurer must pay towns within 15 calendar days of the comptroller drawing an order. Thus, the treasurer's deadline could be sooner than the dates listed.

Certification. Each town's tax collector must certify the amount of motor vehicle property tax revenue the town (1) collected in the preceding quarter under the statewide rate and (2) would have collected under its local mill rate, assuming the same collection rate. The OPM secretary must prescribe the certification form and any other supporting information tax collectors must submit.

Excess Revenue. Any town with a local mill rate that is lower than the statewide rate must remit to the DRS commissioner any revenue it collected in the preceding quarter that exceeds the amount it would have collected under its local rate, assuming the same collection rate.

DRS must deposit the funds in the motor vehicle property tax account, which the bill creates. The account is a separate, nonlapsing account within the General Fund. It must contain any funds required by law to be deposited in the account.

Calculating Discrepancy and 5% Amounts

For FY 14 through FY 18, the bill requires the state to distribute the excess revenue towns remit to DRS. Under the bill, towns with a higher mill rate than the statewide rate receive a discrepancy payment, while towns with a lower mill rate receive a payment equal to 5% of the tax revenue they would have collected under their local rates.

Beginning in FY 14, the OPM secretary must (1) calculate each town's discrepancy or 5% amount based on the quarterly certifications and supporting information local tax collectors provide and (2) certify the payment amounts to the state comptroller. He must do so quarterly beginning by November 1, 2013 and through August 1, 2018 (see Table 1).

The OPM secretary must calculate the discrepancy amount as the difference between the amount of revenue a town (1) collects under the statewide rate and (2) would have collected under its local rate, assuming the same collection rate. In the first year, eligible towns receive quarterly discrepancy payments equal to their discrepancy amounts. The bill reduces the amount of the payments by 20% for each of the four following assessment years. Table 2 shows the discrepancy payment schedule.

Table 2: Discrepancy Payment Schedule

Quarterly Payments Beginning	Discrepancy Payments (% of discrepancy amount)
Nov. 2013	100%
Nov. 2014	80%
Nov. 2015	60%
Nov. 2016	40%
Nov. 2017	20%

The bill requires any town with a lower mill rate than the statewide rate to receive a quarterly payment equal to 5% of the tax revenue they would have collected under their local rate in the preceding quarter.

Discrepancy and 5% Payments

The comptroller must draw an order on the treasurer for the discrepancy and 5% payments from the motor vehicle property tax

account. The treasurer then has 15 calendar days to make the payments to towns (see Table 1).

Motor Vehicle Property Tax Account

The bill requires any money remaining in the motor vehicle property tax account after the discrepancy and 5% payments are calculated to be carried over to the next fiscal year. The OPM secretary must transfer to the General Fund any money remaining in the account on December 1, 2018.

ANTIQUÉ, RARE, AND SPECIAL INTEREST MOTOR VEHICLES

Definition

Under current law, an antique, rare, or special-interest motor vehicle is one that (1) is at least 20 years old, (2) has been preserved because of historic interest, and (3) is not altered or modified from the original manufacturer's specifications. The bill requires the vehicle to be at least 30 years old to qualify.

Assessment Cap

Current law caps the value of antique, rare, and special-interest motor vehicles for property tax assessment purposes at \$500. The bill increases this cap to \$2,500. To qualify for the assessment cap, a vehicle must meet the statutory criteria for an antique, rare, or special interest as described above.

Special Plate Program

By law, the Department of Motor Vehicles commissioner may issue special number plates to motor vehicles that qualify as antique, rare, or special-interest, as described above. By changing the definition of an antique, rare, or special interest motor vehicle, the bill restricts the age of vehicles that qualify for the special plates.

Presumably, antique vehicle owners that currently hold a special number plate for a vehicle that is less than 30 years old would have to give up the plate when renewing the car's registration.

By law, modified antique, rare, or special-interest motor vehicles

also qualify for special number plates. The bill does not change the definition of a “modified antique motor vehicle” which the law defines as a vehicle that is at least 20 years old and has been modified for safe road use, including modifications to the drive train, suspension, braking system, and safety and comfort apparatus.

Buying Vehicles for Sale of Parts

The law prohibits licensed motor vehicle dealers or repairers from obtaining any motor vehicle for the purpose of dismantling it and selling certain parts. It exempts parts bought or sold for use in antique, rare, or special interest motor vehicles. The bill restricts the age of vehicles that qualify for this exemption.

MOTOR VEHICLE VALUATION SCHEDULE

The law requires the OPM secretary to recommend a schedule of motor vehicle values that assessors must use to assess motor vehicles for property tax purposes. Under current law, the schedule must be based on the average retail price of motor vehicles as of October 1, as determined by the secretary in cooperation with the Connecticut Association of Assessing Officers. The bill instead requires the secretary to determine the value for each motor vehicle listed and prohibits him from basing the value on a motor vehicle's fair market value. It also requires that the schedule include values for motor vehicles up to 30 years old.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 10 Nay 9 (03/23/2012)