

**Testimony
Katherine Pugliese
Town Council Chairwoman
and
Robert Lee, Town Manager
Town of Plainville
Finance Committee
Legislative Office Building
March 4, 2013**

**RE: SB-843, AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE
GOVERNOR'S BUDGET**

Thank you for the opportunity to comment in opposition to SB-843, which includes provisions to eliminate the property tax on motor vehicles.

Eliminating the property tax on motor vehicles will result in a loss of revenue of approximately \$3.5 million per year. This is a sizable portion of our local budget. As a result, our mil rate would increase 2.6 mils – an 8.4% increase in taxes.

State aid to municipalities has not increased for several years, despite steep increases in costs associated with education, wage and benefits, road repair, building maintenance and public safety. We have worked hard to reduce costs and control property tax levels. Eliminating the car tax, however, will drive up property taxes on homeowners, rental property owners and area businesses. This will undermine our economy and impose a difficult financial burden on our residents.

I urge you to oppose provisions in the bill which would eliminate the property tax on motor vehicles. We understand that addressing the state's budget deficit will involve some difficult decisions and appreciate Governor Malloy's efforts to try to hold towns harmless in this budget. But eliminating the car tax does not keep towns whole – it will shift the property tax burden to other residents and businesses and/or force severe cuts in crucial services and programs.

Please reject SB-843.