

MONDAY, MARCH 4, 2013

FINANCE, REVENUE AND BONDING COMMITTEE

PUBLIC HEARING TESTIMONY ON

**S.B. No. 843 AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE
GOVERNOR'S BUDGET.**

Connecticut Joint Committee on Finance, Revenue and Bonding,

This email is a follow-up to the request for opposition to H.B. 5102 that I addressed to the Connecticut Joint Committee on Planning and Development Members on February 26, 2013.

It appears that a new, and equally ominous proposal, Legislation (S.B. 843) to eliminate a provision in the Connecticut statutes that allows antiques, rare or special interest motor vehicles to be assessed at a value of no more than \$500 will be considered by your committee members Monday, March 4, 2013.

Under the bill, valuation of these vehicles will be done in the same manner as all other motor vehicles in the state. Vehicles in Connecticut are taxed by the municipality in which they are registered and rates vary by municipality. The municipality calculates the owner's tax liability for a particular vehicle by multiplying the "mill rate" by 70% of the vehicle's true and actual value.

What is really confusing to me is that Governor Malloy is working to eliminate property taxes on regular motor vehicles because they "make no sense", yet, this legislation seeks to do just what he is proposing to eliminate.

Tax assessors are looking to target motor vehicles for additional revenue at time when property taxes are increasing for many Connecticut citizens on other taxable property due to reductions in town grand list totals (14.56% in my town).

S.B. 843 seeks to narrow property tax benefits for antique, rare or special interest motor vehicles by assessing their value at a higher rate. These values can vary widely and are totally subjective. At least with modern cars, they do have a finite value based on mileage and condition; not so with collector vehicles!

Due to the recession, reduction in the value of the dollar and gasoline prices more than double what they were in 2008, collector and specialty car prices have plummeted and are in no way saleable for prices anywhere near those shown in any of the popular valuation sites. As with homeowners, many collector vehicle owners are "upside down", as well.

S.B. 843 ignores the fact that existing antique, rare or special interest motor vehicles constitute a small portion of the vehicle fleet and are well-maintained, infrequently operated hobby cars and deserving of continued property tax benefits.

To reiterate what I stated about the previous proposal, H.B. 5201, this legislation will put another nail in Connecticut's coffin. Even though they constitute a small portion of Connecticut's total vehicle fleet, there is a huge aftermarket support system for collector and specialty cars. This bill will drive untold numbers of car enthusiasts from the hobby, thus, eliminating the thousands, if not millions, of jobs and the businesses (and the taxes they pay) that keep this system alive and well.

S.B. 843 MAKES NO SENSE!!!

PLEASE OPPOSE IT!!!

Thanks,

Douglas Higgins
87 Miller Rd.
Broad Brook, Ct. 06016