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**HB 5102 TESTIMONY
RALPH ENO, FIRST SELECTMAN, TOWN OF LYME**

Chairman Cassano, Chairman Rojas, members of the Committee, I'm Ralph Eno currently serving as First Selectman in the Town of Lyme. Thank you for the opportunity to testify before you today. I'm here to express my opposition to **HB 5102, AN ACT ESTABLISHING A STATE WIDE MILL RATE FOR MOTOR VEHICLES AND AMENDING THE DEFINITION OF ANTIQUE, RARE OR SPECIAL INTEREST MOTOR VEHICLE.**

My remarks also represent the position of the Connecticut Council of Small Towns which is opposed as well.

The concept of establishing a uniform motor vehicle mill rate so car owners have the same tax liability regardless of the mill rate of the town in which their vehicles are registered tries to alleviate one inherently unfair circumstance by substituting another of even greater magnitude.

We all know the property tax is an extremely regressive levy with no connection to an individual's ability to pay. Its only saving grace is that the revenue it generates is raised and spent locally giving town residents a direct say in and control of the taxing and spending process in their respective communities.

HB 5102 siphons off excess property tax dollars that would be raised in communities with mill rates lower than a state wide motor vehicle levy and directs this revenue to a state holding fund. This in turn would be used to make municipalities whole if they lost revenue because their mill rates were higher than that state wide rate.

This redistribution of wealth utilizing the property tax is wrong, plain and simple. When that money gets to Hartford, the people who paid it lose virtually all control over how it is apportioned and spent.

About 21.7 million dollars of Lyme's grand list comes from motor vehicles. At our current mill rate of 13.5 it generates about 293.5 thousand dollars. If the state mill rate were to be set at 30, it would raise 652.2 thousand of which the state would get 358.7 thousand dollars. At 25 mills the state's take would be about 250-thousand dollars. These are significant sums. It's property tax revenue being raised in Lyme and that's where it should stay if it has to be raised at all. The people paying it have absolutely no prospect of receiving any benefit from the enhanced levy they would be forced to provide.

Thank you for your time and consideration. I would be happy to try to answer any questions you may have.