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BEFORE THE  
PLANNING & DEVELOPMENT COMMITTEE  
HARTFORD, CONNECTICUT  
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Testimony in Opposition to  
HB-6480, An Act Delaying Revaluation

Good morning. My name is Joe Brennan. I am senior vice president of the Connecticut Business and Industry Association (CBIA). CBIA represents 10,000 companies in the state of Connecticut. Our membership includes large industrial and financial corporations, but the vast majority of our members are small businesses with fewer than fifty employees.

I would like to testify today in opposition to HB-6480, An Act Delaying Revaluation. The bill simply allows any municipality currently required to effect a revaluation of real property for the 2012 or 2013 assessment years to delay such revaluation until the 2014 assessment year, as long as the delay is approved by the municipality's legislative body. Delays of real property revaluations are not good public policy and HB-6480 should be rejected by the Committee.

Connecticut used to operate under a system of ten-year cycles between real property revaluations. This system caused considerable disruptions because personal property is essentially revalued every year, and since real property was only revalued every ten years, there was a tremendous shift of the tax burden from real to personal property during the ten year period and then from personal property to real property after the revaluation. It did not serve owners of either type of property well.

Because of this disruption, the General Assembly decided to require towns to perform revaluations of real property more frequently—every five years. More frequent revaluations means less shifting of the tax burden back and forth between different classes of taxpayers. It also promotes a fairer distribution of the tax burden and brings assessment levels up to date.

As the Office of Policy and Management states, the purpose of the five-year reval cycle is to insure uniformity in real property valuations by eliminating inequities that may have developed since the previous revaluation. Delaying the revaluation makes these inequities worse, not better.

This is an important economic development issue. Businesses in Connecticut pay a local property tax on their machinery, equipment, materials, computers, office furniture and other personal property unless specifically exempted. Their competitors in many other states do not. By prolonging the time between real property revaluations we are putting more and more of the local property tax burden on Connecticut employers. We believe that the only true way for Connecticut to solve its fiscal problems is to grow our economy; raising property taxes on business property will make Connecticut less competitive and is not the policy direction we should take.

**We therefore ask the Committee to reject HB-6480.**

For the record, we also oppose **HB-5716, HB-5972 and HB-6155** at this time. These bills do not have enough detail to fully understand their impact but could be problematic depending on how they are drafted. We offer our assistance to the Committee to work on these issue areas if it chooses to move forward with any of these bills.

Thank you for the opportunity to present this testimony.