



# CCM 2013 Testimony

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## ***PLANNING & DEVELOPMENT COMMITTEE***

March 1, 2013

The Connecticut Conference of Municipalities (CCM) is Connecticut's statewide association of towns and cities and the voice of local government - your partners in governing Connecticut. Our members represent over 92% of Connecticut's population. We appreciate the opportunity to testify on this bill of interest to towns and cities.

### **H.B. 5102, "An Act Establishing A Statewide Mill Rate for the Taxation for Motor Vehicles and Amending the Definition of Antique, Rare or Special Interest Motor Vehicle"**

This bill attempts to provide property tax relief to towns and cities by establishing a statewide mill rate for motor vehicles.

Overreliance on the property tax to finance local public services, particularly K-12 public education, is the root cause of many of the public policy challenges facing Connecticut. To paraphrase Mark Twain, "Everyone complains about the property tax system, but nobody does anything about it."

The antiquated and inequitable property tax system continues to cause numerous problems, including the fiscal distress and decline not only of our cities but also of our towns. It encourages the continued economic and racial segregation of our state. It often prevents municipalities from meeting the public service needs of their residents and businesses without levying a heavy local tax burden. It promotes bad land use decisions and contributes to costly and destructive sprawl.

Although CCM appreciates the intent behind this proposal, we are concerned that (1) the proposal requires revenue to go to the State to be doled out to municipalities, and (2) there will be winners and losers among municipalities due to a statewide uniform mill rate.

For those towns that have a mill rate higher than the state median, the State would reimburse for lost revenue for 5 years.

Wording in the bill even seems to remove the authority of assessors to value motor vehicles and requires the Office of Policy & Management (OPM) to determine the value for each motor vehicle, an impossibility.

Please keep in mind: there have been times when the State has made revenue promises to towns that it did not keep. There must be some hard assurances that the money could not be tapped into when the State is in dire straits.

Again, CCM appreciates the intent behind this proposal. However, with the State struggling to balance its budget, how will the State reimburse towns and cities?

Any statewide motor vehicle mill rate proposal should (1) not go into effect until after the next biennium, in FY 16, (2) require that taxes remain collected on the local level, and (3) compensate "loser" communities.

*Speaker Sharkey has revived the M.O.R.E. Commission, which will examine, among other things, the feasibility of a statewide mill rate. We urge the Committee to hold this bill until the Commission recommends a proposal.*

The Governor's Motor Vehicle Tax Elimination Proposal.

The Governor proposes to eliminate the local property tax on most motor vehicles (those with assessed values of \$20,000 or less) beginning in FY 15. The concentrated burden of the regressive property tax would then be shifted to homeowners and businesses. **According to the Connecticut Association of Assessing Officers (CAAO), when counting supplemental taxes, the proposal will create a near \$700 million hole in municipal budgets.**

The proposal would have devastating impact statewide. It would be the mother of unfunded state mandates. Attached is CCM estimate of what motor vehicles represent on a town-by-town basis.

We all agree that the motor vehicle tax is one in dire need of reform. However, the proposals so far: the State collecting and doling out funds to municipalities (HB 5102) and the Governor's proposal to impose a colossal unfunded state mandate (SB 843), are not the way.

CCM looks forward to working with the proponents of motor vehicle tax reform to come up with a proposal that provides relief without intrusive or crippling state involvement.



If you have any questions, please contact Jim Finley ([jfinley@ccm-ct.org](mailto:jfinley@ccm-ct.org)) or Ron Thomas at [rthomas@ccm-ct.org](mailto:rthomas@ccm-ct.org) or (203) 498-3000.

Attachment

## Attachment

**ESTIMATED REVENUE FROM PROPERTY TAX ON MOTOR VEHICLES, FY12**

BY TOWN	
MUNICIPALITY	REVENUE
ANDOVER	\$644,451
ANSONIA	\$2,271,143
ASHFORD	\$702,989
AVON	\$4,042,858
BARKHAMSTED	\$643,310
BEACON FALLS	\$1,020,876
BERLIN	\$4,046,435
BETHANY	\$1,207,092
BETHEL	\$2,969,988
BETHLEHEM	\$651,102
BLOOMFIELD	\$4,494,519
BOLTON	\$1,083,728
BOZRAH	\$502,893
BRANFORD	\$5,002,030
BRIDGEPORT	\$15,437,091
BRIDGEWATER	\$273,388
BRISTOL	\$9,234,178
BROOKFIELD	\$2,602,984
BROOKLYN	\$1,089,502
BURLINGTON	\$1,991,377
CANAAN	\$174,640
CANTERBURY	\$749,849
CANTON	\$2,008,093
CHAPLIN	\$458,363
CHESHIRE	\$5,559,084
CHESTER	\$589,223
CLINTON	\$2,194,569
COLCHESTER	\$2,798,319
COLEBROOK	\$291,496
COLUMBIA	\$977,307
CORNWALL	\$167,745
COVENTRY	\$2,189,441

BY AMOUNT	
MUNICIPALITY	REVENUE
STAMFORD	\$20,867,689
HARTFORD	\$19,103,878
BRIDGEPORT	\$15,437,091
WATERBURY	\$15,091,618
WEST HARTFORD	\$15,069,021
NEW HAVEN	\$14,793,339
NORWALK	\$11,240,905
STRATFORD	\$10,206,898
HAMDEN	\$10,134,640
FAIRFIELD	\$9,994,801
DANBURY	\$9,836,876
MILFORD	\$9,815,445
MANCHESTER	\$9,798,522
BRISTOL	\$9,234,178
NEW BRITAIN	\$8,782,426
EAST HARTFORD	\$8,394,310
MERIDEN	\$8,240,049
GLASTONBURY	\$7,883,967
WALLINGFORD	\$7,767,922
SOUTHINGTON	\$7,657,655
WEST HAVEN	\$7,003,037
GREENWICH	\$6,923,024
MIDDLETOWN	\$6,589,121
TORRINGTON	\$6,508,507
TRUMBULL	\$6,439,793
NEWINGTON	\$6,093,998
ENFIELD	\$5,756,869
CHESHIRE	\$5,559,084
SOUTH WINDSOR	\$5,465,235
SHELTON	\$5,375,944
NAUGATUCK	\$5,357,139
SIMSBURY	\$5,301,520

BY TOWN	
MUNICIPALITY	REVENUE
CROMWELL	\$2,639,568
DANBURY	\$9,836,876
DARIEN	\$2,643,108
DEEP RIVER	\$757,139
DERBY	\$1,668,589
DURHAM	\$1,754,468
EASTFORD	\$271,403
EAST GRANBY	\$1,306,476
EAST HADDAM	\$1,377,627
EAST HAMPTON	\$2,384,476
EAST HARTFORD	\$8,394,310
EAST HAVEN	\$4,000,883
EAST LYME	\$2,289,705
EASTON	\$1,624,288
EAST WINDSOR	\$2,017,100
ELLINGTON	\$3,020,921
ENFIELD	\$5,756,869
ESSEX	\$1,011,172
FAIRFIELD	\$9,994,801
FARMINGTON	\$4,346,825
FRANKLIN	\$353,790
GLASTONBURY	\$7,883,967
GOSHEN	\$430,758
GRANBY	\$2,446,394
GREENWICH	\$6,923,024
GRISWOLD	\$1,314,916
GROTON	\$3,619,174
GUILFORD	\$3,656,913
HADDAM	\$1,800,132
HAMDEN	\$10,134,640
HAMPTON	\$322,211
HARTFORD	\$19,103,878
HARTLAND	\$359,965
HARWINTON	\$1,113,870
HEBRON	\$2,037,315
KENT	\$341,678
KILLINGLY	\$1,796,523
KILLINGWORTH	\$1,176,838
LEBANON	\$1,170,441
LEDYARD	\$2,533,580

BY AMOUNT	
MUNICIPALITY	REVENUE
NEWTOWN	\$5,221,451
WINDSOR	\$5,191,770
WESTPORT	\$5,189,626
WETHERSFIELD	\$5,133,057
NORTH HAVEN	\$5,047,672
BRANFORD	\$5,002,030
VERNON	\$4,841,663
NEW MILFORD	\$4,821,316
RIDGEFIELD	\$4,717,592
NORWICH	\$4,512,427
BLOOMFIELD	\$4,494,519
FARMINGTON	\$4,346,825
MONROE	\$4,318,327
WINDSOR LOCKS	\$4,062,945
BERLIN	\$4,046,435
AVON	\$4,042,858
EAST HAVEN	\$4,000,883
WILTON	\$3,844,463
WATERTOWN	\$3,740,564
GUILFORD	\$3,656,913
GROTON	\$3,619,174
PLAINVILLE	\$3,584,785
ROCKY HILL	\$3,522,519
ORANGE	\$3,512,738
TOLLAND	\$3,381,552
NEW CANAAN	\$3,265,654
SOUTHBURY	\$3,111,105
ELLINGTON	\$3,020,921
BETHEL	\$2,969,988
NORTH BRANFORD	\$2,938,688
MADISON	\$2,906,181
SEYMOUR	\$2,838,673
COLCHESTER	\$2,798,319
WESTON	\$2,669,039
WATERFORD	\$2,654,266
DARIEN	\$2,643,108
CROMWELL	\$2,639,568
WINDHAM	\$2,618,181
WOLCOTT	\$2,611,060
BROOKFIELD	\$2,602,984

BY TOWN	
MUNICIPALITY	REVENUE
LISBON	\$482,228
LITCHFIELD	\$1,517,826
LYME	\$289,924
MADISON	\$2,906,181
MANCHESTER	\$9,798,522
MANSFIELD	\$1,867,575
MARLBOROUGH	\$1,284,821
MERIDEN	\$8,240,049
MIDDLEBURY	\$1,456,284
MIDDLEFIELD	\$880,949
MIDDLETOWN	\$6,589,121
MILFORD	\$9,815,445
MONROE	\$4,318,327
MONTVILLE	\$2,525,095
MORRIS	\$382,768
NAUGATUCK	\$5,357,139
NEW BRITAIN	\$8,782,426
NEW CANAAN	\$3,265,654
NEW FAIRFIELD	\$2,528,639
NEW HARTFORD	\$1,271,988
NEW HAVEN	\$14,793,339
NEWINGTON	\$6,093,998
NEW LONDON	\$2,444,066
NEW MILFORD	\$4,821,316
NEWTOWN	\$5,221,451
NORFOLK	\$273,120
NORTH BRANFORD	\$2,938,688
NORTH CANAAN	\$458,671
NORTH HAVEN	\$5,047,672
NORTH STONINGTON	\$823,867
NORWALK	\$11,240,905
NORWICH	\$4,512,427
OLD LYME	\$1,208,859
OLD SAYBROOK	\$1,259,857
ORANGE	\$3,512,738
OXFORD	\$2,386,259
PLAINFIELD	\$1,695,181
PLAINVILLE	\$3,584,785
PLYMOUTH	\$2,404,004
POMFRET	\$645,929

BY AMOUNT	
MUNICIPALITY	REVENUE
LEDYARD	\$2,533,580
NEW FAIRFIELD	\$2,528,639
WOODBIDGE	\$2,527,768
MONTVILLE	\$2,525,095
GRANBY	\$2,446,394
NEW LONDON	\$2,444,066
SUFFIELD	\$2,436,329
PLYMOUTH	\$2,404,004
OXFORD	\$2,386,259
EAST HAMPTON	\$2,384,476
EAST LYME	\$2,289,705
ANSONIA	\$2,271,143
STAFFORD	\$2,225,493
CLINTON	\$2,194,569
COVENTRY	\$2,189,441
HEBRON	\$2,037,315
EAST WINDSOR	\$2,017,100
CANTON	\$2,008,093
BURLINGTON	\$1,991,377
STONINGTON	\$1,990,849
REDDING	\$1,965,505
MANSFIELD	\$1,867,575
PORTLAND	\$1,865,883
WOODBURY	\$1,815,936
HADDAM	\$1,800,132
KILLINGLY	\$1,796,523
DURHAM	\$1,754,468
PROSPECT	\$1,749,570
PLAINFIELD	\$1,695,181
DERBY	\$1,668,589
EASTON	\$1,624,288
WINCHESTER	\$1,566,859
SOMERS	\$1,557,176
LITCHFIELD	\$1,517,826
MIDDLEBURY	\$1,456,284
EAST HADDAM	\$1,377,627
THOMASTON	\$1,343,055
GRISWOLD	\$1,314,916
EAST GRANBY	\$1,306,476
THOMPSON	\$1,290,180

BY TOWN	
MUNICIPALITY	REVENUE
PORTLAND	\$1,865,883
PRESTON	\$650,945
PROSPECT	\$1,749,570
PUTNAM	\$690,054
REDDING	\$1,965,505
RIDGEFIELD	\$4,717,592
ROCKY HILL	\$3,522,519
ROXBURY	\$301,318
SALEM	\$725,932
SALISBURY	\$325,732
SCOTLAND	\$328,685
SEYMOUR	\$2,838,673
SHARON	\$280,368
SHELTON	\$5,375,944
SHERMAN	\$527,756
SIMSBURY	\$5,301,520
SOMERS	\$1,557,176
SOUTHBURY	\$3,111,105
SOUTHINGTON	\$7,657,655
SOUTH WINDSOR	\$5,465,235
SPRAGUE	\$457,128
STAFFORD	\$2,225,493
STAMFORD	\$20,867,689
STERLING	\$437,870
STONINGTON	\$1,990,849
STRATFORD	\$10,206,898
SUFFIELD	\$2,436,329
THOMASTON	\$1,343,055
THOMPSON	\$1,290,180
TOLLAND	\$3,381,552
TORRINGTON	\$6,508,507
TRUMBULL	\$6,439,793
UNION	\$170,976
VERNON	\$4,841,663
VOLUNTOWN	\$436,916
WALLINGFORD	\$7,767,922
WARREN	\$158,134
WASHINGTON	\$396,141
WATERBURY	\$15,091,618
WATERFORD	\$2,654,266

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MUNICIPALITY	REVENUE
MARLBOROUGH	\$1,284,821
NEW HARTFORD	\$1,271,988
OLD SAYBROOK	\$1,259,857
OLD LYME	\$1,208,859
BETHANY	\$1,207,092
KILLINGWORTH	\$1,176,838
LEBANON	\$1,170,441
HARWINTON	\$1,113,870
BROOKLYN	\$1,089,502
BOLTON	\$1,083,728
WOODSTOCK	\$1,072,017
BEACON FALLS	\$1,020,876
ESSEX	\$1,011,172
COLUMBIA	\$977,307
WILLINGTON	\$917,302
MIDDLEFIELD	\$880,949
WESTBROOK	\$851,323
NORTH STONINGTON	\$823,867
DEEP RIVER	\$757,139
CANTERBURY	\$749,849
SALEM	\$725,932
ASHFORD	\$702,989
PUTNAM	\$690,054
BETHLEHEM	\$651,102
PRESTON	\$650,945
POMFRET	\$645,929
ANDOVER	\$644,451
BARKHAMSTED	\$643,310
CHESTER	\$589,223
SHERMAN	\$527,756
BOZRAH	\$502,893
LISBON	\$482,228
NORTH CANAAN	\$458,671
CHAPLIN	\$458,363
SPRAGUE	\$457,128
STERLING	\$437,870
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WILLINGTON	\$917,302
WILTON	\$3,844,463
WINCHESTER	\$1,566,859
WINDHAM	\$2,618,181
WINDSOR	\$5,191,770
WINDSOR LOCKS	\$4,062,945
WOLCOTT	\$2,611,060
WOODBIDGE	\$2,527,768
WOODBURY	\$1,815,936
WOODSTOCK	\$1,072,017
TOTAL	\$566,560,880

BY AMOUNT	
MUNICIPALITY	REVENUE
HARTLAND	\$359,965
FRANKLIN	\$353,790
KENT	\$341,678
SCOTLAND	\$328,685
SALISBURY	\$325,732
HAMPTON	\$322,211
ROXBURY	\$301,318
COLEBROOK	\$291,496
LYME	\$289,924
SHARON	\$280,368
BRIDGEWATER	\$273,388
NORFOLK	\$273,120
EASTFORD	\$271,403
CANAAN	\$174,640
UNION	\$170,976
CORNWALL	\$167,745
WARREN	\$158,134
TOTAL	\$566,560,880

Source: CCM Estimates

Note: Estimates do not include revenue from special and lesser-taxing districts.

CCM, February 12, 2012