

**CONNECTICUT GENERAL ASSEMBLY**  
**Friday, March 6, 2015**

**TESTIMONY OF ADAM J. COHEN**  
**TO THE PLANNING AND DEVELOPMENT COMMITTEE**  
**ON PROPOSED HOUSE BILL 6571, “AN ACT CONCERNING**  
**THE MUNICIPAL TAX COLLECTION STATUTES”**

My name is Adam J. Cohen and I am an attorney with the law firm of Pullman & Comley in Bridgeport. I have advised and represented approximately seventy towns in Connecticut, plus dozens of taxing districts and similar municipal entities, with respect to their revenue collection efforts and practices. I also serve as general counsel to the Connecticut Tax Collectors Association, a trade group primarily devoted to educating municipal revenue collectors and standardizing the procedures they use to fulfill their responsibilities.

I urge this Committee to approve House Bill 6571, “An Act Concerning the Municipal Tax Collection Statutes.” The tax collectors have worked diligently to develop this proposed legislation to remedy a number of lingering problems in the existing laws which govern their duties. Tax collectors have no authority over tax policy, rates, or programs. They do not decide who is responsible to pay or how much. Instead, their function is purely ministerial: they collect taxes and other charges in the amounts and manner as they are directed by assessors and legislators. They are in the unique position of working on a daily basis with Chapter 204 of the General Statutes and other laws which set forth the procedures by which municipal taxes and other types of assessments are paid, both voluntarily and as recovered through litigation, garnishments, and similar mechanisms.

House Bill 6571 would adopt certain new protections for taxpayers. Section 1 would clarify that towns must follow any written instructions as to which of multiple taxable properties a payment is to be applied. Section 2 would extend the “postmark” rule from envelopes to electronic payments, so that interest will not be charged if a taxpayer submits an online payment by the deadline.

Other changes are technical in nature. Section 4 would conform the demand statute to the other collection statutes by acknowledging that “warrants” are the legal device used to initiate property auctions for delinquent taxes. Section 5 would add the missing word “day” to existing language about “the last of the month” for tax auction notices, and technically reword the disclosure about amounts added since.

A few other changes would supplement the more comprehensive amendments recently made to the tax collection statutes in Public Act 13-276. Section 3 would resolve confusion under the current statutes by clarifying that a town’s power to withhold a license or permit from a delinquent business includes both unpaid taxes and unpaid water, sewer, or sanitation charges. Sections 6 and 8 would clarify that tax redemptions may occur not only after but also before a

tax sale, that such redemptions do not subordinate other state or municipal liens, and that owners cannot thwart tax sales by recording alienation restraints. Section 7 would clarify that the municipality retains the interest accrued on an overbid not just when a redemption occurs but also when it does not, and also clarify that the auction purchaser is not a proper party to an overbid claim proceeding. Section 10 would remove surplus language in the statute of limitations for challenging a tax sale, which is now always one year from the sale date.

The most significant amendment in House Bill 6571 is Section 9, which creates an optional procedure for summary judicial approval of municipal tax sales. This would dramatically improve the insurability and marketability of these properties, following existing statutes under which tax-delinquent owners can challenge a tax sale but without the purchaser having to wait to be sued. This option is needed because most of these properties have been long-since abandoned or the prior owners otherwise concede the validity of the sale, but the purchaser has no reasonably simple way to make this fact “official.” An optional system for judicial confirmation would remove any cloud remaining on the title so that these properties can be made productive again. I have shared this proposal with several title insurance companies, frequent tax sale purchasers, and the CBA Real Estate Section, and all of them have told me that they support this proposal.

House Bill 6571 is common-sense legislation which will help municipal tax collectors perform their duties fairly, efficiently, and in a uniform manner statewide. We are not aware of any opposition to this legislation. Please vote in favor of this important bill.