Town of Bolton

222 Bolton Center Road • Bolton, CT 06043

Board of Selectmen
(860) 649-8066
Fax (860) 643-0021

Joyce M. Stille
Town Administrator
Town of Bolton
Public Hearing Testimony
Planning & Development Committee
March 18, 2015

Thank you for the opportunity to testify regarding concerns with **SB-1** which would: 1) Restructure the PILOT grants; 2) Create a statewide mill rate for motor vehicle property taxes; and 3) Create a regional tax base for commercial/industrial property.

State aid to municipalities has not increased for several years, despite steep increases in costs associated with education, wage and benefits, road repair, building maintenance and public safety. Towns have worked hard to reduce costs and control property tax levels.

We are therefore very concerned with proposed legislation that may result in a loss of revenue to our town or freeze revenue levels at 2014 levels. Every dollar has an impact.

Although we understand that motor vehicle owners are subject to a wide range of property taxes for the same vehicle depending on what town it is registered in, we are concerned that this proposal will undermine an important source of local revenue. Towns must retain control over local property tax dollars.

Unfortunately, funds collected on the state level for a particular purpose are too often swept into the General Fund to address other needs. Connecticut's small towns simply cannot afford to lose any of our local property tax dollars to the state.

Even if the funds are distributed back to the towns, we are concerned that the disbursement percentages favor larger, urban areas, diverting more of our local tax dollars to other purposes. This will end up shifting more of the tax burden directly onto our homeowners. This is especially true for small towns such as Bolton that have a much smaller commercial tax base.

In addition, we are concerned regarding the impact of the provisions creating a regional tax base on our town's economic development efforts. It is unclear how this will impact local revenues in our community. We urge lawmakers to carefully consider the impact of this proposal, which warrants further study, before moving it forward in the process.