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Testimony for the Planning & Development Committee
Judith B. Greiman, President
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SB 1: AAC the Preservation of Municipal Tax Bases

On behalf of the member institutions of the Connecticut Conference of Independent Colleges (CCIC), I am submitting testimony **in support of SB 1, AAC Tax Fairness and Economic Development.** SB 1 proposes comprehensive changes to Connecticut's property tax system in an effort to reduce disparities among the various towns.

Among other key provisions, this bill would restructure the payment in lieu of taxes (PILOT) programs by developing a tiered system of reimbursements based on the percentage of all tax-exempt property in each municipality. Municipalities with more exempt properties would receive a higher percentage of funds from the PILOT grant programs than municipalities with fewer exempt properties. This sound strategy would recognize that non-profit institutions serve the public good by enhancing the education, health and general welfare of a state's citizenry and benefit all state residents and not just those who live in the municipality in which such an institution is located. It would further recognize that many of our cities have vast areas of tax-exempt properties (churches, non-profit agencies, K-12 schools) that do not come under the current PILOT programs. S.B.1 establishes 2014 as baseline for PILOT payments ensuring that no municipality would see its grant reduced due to the new system. This will be helpful to those towns with smaller tax-exempt footprints.

We believe that SB 1 is a rational approach that will ensure that resources are targeted to the cities and towns that need them most and will support strengthened ties across the regions of the state.