Town of Manchester

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Testimony- Banking Committee
John Rainaldi, CCMC, CCMA II, RCG
Director of Assessment & Collection
Town of Manchester
March 7, 2016

Members of the Banking Committee:

As Director of Assessment & Collection for the Town of Manchester, I respectfully request that you oppose SB 409, "An Act Concerning the Assignment of Certain Liens and Expanding Homeowner Protections Under the Emergency Mortgage Assistance Program." This bill, as proposed will add layers to existing statute by banning tax liens of $5,000 or less, and a requirement that third parties who purchase tax liens to evaluate the "willingness and ability to repay" of the property owner.

There are existing statutes that have been in place for decades that address how municipalities enforce collection of delinquent property taxes. These statutes were written with an understanding of the public purpose that municipalities serve, and the revenue needed to provide these services. Municipalities in Connecticut provide education, police and fire protection, emergency medical services, snow plowing, and many other municipal services. Each municipality funds its municipal programs mostly through property tax revenue. In order to provide those public purpose programs necessary for the well-being on our residents, municipalities must work diligently to collect property taxes that are owed. If there were an appreciable drop in property tax revenue, the municipality's ability to provide needed services would be compromised, and a disservice would be provided to our residents.

The existing statutes regarding the enforcement of delinquent taxes have worked quite well. While they are sometimes harsh for the taxpayer, virtually every tax collector in Connecticut is sympathetic to our taxpayers who are struggling, and we try to give them every legal consideration we can to help them pay their delinquent taxes. There are a number of programs available to taxpayers who are struggling to assist them, including specific tax relief programs for seniors, veterans, and disabled taxpayers, bankruptcy protection, and a number of local option programs available that many municipalities. As a result, municipalities often already have the means to assist taxpayers who are struggling and cannot pay their delinquent property taxes. There are many taxpayers in the state who are struggling. Most of them are able to find a way to pay their property taxes before they become delinquent. In most cases, the added layers in SB 409 will help neither the taxpayer nor the municipality, and it will compromise the public purpose the municipality serves for all its residents.

Therefore, I respectfully request that you oppose SB 409.

Respectfully,

John Rainaldi
Director of Assessment & Collection
Town of Manchester

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