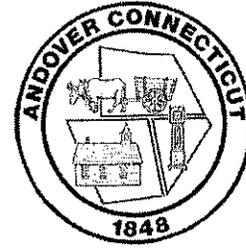


Town of Andover

Office of the Assessor
17 School Road, Andover, CT 06232
Office of the First Selectmen



February 24, 2016

Re: Oppose GB 5047

Senator Fonfara:
Representative Berger:
Members of the Finance, Revenue & Bonding Committee:

The Town of Andover opposes to GB 5047 An Act Concerning Exemptions under the Property Tax.

Section 1 wishes to exempt every personal property account that has a total of less than \$10,000 in assessment under the guise that it will reduce 46% of the accounts that need to be serviced. This thought process is flawed because there is no way for municipal assessors to know if someone is under the \$10,000 threshold unless the applicants are still required to file the declaration. Property owners who are exempt one year may be taxable a year later due to acquiring additional property resulting in every property owner still being required to file annually. All accounts will still need to be serviced and in fact, this will cause additional work for assessors as they must audit each of these accounts, verify the accuracy of their reporting, and approve or deny the requested exemption.

The exemption is an unfunded state mandate that will produce revenue loss in all 169 jurisdictions.

The estimated revenue loss depicted is not factual. The State Tax Panel Final Report claims its only 1% but it closer to 7% of our list.

An owner with a \$9,900 assessment is fully exempt, however, an owner with a \$10,050 assessment is fully taxable. The exemption would not be applied uniformly or fairly which will encourage owners to be deceitful in order to fall below the \$10,000 threshold.

If the state wishes to provide a tax credit to personal property taxpayers, the state should provide the tax credit when each business files their state income tax just as they do when they provide a credit for real estate or motor vehicle taxes paid by an individual. This way the state can also fund the tax credit and avoid reducing municipal revenues and ultimately increasing local property taxes on the whole.

The Town of Andover opposes GB 5047 which is an unfunded state mandate, will produce additional work for municipalities, and includes a tax credit that the state could easily provide during state income tax filings.

Respectfully,

Robert Burbank, First Selectman

17 School Road, Andover, Connecticut 06232

Phone: (860)742-7305 Fax: (860)742-7535

Hours: Monday 8:15-7:00, Tuesday, Wednesday & Thursday 8:15-4:00, Friday Closed