



TOWN OF STONINGTON

SELECTMAN'S OFFICE
ROBERT SIMMONS
FIRST SELECTMAN

152 Elm Street • Stonington, Connecticut 06378
(860) 535-5050 • Fax (860) 535-1046
rsimmons@stonington-ct.gov

February 23, 2016

Hi John + Jeff:

Senator John W. Fonfara, Co-Chair of Finance, Revenue and Bonding
Representative Jeffrey J. Berger, Co-Chair of Finance, Revenue and Bonding

Governor's Bill 5047 An Act Concerning Exemptions Under the Property Tax

Thank you for holding this important hearing on an issue that hurts towns like Stonington. Section one of this bill institutes a \$10,000 exemption to all personal property accounts upon application to the assessor for exemption. The Town of Stonington considers this to be an unfunded mandate with a potential of 1,327 applications with an assessment reduction of \$8,598,482 to the Town's Grand List and a reduction of \$183,320 in property taxes. This loss would require the building of approximately 41 homes appraised at \$300,000 to maintain the Grand List without a shift of property taxes to other categories of property.

In addition, the exempt property would have to be valued annually with annual applications. This process would take valuable human resources away from working on growing the Grand List. The shifting of the tax burden to the other categories, real estate and motor vehicles results in higher tax burdens at the local level, and impairs the stability and establishment of a municipal budget.

With all the State cuts we have experienced to date there is very little anticipation of any reimbursement in the future from the State to elevate this reduction and burden shift. Municipalities are working diligently and creatively to cover costs of all the programs that have fallen from the State and landed at the steps of the local towns.

Section two of this bill would require listing all personal property of non-profits and hospitals defined in section 12-81 subdivisions (7) and (16). The burden on the non-profits to list each item of personal property owned by such organizations as the Mystic Seaport, Sea Research Foundation, local museums, and so forth is very time consuming. This would require the cost of forms; envelopes and postage; reviewing; valuing; separating by eleven fire districts; and listing in the tax exempt Grand List. The failure to file would further subject the property to taxation, penalties and notifications to the entity. This information could be transferred directly to the state eliminating the need to pass the information through a town/city in the same manner as Public Utility Companies.

Thank you for your consideration of our views. Please do not carry this burdensome bill forward.

Sincerely,

A handwritten signature in cursive script that reads "Rob Simmons". The signature is written in black ink and is positioned above the typed name.

Robert "Rob" Simmons, First Selectman
Town of Stonington
860-535-5040

Thanks for all you do!