



**TESTIMONY OF RALPH ENO
LYME FIRST SELECTMAN
PROPOSED BILL NO. 6926**

**AN ACT PERMITTING MUNICIPALITIES TO IMPOSE A BUYER'S FEE ON THE CONVEYANCE OF
REAL PROPERTY**

Chairman Casano, Chairman Logan, Chairman Lemar, members of the Committee, thank you for the opportunity to appear before you this morning. My name is Ralph Eno. I am First Selectman in the Town of Lyme and I am here to testify in favor of proposed Bill 6926: AN ACT PERMITTING MUNICIPALITIES TO IMPOSE A BUYER'S FEE ON THE CONVEYANCE OF REAL PROPERTY.

This is long sought after legislation which would provide Connecticut's municipalities with a vital instrument to assist in the acquisition of open space. As proposed, the measure would allow municipalities to impose a levy of up to one per cent on real estate transactions on or after July 1st of this year. The tax would be on the buyer and the first one hundred and fifty thousand dollars (\$150,000.00) would be exempt. The exemption would protect first time home buyers and affordable housing sales and by placing the tax on the buyer, sellers' equity is preserved. This is particularly important for seniors who are downsizing and looking for alternative housing options.

Perhaps most important, this is a local option proposal. Voters in their respective communities get to decide for themselves whether this is something they want to do. It's grass roots government at its best and provides that proceeds from the levy are to be assigned to a fund dedicated solely for the purchase of open space and stewardship of same.

Many towns annually fund open space reserve line items. They are generally fairly substantial appropriations and because they are discretionary are frequently on the proverbial chopping block when fiscal hard times arise. A funding mechanism to provide a dedicated revenue stream to these funds when budgets are tight would be extremely helpful.

In closing, I would like to add that the Connecticut Council of Small Towns supports this bill and I respectfully request that you give it favorable consideration.

Again, thank you for your time.