Veterans' Affairs Committee
JOINT FAVORABLE REPORT

Bill No.: HB-5239
Title: AN ACT CONCERNING ELIGIBILITY FOR CERTAIN VETERANS' PROPERTY TAX EXEMPTIONS.
Vote Date: 3/14/2018
Vote Action: Joint Favorable Substitute
PH Date: 2/27/2018
File No.: 64

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SPONSORS OF BILL:
Veterans’ Affairs Committee

REASONS FOR BILL:
This bill seeks to allow towns to remove the current income ceiling for the local veterans’ property tax exemptions set in statute. As of now, incomes cannot exceed an annual formula set by OPM (for 2018, $35,300 for individuals and $43,000 for married couples). Currently, municipalities may raise the limit by $25,000 over the OPM limit but not more.

RESPONSE FROM ADMINISTRATION/AGENCY:
None

NATURE AND SOURCES OF SUPPORT:
Beckley, Linda, resident of Southington
Ms. Beckley said she supports the bill but that it should be “strengthened” to apply to “all veterans and their spouses.”

NATURE AND SOURCES OF OPPOSITION:
Collins, Randy, advocacy manager, Connecticut Conference of Municipalities
Mr. Collins acknowledged that the bill is “well intentioned” but that it would impose “de facto mandates” by expanding criteria and eligibility for a local property tax exemptions that many towns and cities will feel compelled to enact. The state is seeking to “buy good will from a
segment of the public by using extremely limited, local property tax dollars," he said. Given the current budget situation and the prospect of additional reductions in State aid, municipalities are already being forced to consider increases in local property taxes or reducing current services, he said. This proposal would further increase property tax rates that already subsidize 77 mandated property exemptions, Mr. Collins said, and it would simply shift the burden of paying for local education and services to other taxpayers. CCM believes a more equitable solution would be to provide such a tax credit against the state income tax, he said.

**Gara, Betsy, executive director, Connecticut Council of Small Towns**

Ms. Gara said COST opposes the legislation as it would amount to another mandated property tax exemption that will serve to “undermine the ability of towns to fund the delivery of critical programs and services” such as education, public safety, transportation and other local services. Instead, she said, the legislature should be looking for ways to eliminate the many unfunded mandates on municipalities.

**Reported by: D.G. Fisher, Assistant Clerk**

**Date: April 3, 2018**