sHB-5125
AN ACT INCREASING THE PROPERTY TAX ABATEMENT FOR CERTAIN FIRST RESPONDERS.

OFA Fiscal Note

State Impact: None

Municipal Impact:

<table>
<thead>
<tr>
<th>Municipalities</th>
<th>Effect</th>
<th>FY 20 $</th>
<th>FY 21 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Various Municipalities</td>
<td>Potential</td>
<td>Less than $50,000</td>
<td>Less than $50,000</td>
</tr>
<tr>
<td></td>
<td>Revenue Loss</td>
<td>per municipality</td>
<td>per municipality</td>
</tr>
</tbody>
</table>

Explanation

There is a potential revenue loss to municipalities resulting from the bill, which increases the maximum property tax abatement a municipality may provide to certain first responders from $1,000 to $1,500. Existing tax abatements to first responders are permissive, and therefore any such increase would be optional by the municipality.

If such an increase were provided, only first responders who owe property taxes above the existing $1,000 threshold would benefit. It is unknown, of the 22,000 first responders in Connecticut, how many owe such taxes. The impact to any such municipality would vary based on how many of these first responders serve in their town.

For example, if thirty of West Haven’s 45 volunteer firefighters owned homes, there would be a total estimated revenue loss to the municipality of $15,000 resulting from the increased abatements.
The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: City of West Haven