

**Planning and Development Committee
JOINT FAVORABLE REPORT**

Bill No.: HB-5540

AN ACT ESTABLISHING A MUNICIPAL OPTION TO PROVIDE PROPERTY TAX RELIEF TO RESIDENTS WHO ARE UNABLE TO LIVE IN THEIR HOMES

Title: DUE TO A NATURAL DISASTER OR EVACUATION ORDER.

Vote Date: 3/8/2019

Vote Action: Joint Favorable

PH Date: 3/6/2019

File No.: 83

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Committee on Planning and Development

Co-Sponsor:

Rep. Brenda L. Kupchick, 132nd Dist.

REASONS FOR BILL:

Recent natural disasters such as Hurricane Sandy and the tornado of May 2018 that affected south west Connecticut has caused damage to homes as well as displacement. This bill seeks to provide real property tax relief to residents who have been temporarily or permanently displaced from their homes due to damage from natural disasters, or displacement because of ordered evacuation by the state or federal government.

RESPONSE FROM ADMINISTRATION/AGENCY:

None Expressed

NATURE AND SOURCES OF SUPPORT:

None Expressed

NATURE AND SOURCES OF OPPOSITION:

Betsy Gara, Council of Small Towns, (COST):

Betsy Gara, the executive director of COST, writes in opposition of HB 5540. She details that real property tax payers already have the right to appeal to the Connecticut Superior Court if they believe that their current tax rate for their property is inaccurate, and believes this is the proper method to have their rates reassessed, rather than legislative relief. Additionally, Betsy states that amid the current financial situation of our municipalities, establishing more ways to exempt certain tax payers increases the burden on other tax payers and may undermine the ability of the town to provide important services to their residents.

Donna Hamzy, Connecticut Conference of Municipalities, (CCM):

Donna Hamzy, a lobbyist for CCM, writes in opposition of HB 5540. Their reservations are a result of the State's current financial status that leads municipalities to consider raising property taxes or reducing town services because of reductions in State aid. Additionally, the State has already enacted 77 property tax exemptions on municipalities, which subsequently necessitates regressive taxation to maintain municipal services. CCM proposes that in lieu of a property tax exemption, a tax credit against the State income tax could be granted, so that the entire State could share in the compensation of these venues, rather than a single town.

Reported by: Robert Norris

Date: March 22, 2019