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**Raised Bill SB 1135 – An Act Concerning the Municipal Interest Rate
Applicable to Delinquent Property Taxes**

This testimony is respectfully submitted in opposition of raised SB 1135, which would allow each municipality to adopt a local option to charge a yearly interest rate less than 18% on all delinquent property taxes.

Tax Collectors are governed by State Statutes, which means that we all perform our duties in a uniform and consistent manner. Maintaining a uniform interest rate of 18% throughout the state sends a clear message to residents that you will be treated fairly, in regards to interest on delinquent accounts, no matter what town you live in. In addition, an interest rate of 18% on delinquent property taxes is meant to act as a deterrent, prompting residents to pay their taxes in a timely manner. Interest calculates at 1½ % per month, so not every delinquent bill is being charged 18% interest right from the start.

Allowing a local option, where the interest rate may vary from town to town, will weaken the position of the Tax Collector's office. Presently we have the strength of numbers behind us when we state with confidence that all delinquent taxpayers are treated the same, since we are bound by state statutes. Allowing municipalities the option to reduce the uniform interest rate will make it a political issue, rather than a fiscal issue, potentially putting Tax Collectors in compromising positions. Also, if it is up the municipalities to decide their interest rate, there is the potential for it to change from year to year, depending on who is hired or elected to run the town, which would be a payment processing, programming and accounting nightmare.

Thank you for the considering a different point of view.

Natalie Ellston, Tax Collector, Canterbury