May 2, 2019
Finance, Revenue and Bonding Committee

RE: SB 1135 – An Act Concerning the Municipal Interest Rate Applicable to Delinquent Property Taxes.

This testimony is in opposition to SB 1135 which would allow municipalities a local option to charge an interest rate less than 18% on delinquent property taxes.

The Connecticut General Statutes require the charging of interest when a bill becomes delinquent. The intent is to encourage the timely payment of taxes owed to municipalities. Lowering the interest rate is a punishment to those taxpayers who pay on time and a reward for those taxpayers who are delinquent. Creating a local option to authorize municipalities to randomly select an interest rate, below the current uniform Interest rate, will cause conflict between municipalities as well as ruin the integrity that currently exists with our uniform collections.

Tax Collectors in the State of Connecticut handle the responsibilities of collection enforcement in an equitable, uniform and legal manner. To create competition between municipalities with cueling interest rates is counterproductive to each town’s ability to conduct the already difficult task of collection enforcement and encourages the politicization of the collection of revenue.

The interest rate for the State of Connecticut should remain at a uniform rate allowing for the continued equitable collection of taxes.

Respectfully,

Beth G. Hamel, CCMC
Tax Collector
Town of Harwinton, Ct.
bhamel@harwinton.us