

**Tax Collector
Town of Chester
PO Box 314
Chester, CT 06412-0314**

May 1st, 2019

To whom it may concern:

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

Having worked in the tax office for Chester as Tax Collector for over 10 years and as the Assistant to the Tax Collector in Deep River, CT for over 15 years, it is apparent to me that it is extremely important to keep the uniform interest rate on delinquent taxes for several reasons. It is obviously a very important function of Tax Collecting to be uniform with all the Tax Collectors in the state. This helps individuals who move around to know what the rules are in each town and what the penalty is if a bill is not paid. It helps banks who have to pay escrow accounts to know what the rate is for CT. It helps attorneys who do many closings for home sales across the state! Therefore, it would also help real estate agents when they promote a town or a particular house and it is helpful to Tax Collectors themselves who rely on the Connecticut Tax Association and individual Tax Collectors for help and advice, since we all would be under the same rule.

But maybe more important is the fact that all people are advised to pay the bill with the highest interest rate first to help themselves get out of debt quicker. It would not be as much of an incentive if the interest rate for delinquent Real Estate bills or MV bills was at a much lower interest rate than some credit card interest rates. Years ago, the rate was set at 18% to get more with the “real world” and try to match credit cards or come close. The minute the state allows the interest to drop below most credit card rates, the delinquency amounts will jump so much higher, because the taxpayers will think it is more important to pay the higher interest rate bill first, which would probably be a credit card bill and not a town tax bill.

Please do not change a system that is working pretty well for all of the Tax Collectors in the State of Connecticut. The job is difficult at times, so please do not make it harder for us. The people who can't pay realize that they should be doing something different in order to get caught up with their taxes. Don't make it easier on them but keep the rate at 18% so it worries the taxpayer enough to force them to find a way of paying, or force them to downsize and sell or get a loan or family help. You might think you are helping the people to catch up, but instead you would be allowing them to put off paying for a longer period of time, since the amount is not as high as it had been for years. Leave a working system alone, please.

Sincerely,

Madaline A Meyer, Tax Collector, Chester, CT