May 1, 2019

Via email:  David Kluczwski dkluczwski@fairfieldct.org

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

This testimony is respectfully being submitted in opposition to SB-1135.

As you are aware, the municipal property tax structure is dictated by the Connecticut General Statutes. This requires all tax collectors to collect taxes as required by state laws in the same way as other municipalities. The current interest rate of 18% simple interest for delinquent property taxes is meant as an incentive for paying taxes in a timely manner: and each city and town in the State of Connecticut must charge this same interest amount. In addition to being a deterrent for not paying property taxes in a timely manner, it also benefits the residents and businesses that do pay on time.

If each municipality were allowed to set a different interest rate, it would remove the equity and uniformity that exists now. If municipalities were given the option to create their own interest rate, it could potentially cause those municipalities to be at odds with other and could even create political issues. Instead of uniformity, fairness and consistency, different interest rates would see delinquent taxpayers as no longer being penalized equally.

Thank you for the opportunity to submit my testimony opposing SB-1135.

Sincerely,

[Signature]

John Salomone
City Manager