April 30, 2019

Finance, Revenue and Bonding Committee

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

As Tax Collector of the Town of Bethel I am respectfully submitting testimony opposed to SB 1135, which would allow municipalities a local option to charge an interest rate less than 18% on delinquent property taxes.

The uniform interest rate of 18% has been in place since 1982 and for good reasons. One of the most important reasons is that all taxpayers no matter where they live are treated the same. Keeping the interest rate the same for all municipalities’ means we all collect in a consistent and uniform manner.

The strong collection of taxes helps our municipalities maintain our current budgets. If the interest rate can be lowered it puts the municipalities at a risk of politically motivated leaders that may lower the interest rate to garner votes therefore putting the revenue needs of the town at risk. The interest revenue generated helps all municipalities keep taxes lower for all the taxpayers.

As Tax Collector of the Town of Bethel I oppose SB 1135.

Thank you for your consideration.

Ann M. Scacco, CCMC
Bethel Tax Collector