May 10, 2019

Finance, Revenue and Bonding Committee

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

This testimony is being submitted in opposition of SB-1135.

I am opposed to this bill, as it takes away the very importance of consistency across the state with regards to the laws of tax collection. As collectors our duties are clearly defined in the Connecticut General State Statutes, which includes the rate of interest. These laws were put in place so that all collectors perform their duties the same across the state as to not show favoritism and to have consistency across the state, so the residents/taxpayers do not feel as though they are being wrongfully treated in the town they live in because another town functions differently with regard to tax collection.

I feel it is important to note that the interest rate is 1.5% per month on a late payment. If after a year the taxpayer chose not to pay the bill, then the total interest rate would total 18%. Most of the businesses in our state, i.e., utility providers’ charge 1.5% per month penalty for late or non-payments along with other types of businesses. This is a very favorable penalty with any type of bill.

Allowing towns to charge an interest rate they feel would be “better” would cause towns and by extension its residents to be at odds, which could potentially create a rally of citizens at the capital because you are the lawmakers that allowed such an injustice to happen.

The statutes that are in place and actively being enforced by all collectors creates integrity, uniformity and most importantly fairness to everyone. To propose changing one statute to become a “free for all” would be utter disaster. This would make an already difficult job worse with the potential for increased danger and/or threats to us and our staff because of the discontent it would cause amongst the taxpayers.
Let us not forget, that we ourselves are taxpayers and as such I find it to be completely unfair for someone to pay less of a penalty than I on the same bill. This would be like the credit card companies charging the Eastern United States 10% while charging the Western United States 26%. It is completely and utterly absurd. There is consistency with penalties with every business for this very reason; FAIRNESS ACROSS THE BOARD.

Thank you for your consideration.

Respectfully Submitted,

Leona Sharkey, CCMC – Tax Collector
Town of Griswold