

SB 1137, Section 1 and SB 1138, Section 5 Testimony

Dear Members of the Finance, Revenue and Bonding Committee and Stonington elected representatives,

I am a volunteer and treasurer of the Avalonia Land Conservancy. I strongly oppose Section 1 of SB 1137 and Section 5 of SB 1138 both of which would require nonprofits, including land trusts, with "significant" savings accounts, endowments or pension funds to pay into a state "community development account" the equivalent of 25% property tax.

Avalonia preserves lands in southeastern Connecticut in perpetuity and in partnership with the towns, state and federal agencies. In Stonington, almost all of the open space available for hiking that is not owned by the state has been preserved by the two land trusts and the nature center. Our preserved land provides miles of hiking trails, wildlife protection areas, water supply filtration and regeneration and aides in combating climate change. Nature preserve properties make our state a better place to live.

This proposal would divert critical resources from our land trust's ability to acquire and manage open spaces and other natural resources that benefit our quality of life and local economy. It would penalize our land trust for our efforts to set aside funds to help secure our organization's long-term viability and to care for our land trust's properties and easements in perpetuity pursuant to best management practices (The Land Trust Standards & Practices). This proposal would also undermine relationships with donors who want their donations to support land conservation and not a state tax.

This tax would harm greatly land preservation in the state. Conservation non-profits that have an endowment use the proceeds to further their mission. They hire staff, buy materials for bridges, buy trees to plant and acquire additional land to be preserved. Many land trusts would simply cease to exist if they were taxed. The land, which is deed restricted for conservation, would revert to the town or state thus transferring the burden (cost) of care and protection from the nonprofit to the government.

Please vote NO on these proposals that would tax land trusts.

Sincerely,

Richard Newton
Avalonia Land Conservancy, Inc. – Treasurer
Connecticut Land Conservation Council Advisory Board member