

Dear Members of the Finance, Revenue and Bonding Committee,

I am a trustee and chairman of the Heritage Land Preservation Trust, based in Torrington. 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 or endowments to pay into a state "community development account" the equivalent of 25% property tax.

Heritage already is working to improve and develop our community in our own way. We provide land for community gardens, have used our own time and treasury to create a park, and have worked with city officials to preserve land. We have worked with the P&Z board during their approval processes, agreeing to take land that protects watersheds and prevent erosion. To tax us for doing so would seem to be counter-intuitive and counter-productive.

A tax as described, 25% of what we would otherwise pay, would quickly put us out of business. As a small trust in a struggling city. I don't know how we would motivate our board to raise funds to pay a tax, and wonder if donors would even make contributions if they knew that they were actually another form of a tax?

It is not clear to me what amount constitutes a significant savings account or an endowment. Since there is a monetary threshold that must be met, can this not really be considered an income tax disguised as a property tax? Would trusts not be better off drawing down assets instead of being fiscally responsible? Careful consideration and thought must be given to this proposed bill. It will make the work of Heritage much more difficult and frankly discourage us from improving our properties and trying to make life a little better in our town.

In short, the Legislature should be doing what it can to make our volunteer's efforts a little easier, not discourage us to death.

Please vote NO on these proposals that would tax land trusts.
Sincerely, Earl Skokan, Chairman of the Heritage Land Preservation Trust
Torrington, CT