



Laura Francis
First Selectman, Town of Durham
Submitted to the
Finance, Revenue & Bonding Committee
April 29, 2019

RE: SB-1139 - AN ACT ELIMINATING PROPERTY TAX ON CERTAIN MOTOR VEHICLES AND ADJUSTING THE UNIFORM PROPERTY ASSESSMENT RATE

Thank you for the opportunity to submit testimony in opposition to SB-1139, which would eliminate the property tax on motor vehicles and require municipalities to increase the uniform assessment rate to 100%.

The Town of Durham receives more than \$2.5 million each year from the property tax on motor vehicles. Given recent cuts in municipal aid and increased costs associated with the delivery of local services and compliance with various unfunded mandates, such as stormwater management, eliminating the car tax would force us to increase the mil rate. As a result, SB-1139 would shift more than \$2 million in property taxes onto homeowners and small businesses in our community, which would have a devastating impact on housing values and our local economy.

We are working very hard to control costs while maintaining critical services and performing necessary infrastructure improvements, road repairs, and building and grounds maintenance, etc. However, property taxpayers in our community are frustrated because we have been forced to increase the mil rate to absorb cuts in state funding, comply with various state and federal mandates, and pick up more of the cost of services that the state used to fund.

At the same time, a proposal to require towns to pick up a significant percentage of teachers' pension costs are raising concerns about how this will impact the mil rate in future years. As proposed, towns will have absolutely no way of controlling these costs going forward.

Eliminating the motor vehicle property tax will only create more disruption and uncertainty on the local level, at this time. Please oppose SB-1139 and, instead, focus on ways of working cooperatively with municipalities as partners in governance.

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