

**Derrylyn Gorski
First Selectman
Town of Bethany
Member, COST Board of Directors
Public Hearing Testimony
Finance 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 testify in opposition to **SB-1139**, which would eliminate the property tax on certain motor vehicles.

Bethany, a town of 5,500 people, is the only rural town in New Haven County. Our lakes and reservoirs supply water for the City of New Haven. However, because we do not have municipal water or sewers, our economic development opportunities are limited and residents shoulder over 80% of the property tax burden.

Our town has worked very hard to manage local expenditures and hold the line on property tax levels. Unfortunately, cuts in state aid and increased education and other costs, have forced increases in property taxes and this is putting considerable pressure on homeowners and small businesses. In 1999, 22.6% of Bethany's revenue was from state statutory grants and 72.6% was from property taxes. In 2009, 12.7% of Bethany's revenue was from state statutory grants and 80.2% was from property taxes. Bethany now receives 8.8% of our revenue from state statutory grants and 84% from property taxes.

In the Town of Bethany, the property tax on motor vehicles generates more than \$2 million each year. By eliminating this tax and requiring towns to increase the uniform assessment rate, SB-1139 will shift an even greater burden onto our homeowners, including elderly residents.

Although the proposal allows towns to phase out the car tax over a five year period to minimize the disruption in revenues, this does not address our fundamental concerns with the bill – it simply shifts the property tax burden to homes and businesses in a way which will erode housing values and increase the cost of goods and services.

Please oppose SB-1139.

