



Senate

General Assembly

File No. 422

January Session, 2023

Substitute Senate Bill No. 497

Senate, April 4, 2023

The Committee on Planning and Development reported through SEN. RAHMAN of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT ESTABLISHING A TASK FORCE TO STUDY ISSUES RELATING TO THE REPEAL OF THE MOTOR VEHICLE PROPERTY TAX.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (*Effective from passage*) (a) There is established a task force
2 to study the feasibility of repealing the motor vehicle property tax and
3 options for replacing the resulting lost municipal revenue. The task
4 force shall examine the potential impact of such repeal on municipal
5 budgets and analyze possibilities for replacing municipal revenue lost
6 as a result of such repeal. Such possibilities shall include, but need not
7 be limited to, an annual eight-per-cent tax on total direct net premiums
8 received by domestic insurance companies and insurance companies
9 organized under the laws of any other state or foreign government on
10 private passenger nonfleet automobile insurance policies and
11 homeowners insurance policies issued for property located in this state.
- 12 (b) The task force shall consist of the following members:

13 (1) One appointed by the speaker of the House of Representatives,
14 who is a representative of a nonprofit organization that advocates for
15 taxation reform;

16 (2) Two appointed by the president pro tempore of the Senate, one of
17 whom is a representative of a nonprofit organization that advocates for
18 policies that benefit individuals who are fifty years of age or older, and
19 one who shall have expertise in data analytics;

20 (3) One appointed by the majority leader of the House of
21 Representatives, who is a representative of a state-wide organization of
22 municipal leaders;

23 (4) Two appointed by the majority leader of the Senate, one of whom
24 is a representative of an organization that represents the interests of
25 insurers, and one of whom is a member of the faculty at The University
26 of Connecticut;

27 (5) One appointed by the minority leader of the House of
28 Representatives, who is the chief executive officer of a municipality with
29 a population of fewer than fifty thousand;

30 (6) One appointed by the minority leader of the Senate, who is the
31 chief executive officer of a municipality with a population of fifty
32 thousand or more;

33 (7) The Secretary of the Office of Policy and Management, or the
34 secretary's designee;

35 (8) The Commissioner of Revenue Services, or the commissioner's
36 designee; and

37 (9) The chairpersons, vice chairpersons and ranking members of the
38 joint standing committees of the General Assembly having cognizance
39 of matters relating to planning and development and finance, revenue
40 and bonding.

41 (c) All initial appointments to the task force shall be made not later

42 than thirty days after the effective date of this section. Any vacancy shall
43 be filled by the appointing authority.

44 (d) The speaker of the House of Representatives and the president
45 pro tempore of the Senate shall select the chairpersons of the task force
46 from among the members of the task force. Such chairpersons shall
47 schedule the first meeting of the task force, which shall be held not later
48 than sixty days after the effective date of this section.

49 (e) The administrative staff of the joint standing committee of the
50 General Assembly having cognizance of matters relating to planning
51 and development shall serve as administrative staff of the task force.

52 (f) Not later than February 1, 2024, the task force shall submit a report
53 on its findings and recommendations to the joint standing committees
54 of the General Assembly having cognizance of matters relating to
55 planning and development and finance, revenue and bonding, in
56 accordance with the provisions of section 11-4a of the general statutes.
57 The task force shall terminate on the date that it submits such report or
58 February 1, 2024, whichever is later.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

PD Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill establishes a task force to study the feasibility of repealing the motor vehicle property tax resulting in no fiscal impact to the state because the task force has the expertise to meet the requirements of the bill.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis

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AN ACT ESTABLISHING A TASK FORCE TO STUDY ISSUES RELATING TO THE REPEAL OF THE MOTOR VEHICLE PROPERTY TAX.

SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 14 Nay 7 (03/22/2023)