

TESTIMONY IN FAVOR OF HB6557  
AN ACT INCREASING THE AMOUNT OF TANGIBLE PERSONAL PROPERTY OWNED BY A BUSINESS  
ORGANIZATION THAT IS EXEMPT FROM THE PROPERTY TAX.

February 1, 2023

Co-Chair Ms. Eleni Kavros-DeGraw, Co-Chair Mr. MD Rahman and Esteemed Members of the Planning and Development Committee:

I am well versed in the budgetary needs of a municipality and understand the various forms of revenue a town receives. I have previously served on both our town's Board of Education and Board of Finance. In addition, I served as a hearing officer for the Board of Assessment Appeals. I understand the fear municipalities have when legislators talk about reducing their local tax revenue.

But I am also a small business owner in our town of Torrington and as President and co-owner of a small construction company, I am writing in favor of HB 6557.

Torrington's mill rate is one of the top ten highest in the State of CT at 47.14. Our company paid over \$27,000 in personal property tax this year. While this bill does little to reduce property taxes on our construction equipment, it does offer a small concession for small items that had an original cost of \$1,000 or less.

After the 10 full assessment years, an item of furniture would be depreciated 70% to a value of \$300. As property is taxed at 70% of that value, the personal property tax on that item would be applied to \$210. In Torrington, that would be a tax of approximately \$10. For a small plumbing or contractor business, this bill could perhaps mean a savings of a few hundred dollars a year. While the town would see its overall property tax revenue reduced slightly, the financial impact those savings would have for a small business owner could be immense.

Connecticut lost a significant number of small businesses in the aftermath of COVID and those of us who pulled through have fought an uphill battle. As the cost of fuel, electricity, materials and labor have increased tremendously, knowing that our legislators support a bill that recognizes our struggles and attempts to offer some relief on a local level would be greatly appreciated. It is an important step to growing a large, robust economy which will, in turn, bring in far more tax revenue to our municipalities in the future.

Respectfully submitted,

Wendy Traub  
Hemlock Directional Boring, Inc.  
Torrington CT