

# OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200  
Hartford, CT 06106 ◇ (860) 240-0200  
<http://www.cga.ct.gov/ofa>

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sHB-5172

AN ACT CONCERNING THE ASSESSMENT OF MOTOR VEHICLES  
FOR PROPERTY TAXATION.

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## ***OFA Fiscal Note***

***State Impact:*** None

***Municipal Impact:*** See Below

## ***Explanation***

The bill makes various changes to the valuation and taxation of motor vehicles described below.

The bill changes the way motor vehicles are valued. This may result in a grand list reduction for motor vehicles between 8% and 24% per town and an overall motor vehicle grand list reduction of approximately 16%.

Under this bill, assessors must determine the method for (1) valuing modifications and attachments to commercial vehicles and (2) the vehicles to which these are attached. Any impact is dependent on how these modifications, attachments, and vehicles would have otherwise been valued.

The bill also eliminates certain deadlines for supplemental motor vehicle tax bill. To the extent this results in some motor vehicles being added to a different town's grand list at different points in time, there is a potential shift of grand lists between towns. This also results in a potential revenue gain to various municipalities associated with increased interest charged as the due date for supplemental tax bills will be moved up.

Primary Analyst: LG  
Contributing Analyst(s): PM  
Reviewer: RW

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Certain deadlines for motor vehicle tax credits are also eliminated. This may result in a savings to municipalities beginning in FY 25 to the extent fewer claims are made due to the shorter deadline and less tax credits are issued.

The bill makes various other changes that do not result in a fiscal impact.

***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to how certain commercial vehicles with attachments and modifications are valued, interest charged, and tax credits issued.