

# Planning and Development Committee

## JOINT FAVORABLE REPORT

**Bill No.:** HB-5396

AN ACT LIMITING THE ASSESSMENT OF INTEREST ON CERTAIN

**Title:** DELINQUENT PROPERTY TAX PAYMENTS.

**Vote Date:** 3/22/2024

**Vote Action:** Joint Favorable

**PH Date:** 3/6/2024

**File No.:**

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

### SPONSORS OF BILL:

Planning and Development Committee

### REASONS FOR BILL:

This bill would limit the amount of interest charged on certain delinquent property tax payments and installments thereof to twelve per cent of the principal amount owed. It would also allow for the Tax Collector to waive the interest on delinquent property taxes if determined that the delinquency is attributable by error and not at the fault of the taxpayer.

### RESPONSE FROM ADMINISTRATION/AGENCY:

None Expressed.

### NATURE AND SOURCES OF SUPPORT:

None Expressed.

### NATURE AND SOURCES OF OPPOSITION:

[Legislative Chair, CT Tax Collector's Association, David Kluczowski](#) opposes this bill because it puts the burden of deciding if interest should be waived or recalculated on the Tax Collector. Kluczowski states that Tax Collectors "do not have authority over tax policies, rates, and programs" and their job is simply administrative. It is also expressed that there is a risk of abuse that this policy would allow, as Tax Collectors would face pressures "from community leaders, political officials, friends, neighbors, and even family members who will expect leniency or exceptions to be made based on their relationship with the Tax Collector." Kluczowski also discussed how the 12% cap would be harmful to municipalities as interest is a primary source of revenue for municipal budgets. Additionally, the cap would be harmful to "taxpayers who already struggle to pay their taxes on time" and the "on time" taxpayer would have to owe more to make up for the loss in municipal revenue.

[Executive Director, COST, Betsy Gara](#) opposes this bill because of concerns from the Council that it “will undermine the ability of towns to collect delinquent property taxes.” COST believes the capped interest rate of delinquent property taxes to 12% would cause losses in crucial revenue for member towns. Gara says that the state establishes high interest rates on delinquent taxes to incentivize timely payments. The interest rate on delinquent taxes also serves as compensation for the municipalities for the costs that are sustained for collecting taxes.

[Associate Director of Policy, CCM, Randy Collins](#) opposes the “creation of a differential interest rate as a solution” to correct errors on behalf of the taxpayer.

[Tax Collector, Town of Harwinton, Beth Hamel](#) opposes this bill because the added language to Section 12-145 of the Connecticut General Statutes is unclear to if the interest rate is capped at 12% or if the interest rate is 12% per year if the Tax Collector declines to waive the interest.

The 19 pieces of testimony below express opposition to HB 5396 for the reasons of the burden that is placed on the Tax Collector, potential loss in revenue for municipalities, lack of uniformity for delinquent tax payments and the consequences for the on-time taxpayer, and vagueness of the added language to Section 12-145 of the Connecticut General Statutes.

[Tax Collector, Town of Bethany, Linda Bates](#)  
[Tax Clerk, Town of Haddam, Kristin Battistoni](#)  
[Tax Collector, Town of Beacon Falls, Jennifer Blisky](#)  
[Revenue Collector, Town of Glastonbury, Bridget Boucher](#)  
[Tax Clerk II, Town of Southington, Matthew Bunko](#)  
[Tax Collector, Town of Bolton, Lori Bushnell](#)  
[Attorney, Pullman & Comely LLC., Adam Cohen](#)  
[Supervisor of Assessments, Revenue Collection, Town of Enfield, Todd Helems](#)  
[Tax Collector, Town of Orange, Thomas Hurley](#)  
[Tax Collector, Town of Stafford, Stephanie Irving](#)  
[Tax Collector, Town of Windsor Locks, Peter Juszczynski](#)  
[Tax Collector, Town of East Windsor, Patricia Kratochvil](#)  
[President Elect, CT Tax Collectors Association, Lisa Madden](#)  
[Collector of Revenue, Town of Avon, Halaree Monnerat](#)  
[Tax Collector, Town of Griswold, Leona Sharkey](#)  
[Tax Collector, Town of Brookfield, Roberta Sinatra](#)  
[Tax Collector, City of Shelton, Lisa Theroux](#)  
[Tax Collector, Town of Bethlehem, Jennifer Woodward](#)  
[Tax Collector, Town of North Haven, J. Stacey Yarbrough](#)

The following piece of testimony provided general opposition of the bill.

[Gary Corigliano](#)

**Reported by: Samantha Giuliano**

**Date: 04/01/2024**