MEMORANDUM
Connecticut State and Local Tax Study Panel
December 3, 2015

TO: Members of the Connecticut Tax Study Panel
FR: Robert D. Ebel, Executive Director
    Michael E. Bell, Director of Local Government Research

RE: December 8: Materials Relating to Property Taxation and Local Revenue Diversification

Four attachments accompany this Memorandum. As a set they provide the Panel with the full set of
December 8 Discussion Materials relating to the Connecticut’s system of property taxation and non-
property options for increasing local revenue autonomy.

The attachments:

1. Property Tax Findings and Policy Options. This is a text discussion that reviews the key findings
of the Panel’s Research relating to local government finance. These Findings are followed by a set of
Policy Options relating to the following eight topics:
   - Property Tax Administration
   - Tax Exempt Real Property
   - Direct Property Tax Relief
   - Indirect Property Tax Relief (Local Revenue Diversification/Local Non Property Tax Options.
   - Taxes & Fees Options
   - The Taxation of Motor Vehicles (“Car Tax”)
   - The Taxation of Business Personal Property, and
   - Conveyance and Controlling Interest Taxation

2. A summary Matrix of Property Options for Reform of the Property Tax and Local Revenue
   Diversification that presents the policy options from each paper, their impact and potential revenue
   implications.

In addition, there are two short briefing notes on topics that came up at the Panel’s November 17 meeting
and which members of the Panel requested that the staff briefly address in its December 3 deliverables.
These include:

3. A note on role a state property tax that emerged during the discussion at the November 17 panel
   meeting

4. A note on the role of local franchise fees that has raised at a number of panel meetings including
   November 17.

Forthcoming: The briefing notes that (i) review the background topics of the Panel’s Criteria for
Evaluating Changes to the Connecticut State and Local Revenue System (as approved at its May 12, 2015
meeting), the Connecticut Economy, Connecticut’s Long Term Fiscal Architecture as well as (ii) key
findings and policy options of the state taxes [Personal Income, General Business, Sales, and Estate and Gift (includes the topic of Probated Fees)] will follow in as separate set of materials.