

For Immediate Release
Friday, March 14, 2014
Kevin Maloney (203) 710-3486

Initial response by the Connecticut Conference of Municipalities (CCM) to state-local initiatives presented by House Speaker Brendan Sharkey on March 14

CCM welcomes the Speaker's proposal as a serious examination and rethinking of how to help our strained local property tax system and an effort to "make towns whole" when it comes to current exempt properties. The specifics of how a "reverse" proposal would be implemented however, would still need to be further examined so as not create a system that could fluctuate town-by-town, year-to-year. The Speaker recognizes the regressive nature of the property tax and has come up with a serious and innovative way to cope with it.

The property tax is the single largest tax on residents and businesses in Connecticut. It totals over \$9 billion and accounts for 37 percent of all state and local taxes. It is due and payable whether a resident has a job or not, or whether a business turns a profit or not.

Connecticut is more dependent on property taxes to fund local government than any other state in the nation. Statewide, 72 percent of municipal revenue comes from property taxes. 19 towns depend on property taxes for at least 90 percent of all their revenue. Another 51 municipalities rely on property taxes for at least 80 percent of their revenue. This is the kind of crippling imbalance -- for residents and businesses -- the Speaker is trying to address."

Special education takeover:

"CCM has long advocated for State taking over the costs of special education within municipalities as a tangible means of relieving property taxpayers. As a result, local officials remain open to working with state lawmakers on exactly what that State takeover would mean and translate to in efficiencies at the local level."

"The idea of mandating a property tax cap however, is problematic. Municipal elected officials need to have the leverage to best determine how to address their local service needs and local tax levels. CCM looks forward to working with legislative leaders toward a long-term shared goal of lowering property taxes."