

Legislative History for Connecticut Act

SB 1176	PA 282	1997
Senate - 1851, 2703, 2759-2760, 4350, 4361-4363		(8)
HOUSE: <del>5865</del> 5861-5867		(7)
Fin. 761-762, 824, 908-909, 1020, 1027		(7)
		Total - 22p

Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate  
and House of Representatives Proceedings

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S-408

CONNECTICUT  
GEN. ASSEMBLY  
SENATE

PROCEEDINGS  
1997

VOL. 40  
PART 6  
1796-2164

kmg

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Senate

Wednesday, May 14, 1991 001851

428, Substitute for SB1154, I move referral to the  
Committee on Appropriations.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Page 17, Calendar 429, Substitute for SB1176, I  
move referral to the Committee on Appropriations.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Calendar 430, Substitute for SB1183, I move  
referral to the Committee on Legislative Management.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Calendar 431, SB1221, I move to the Consent  
Calendar.

THE CHAIR:

Motion is to refer this item to the Consent  
Calendar. Without objection, so ordered.

SEN. JEPSEN:

Calendar 432 is PR.

Calendar 433, Substitute SB1266, I move referral  
to the Committee on Government Administration and  
Elections.

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CONNECTICUT  
GEN. ASSEMBLY  
SENATE

PROCEEDINGS  
1997

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PART 8  
2517-2846

kmg

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Senate

Wednesday, May 28, 1997

002703

Calendar 408, is PR.

Calendar 412, is Go.

Calendar 417, is PR.

428, PR.

Calendar 429, Substitute for SB1176, I move to the  
Consent Calendar.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Page 28, Calendar 433, PR.

Calendar 466, is Go.

Calendar 51, Substitute for SB923, I move to the  
Consent Calendar.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Calendar 162, SB1173, is marked Go.

Page 29, Calendar 174, Substitute for SB926. I  
move to the Consent Calendar.

THE CHAIR:

Without objection, so ordered.

SEN. JEPSEN:

Calendar 176, Substitute for SB1092. I move to  
the Consent Calendar.

THE CHAIR:

kmg

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Senate

Wednesday, May 28, 1997 **002759**

Calendar 543, Substitute for HB6536.

Calendar Page 18, Calendar 549, Substitute for  
HB6836.

Calendar Page 19, Calendar 554, Substitute for  
HB6900.

Calendar 555, HB6797.

Calendar Page 22, Calendar 205, Substitute for  
SB1309.

Calendar Page 27, Calendar 429, Substitute for  
SB1176.

Calendar Page 28, Calendar 51, Substitute for  
SB923.

Calendar Page 29, Calendar 174, Substitute for  
SB926.

Calendar 176, Substitute for SB1092.

Calendar 183, Substitute for SB1148.

Madam President, that completes the second Consent  
Calendar.

THE CHAIR:

Mr. Clerk, would you please return to Calendar  
Page 486, I'm sorry, Calendar Page 11, on Page 11,  
Calendar 486. Now repeat the House number and.

THE CLERK:

Repeating Calendar Page 11, Calendar 486, HB6585.  
Correction HB6785.

THE CHAIR:

That is correct. Would the Clerk please once again announce a roll call vote, the machine will be open.

THE CLERK:

Immediate roll call has been ordered in the Senate. Will all Senators please return to the Chamber. An immediate roll call has been ordered in the Senate. Will all Senators please return to the Chamber.

THE CHAIR:

Have all members voted? If all members have voted, the machine will be locked. Clerk please take a tally.

THE CLERK:

Motion is on adoption of the second Consent Calendar.

Total Number Voting	36
Those Voting Yea	36
Those Voting Nay	0
Those absent and not voting	0

THE CHAIR:

The Consent Calendar is adopted.

THE CLERK:

Returning to Calendar Page 20, Matters Returned

S-415

CONNECTICUT  
GEN. ASSEMBLY  
SENATE

PROCEEDINGS  
1997

VOL. 40  
PART 13  
JUNE 5  
JUNE 18  
SPECIAL  
SESSIONS  
4251-4525

pat

309

Senate

Wednesday, June 4, 1997

004350

Motion is to refer that item to the Consent Calendar. Without objection, so ordered.

SEN. PETERS:

Page 13, Calendar 390. I would ask that that be marked Go, Madam President.

Page 13, Calendar 405. I would ask that that be marked Go, Madam President.

Page 13, Calendar 429. I would ask for Consent.

SB 1176

THE CHAIR:

Motion is for Consent Calendar. Will you remark?  
Without objection, so ordered.

SEN. PETERS:

Page 13, Calendar 445. I would ask for Consent,  
Madam President.

HB 7056

THE CHAIR:

Motion is to refer this item to the Consent Calendar. Without objection, so ordered.

SEN. PETERS:

Page 14, Madam President, Calendar 535. I would mark that Go.

Madam President, on Senate Agenda No. 3, I would ask for suspension on HB6711 and mark that Consent.

THE CHAIR:

Without objection on suspension. So ordered.  
Motion is to refer to the Consent Calendar. What was

pat

320

Senate

Wednesday, June 4, 1997

004361

Calendar Page 7, Calendar 59 --

THE CHAIR:

Just a moment, please. (GAVEL) If members aren't screaming at each other, this Clerk is screaming to be heard. Ladies and gentlemen, please take your conversations out into the hallway. The Clerk is calling the Consent Calendar.

THE CLERK:

Madam President, starting again from the top.

Third Consent Calendar begins on Calendar Page 3, Calendar 455, Substitute for HB6853.

Calendar Page 7, Calendar 591, HB6909.

Calendar Page 8, Calendar 595, Substitute for HB6863.

Calendar Page 9, Calendar 601, Substitute for HB5461.

Calendar Page 12, Calendar 111, SB774.

Calendar 276, Substitute for SB212.

Calendar Page 13, Calendar 429, Substitute for SB1176.

Calendar 445, Substitute for HB7056.

Calendar Page 14, Calendar 102, correction, Calendar 162, SB1173.

At the top of that page, Calendar 494, Substitute for HB6944.

pat

321

Senate

Wednesday, June 4, 1997

004362

Calendar Page 15, Calendar 363, HB6585.

Calendar 557, Substitute for HB6735.

Calling off of the Agendas, beginning with Agenda  
No. 3, HB6711. Substitute for HB6711.

Substitute for HB6735.

Substitute for HB6917.

Substitute for SB1237.

Substitute for SB, correction, just SB1017.

Off Senate Agenda No. 4, HB6652.

Substitute for SB418.

Substitute for SB494.

And Substitute for SB417.

Senate Agenda No. 7, Substitute for HB6707.

Madam President, I believe that completes the  
Third Consent Calendar.

THE CHAIR:

Before we vote on that, there are some corrections  
and questions, Mr. Clerk on Senate Agenda No. 3. I  
believe the House Bill was 6734. Is that correct?

THE CLERK:

Correction. It should be Substitute for HB6734.

THE CHAIR:

Senator Bozek. Please use your microphone, Sir.

SEN. BOZEK:

On Page 8, 598.

pat

322

Senate

Wednesday, June 4, 1997

004363

THE CLERK:

One additional matter, Madam President, Calendar Page 8, Calendar 598, HB6266.

THE CHAIR:

Thank you, Sir. Are there any other corrections or additions? If not, would the Clerk once again announce a roll call vote. The machine is open.

THE CLERK:

An immediate roll call been ordered in the Senate.  
Will all Senators please return to the Chamber.

An immediate roll call has been ordered in the Senate. Will all Senators please return to the Chamber.

THE CHAIR:

Have all members voted? If so, the machine will be locked. The Clerk please take a tally.

THE CLERK:

On the adoption of Consent Calendar No. 3. Total number voting, 36; necessary for adoption 19. Those voting "yea", 36; those voting "nay", 0. Those absent and not voting, 0.

THE CHAIR:

The Consent Calendar is adopted.

Senator Peters.

SEN. PETERS:

H-774

CONNECTICUT  
GEN. ASSEMBLY  
HOUSE

PROCEEDINGS  
1997

VOL. 40  
PART 16  
5737-6121

005861

gmh

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House of Representatives

Tuesday, June 3, 1997

UNIDENTIFIED REPRESENTATIVE:

Mr. Speaker, we don't have the amendment.

SPEAKER RITTER:

Then the Chamber will stand at ease until the amendment is distributed and I ask all people who bring out bills if you could just assure that we have the amendment here.

The Chamber will stand at ease for a moment unless the Majority Leader wants to PT it, depending on -- apparently we don't have any of the amendments anywhere, any copies?

Representative Lyons.

REP. LYON: (146TH)

Thank you, Mr. Speaker. I would make a motion that this bill be passed temporarily.

SPEAKER RITTER:

It will be passed temporarily. Please get the copies and we will spread them around.

Clerk, please call Calendar 658.

CLERK:

On page 20, Calendar 658, Substitute for Senate Bill Number 1176, AN ACT CONCERNING PAYMENTS IN LIEU OF TAXES FOR STATE OWNED REAL PROPERTY AND PROPERTY TAX EXEMPTIONS FOR MANUFACTURING MACHINERY AND EQUIPMENT AND NEW COMMERCIAL VEHICLES. Favorable Report of the

005862

126

gmh

House of Representatives

Tuesday, June 3, 1997

Committee on Appropriations.

SPEAKER RITTER:

Representative Landino.

REP. LANDINO: (35TH)

Good afternoon, Mr. Speaker.

SPEAKER RITTER:

Good afternoon, sir.

REP. LANDINO: (35TH)

I move acceptance of the Joint Committee's  
Favorable Report and passage of the bill.

SPEAKER RITTER:

The motion is on acceptance and passage. Please  
proceed, sir.

REP. LANDINO: (35TH)

Thank you, Mr. Speaker. This bill combines Senate  
Bills 1177, 1178 and 1183 and clarifies the provisions  
of current law related to pilot reimbursement and  
property tax exemptions for manufacturing machinery and  
equipment.

I move adoption.

SPEAKER RITTER:

The question is on passage of Senate Bill 1176.  
Will you remark further on this bill? Representative  
Johnston from the 51st.

REP. JOHNSTON: (51ST)

005863

gmh

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House of Representatives

Tuesday, June 3, 1997

Thank you, Mr. Speaker. Mr. Speaker, the Clerk has an amendment, LCO 9164. May he call and I be allowed to summarize?

SPEAKER RITTER:

The Clerk has LCO 9164 which will be designated as House "A". If he may call it and Representative Johnston would like to summarize.

CLERK:

LCO Number 9164, House "A" offered by  
Representative Johnston.

SPEAKER RITTER:

Representative Johnston.

REP. JOHNSTON: (51ST)

Thank you, Mr. Speaker. Mr. Speaker, this amendment takes the file copy a little bit further. It is the same intent as the purpose of the closing loop holes in the manufacturing tax exemption for personal property tax. Mr. Speaker, this amendment would prevent the five year property tax exemption for machinery and equipment to be extended beyond the five year period when the property is transferred from a lessor to a lessee.

Mr. Speaker, this would close a loop hole whereby the same piece of machinery in the same shop would actually receive a ten year exemption and there is a

005864

gmh

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House of Representatives

Tuesday, June 3, 1997

significant cost savings with this measure over the biennium and I would urge its adoption.

Through you, Mr. Speaker.

SPEAKER RITTER:

The question is on adoption of House "A". Will you remark further on the adoption of House "A"? Representative Belden.

REP. BELDEN: (113TH)

Thank you, Mr. Speaker. I rise to support this amendment. This precludes double dipping in terms of getting the tax credit twice and I think it is very fair. We give a tax credit to the first owner of the equipment.

Thank you.

SPEAKER RITTER:

Will you remark further on the adoption of House "A"? If not, I will try your minds.

All those in favor, signify by saying aye.

REPRESENTATIVES:

Aye.

SPEAKER RITTER:

Opposed, nay. House "A" is adopted.

Will you remark further on this bill as amended by House "A"? Representative Johnston.

REP. JOHNSTON: (51ST)

gmh

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005865

House of Representatives

Tuesday, June 3, 1997

Mr. Speaker, the Clerk has an amendment, LCO 9579. May he call and I be allowed to summarize?

DEPUTY SPEAKER HARTLEY:

The Clerk is in possession of LCO 9579 to be designated House Amendment "B". Will the Clerk please call?

CLERK:

LCO Number 9579, House "B" offered by Representative Johnston.

DEPUTY SPEAKER HARTLEY:

Representative Johnston has asked leave to summarize and seeing no objection, you may proceed, sir.

REP. JOHNSTON: (51ST)

Thank you, Madam Speaker. Madam Speaker, this amendment clears up statutory language and clarifies the responsibility for the payment of taxes with respect to those individuals that own buildings and/or structures, but lease the land upon which the building sits. It would enable these citizens to participate as taxpayers in the governmental process and I move for adoption, Madam Speaker.

DEPUTY SPEAKER HARTLEY:

The question is adoption. Will you remark further on House Amendment "B"? If not, I will try your minds.

gmh

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005866

House of Representatives

Tuesday, June 3, 1997

All those in favor, signify by saying aye.

REPRESENTATIVES:

Aye.

DEPUTY SPEAKER HARTLEY:

Those opposed, nay. The amendment is adopted.

Will you remark further on the bill, as amended?

Representative Landino.

REP. LANDINO: (35TH)

Thank you, Madam Speaker. I move adoption of this bill. It is simply a clarification of existing law with no fiscal impact and I urge adoption of the bill.

DEPUTY SPEAKER HARTLEY:

Will you remark further on the bill, as amended?

If not, staff and guests to the well of the House.

Members, please be seated. The machine is open.

CLERK:

The House of Representatives is voting by roll call. Members to the Chamber. The House is taking a roll call vote. Members to the Chamber, please.

DEPUTY SPEAKER HARTLEY:

Have all the members voted? Is your vote properly recorded? If it has, the machine will be locked.

The Clerk will please take a tally.

The Clerk will please announce the tally.

CLERK:

005867

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House of Representatives

Tuesday, June 3, 1997

Senate Bill Number 1176 as amended by House "A"  
and "B"

Total Number Voting	146
Necessary for Passage	74
Those voting Yea	146
Those voting Nay	0
Those absent and not Voting	5

DEPUTY SPEAKER HARTLEY:

The bill passes.

The Chamber will please come to order. Will the Clerk please call Calendar 696.

CLERK:

On page 25, Calendar 696, Senate Bill Number 1017,  
AN ACT CONCERNING INHERITANCE BY PARENTS WHO ABANDONS A  
CHILD. Favorable Report of the Committee on Judiciary.

DEPUTY SPEAKER HARTLEY:

Representative Lawlor.

REP. LAWLOR: (99TH)

Thank you, Madam Speaker. I move acceptance of the Joint Committee's Favorable Report and passage of the bill.

DEPUTY SPEAKER HARTLEY:

The motion is acceptance and passage. Will you remark sir?

REP. LAWLOR: (99TH)

JOINT  
STANDING  
COMMITTEE  
HEARINGS

FINANCE,  
REVENUE  
AND  
BONDING  
PART 2  
383-784

1997

000761

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pat FINANCE, REVENUE AND BONDING March 24, 1997

recall back in 91 when we did adopt the income tax, one of the arguments at the time in favor of reforming our tax structure was that the federal tax reform act of 1986 had in a sense put the federal tax system on the assumption that states would have state income taxes by providing a deduction for state income tax payments and removing other kinds of state tax deductions from the federal income tax returns, so we were in effect penalized in our federal taxes by not having an income tax because Connecticut taxpayers similarly situated for those in other states no longer had, did not have a deductible tax and others did.

I was wondering, have you done any projections about what any reduction in our income tax would do, the net effect in terms of increased federal tax liability?

DONALD DOWNES: Yeah, that's very interesting. Tom's telling me, I don't think we have actually done those, although we could take a look at it. I mean, I'll do some initial exploration to see where we are. The short answer is no, Sir, we have not done that analysis yet. Jean's pointing out a reduction in the property tax we'd probably do the same thing.

SEN. LOONEY: Thank you.

REP. SCHIESSL: Thank you, Senator. Further questions or comments for Under-Secretary Downes? Seeing none, thank you for your testimony.

DONALD DOWNES: Thank you. It's always a pleasure to be here in front of Finance. At this point, if I might, Mr. Chairman, I'd like to introduce Barbara Pettijean. She'll cover the rest of our OPM bills.

REP. SCHIESSL: Very well. Good afternoon, Barbara. Just for those who are waiting, after Barbara Pettijean testifies, just to remind you we will next hear from Mayor Giordano, Commissioner Gavin and then Wendy Fields-Jacobs. Good afternoon.

BARBARA PETTIJEAN: Good afternoon, Senator Looney,

000762

80

pat FINANCE, REVENUE AND BONDING March 24, 1997

Representative Schiessl and members of the Finance, Revenue and Bonding Committee. My name is Barbara Pettijean and I'm Under-Secretary of Intergovernmental Policy at the Office of Policy and Management.

I've submitted somewhat detailed written testimony today in support of seven bills submitted by OPM. That written testimony provides for you a section by section analysis of each of the bills, so I won't put you through that here today. The bills that I will speak at a very high level about are SB1176, SB1177, SB1179, SB1183, SB1204 and HB6894 and HB6895.

All these bills deal with property tax assessment or the tax exemption programs that are administered by the intergovernmental policy division at OPM. Three of these bills, SB1176, SB1177 and SB1204 deal specifically with the machinery and equipment exemption program, which as you know, was expanded last year to include for hire commercial trucks and biotechnology.

Essentially, these bills are designed to clean up the amendments from last year, clarify the definitions of eligible machinery and equipment and to make administrative improvements to the program. The administrative improvements include an accelerated time table, giving more authority to local assessors to approve extensions and establishing an administrative appeal process for the taxpayers. It also adopts the same valuation methodology used for commercial trucks that is currently being used in the machinery and equipment program.

Four other bills that are before you, SB1179 deals with the elderly totally disabled homeowners tax relief program and the renters' rebate program. It is a bill that eliminates unnecessary penalties on municipalities and again is clean up and clarification of time tables.

There is an amendment attached to my testimony which we would ask you to consider which provides some needed clarification of the definition of

JOINT  
STANDING  
COMMITTEE  
HEARINGS

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AND  
BONDING  
PART 3  
785-1098

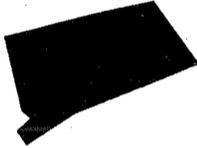
1997

000908

Speaker 5

P-17

**CONNECTICUT ASSOCIATION OF ASSESSING  
OFFICERS, Inc.**



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TO: Senator Looney and Representative Schiessl and  
Members of the Finance, Revenue and Bonding Committee

FROM: Charles Agli, Legislative Committee Chairperson of CAAO

DATE: March 24, 1997

SUBJECT: **Written Testimony - Public Hearing - March 24, 1997**

<u>Senate Bill #1176</u>	<u>Senate Bill #1204</u>
<u>Senate Bill #1177</u>	<u>Senate Bill #1267</u>
<u>Senate Bill #1179</u>	<u>House Bill #6894</u>
<u>Senate Bill #1183</u>	<u>House Bill #6895</u>

**Senate Bill #1267 - An Act Concerning Balancing the Revaluation Schedule.** CAAO asked that the committee consider this bill. We thank you for raising this bill. Legislation passed in 1995 and 1996 made many changes with regard to property revaluation. CAAO supported the concept of more frequent revaluation in the Property Tax Reform Commission of 1995. There are some problems because of the 1995 and 1996 legislation. There are municipalities that do not have the computer hardware or computer software or the property characteristic data base necessary to perform the revaluations without inspections (statistical revaluations) required by the 1995 and 1996 laws. There are not sufficient revaluation companies or certified revaluation staff to handle the "flood" of revaluations that the 1995 and 1996 laws require. Both of these aspects of the problem can be addressed by giving more lead time in the process. We have not asked for more lead time in this proposal but it is worthy of your consideration. CAAO believes that the legislature did not sufficiently consider the cost of revaluations without inspection (statistical revaluation). The legislature had been given a cost of approximately \$5 to \$7 per parcel of property. All hard data on actual cost of revaluations without inspection in Connecticut indicates the cost range will be \$15 to \$25 per parcel. We have not addressed the issue of cost in our proposal but it is worthy of your consideration. The 1995 and 1996 laws provide a revaluation schedule with two years with about 500,000 parcels revalued, one year with about 200,000 parcels valued, and a fourth year with about 100,000 parcels valued. This is obviously not a balanced schedule. This CAAO proposal does address this problem.

000909

Page - 2 CAAO Written Testimony - Public Hearing - March 24, 1997

This bill would move about 35 towns to one year later so that each year about 40 towns revalue about a total of 300,000 to 350,000 parcels. It is a balanced schedule. In addition, as recommended by the Property Tax Reform Commission (recommendation 4C, page 21), CAAO proposes to separate the requirement to inspect property from the requirement to revalue property to allow municipalities the option of inspecting all properties at one time in conjunction with a revaluation or spreading the inspections over the statutorily defined period of twelve years. Senate Bill 1267 clarifies the filing of income and expense information because of the switch from ten year to four year revaluations. It clarifies the revaluation notice provisions (this is same as House Bill #5598 which was given a joint favorable vote by Planning and Development on March 5th). Senate Bill 1267 removes the stay of implementation language from the statutes because all towns are now specifically scheduled for revaluation. For those towns that stayed the implementation of the phase-in of revaluation, there is no change proposed. They continue to be required to move toward full implementation. Finally, it must be noted that the most difficult area of the proposed balanced schedule is the placement of the five municipalities that stayed the implementation of revaluation. Those are Bridgeport, Norwalk, Westport, Naugatuck and Waterbury. We believe that this proposed schedule (1999) provides minimally sufficient time for Bridgeport, Norwalk and Westport to meet this schedule. We are concerned that this schedule (1998) may not provide sufficient time to Waterbury and Naugatuck.

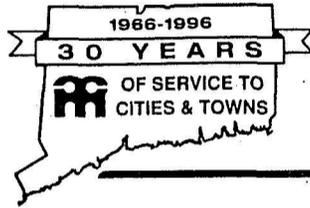
CAAO also speaks in support of the following bills.

Senate Bill 1176: AAC Property Tax Exemptions for Manufacturing Machinery and Equipment. This bill clarifies biotech and research and development eligibility for this exemption. The bill clarifies eligibility for exemption in ownership transfers involving related companies. **CAAO supports this bill.**

Senate Bill 1177: AAC Property Tax Exemption for New Commercial Vehicles. This bill provides for this exemption beginning with the supplemental motor vehicle list. This bill provides that these vehicles will be value based on acquisition cost and the depreciation schedule used for manufacturing machinery and equipment. **CAAO supports the bill, however one change should be made.** Currently, the tax on a vehicle listed on the supplemental list would be paid in January. Under this bill the reimbursement made to municipalities for the supplemental list would be in the following December. This is almost a year later and in a different municipal fiscal year. The reimbursement to municipalities for the supplemental list should be made in the same fiscal year, in at least the May or June following the January when it would normally have been collected.

Senate Bill 1179: AAC Extension of Filing Date for Reimbursement Claims Under Certain Elderly Property Tax Credit and Renter Rebate. This bill provides that extensions granted for July 1 filing by municipalities for reimbursement will be 60 day extensions. It provides clarified filing rules of renters information by municipalities. **CAAO supports this bill.**

Senate Bill 1183: AAC Payments in Lieu of Taxes on State-Owned Real Property. This bill provides that the State will send local assessor copy of lease of any state-owned real property leased by state. If State leases to another exempt organization the leased property can be included in the PILOT claim. **CAAO supports this bill.**



CONNECTICUT CONFERENCE OF MUNICIPALITIES  
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**TESTIMONY**

of the

**CONNECTICUT CONFERENCE OF MUNICIPALITIES**

to the

**FINANCE, REVENUE AND BONDING COMMITTEE**

March 24, 1997

CCM thanks the Committee for the opportunity to comment on the following bills of interest to cities and towns.

**REIMBURSEMENTS FOR  
STATE-MANDATED PROPERTY TAX EXEMPTIONS**

R.B. 6867, "AA Amending the State PILOTs for State-owned Real Property and the Real Property of Private Colleges and Hospitals"

CCM supports this bill as a significant step toward full-funding of the two major PILOT programs.

- The State mandates that cities and towns cannot tax state property or the property of private colleges and hospitals. Currently, the State reimburses municipalities for 20% of the amount of revenue they would have received if the REAL property of the State were taxable (100% for prison property that is occupied); colleges and hospital property is reimbursed at a 60% level. [There is no reimbursement for PERSONAL PROPERTY.] This bill would increase the reimbursements to 50% and 80%, respectively.
- Mandate reform is an important component of overall property tax reform. Increasing the reimbursement for this costly mandate would mark important progress toward the goal of property tax relief and reform.
- Appendix A shows the town-by-town impact of this bill.
- CCM asks the Committee to consider amending this bill to call for phasing in full funding of these two PILOT programs by FY 2001.

\*\*\*\*\*

CCM

- 8 -

CCM

R.B. 6984, "AAC the Assessment of Motor Vehicles for Property Tax Purposes"**CCM opposes this bill.**

Several years ago, the State moved to a uniform method for assessing motor vehicles. The timing of this change was unfortunate in that the taxes on some older-model cars increased a little because the value of those cars increased. Why did this occur in that particular year (1995-96)? Prices of new cars increased substantially and -- because of basic laws of supply and demand -- the value of some used cars increased as well. The phenomenon would still occur under the changes proposed in this bill because it was market forces that created these problems -- not the existing law.

\*\*\*\*\*

R.B. 6985, "AAC Valuation of Personal Property Owned by Public Service Companies"**CCM opposes this bill.**

Existing statutes require "fair market value" to be the standard for assessing property. This bill would change the basis of assessment to "historic cost less depreciation." In so doing, it would cost municipalities millions of dollars in lost revenue. Homeowners and other businesses would have to pick up the difference through higher taxes.

The issue of assessment standards used by some municipalities is currently being litigated. Although CCM has discussed R.B. 6985 with its proponents, no agreement has been reached.

\*\*\*\*\*

R.B. 1177, "AAC the Property Tax Exemption for New Commercial Vehicles"

CCM **opposes** this bill -- because it would mandate a depreciation schedule *more accelerated than* that used in 88% of municipalities for manufacturing machinery and equipment (90-80-70-60-50 vs. 95-90-80-70-60). Removing the reference to depreciation schedules [Section 1 (C)] would not cost owners of such vehicles anything as municipalities are to be reimbursed by the State for this state-mandated exemption.

\*\*\*\*\*

R.B. 1179, "AAC an Extension of the Filing Date for Reimbursement Claims under Certain Elderly Property Tax Credit and Rental Rebate"

CCM **supports** this bill. Among other things, this bill would permit greater flexibility with respect to designating another agency or agent to administer the renters' rebate program and permits OPM good-cause extensions to municipalities filings of credit/rebate information.