



**State of Connecticut**  
**GENERAL ASSEMBLY**  
STATE CAPITOL  
HARTFORD, CONNECTICUT 06106-1591

April 30, 2013

Representative Tim Larson  
Chair, M.O.R.E. Commission

Representative Mae Flexer  
Vice-Chair, M.O.R.E. Commission

Senator Steve Cassano  
Vice-Chair, M.O.R.E. Commission

Representative Chris Davis  
Ranking Member, M.O.R.E. Commission

Senator Len Fasano  
Ranking Member, M.O.R.E. Commission

**Re: M.O.R.E. Municipal Tax Authority Sub-Committee Recommendations**

The Bi-Partisan Municipal Tax Authority Sub-Committee has held eight meetings over the past several weeks with legislators, municipal leaders and various advocacy organizations. During this time the Sub-Committee was able to hear from many experts and reviewed several relevant reports and studies in order to come up with the following proposed recommendations. These comprehensive proposals call for both short and long term objectives regarding revisions to Connecticut's tax structure and addressing the fiscal disparity that exist amongst municipalities, including but not limited to changes to municipal property tax on motor vehicles. The Sub-Committee's goal was to propose reforms that will reduce the State's overreliance on the property tax and bring balance to overall tax structure, in a way that addresses the unique issues of our local municipalities both fairly and efficiently.

*The Sub-Committee proposals consist of four Working Drafts with language from LCO (see attached):*

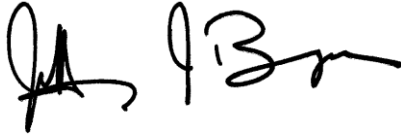
- (1) AAC the Mill Rate for Motor Vehicles, the Assessment of Antique, Rare or Special Interest Motor Vehicles, the Registration of Certain Motor Vehicles and Fees for Rental Passenger Motor Vehicles and Rental Trucks.**
- (2) AAC Municipal Revenue**
- (3) AAC Land Value Taxation and Requiring a Tax Incidence Study**
- (4) AAC Special Benefit Assessments on Central Business Districts**

*Additional recommendations of the Sub-Committee not covered by the Working drafts are as follows:*

- 1) Study Property tax sharing amongst municipalities (Minnesota Model)**
- 2) Create a local option to split property tax bills into two separate mill rates for local education and general government services (see attached OLR report and status report on Bifurcation in Connecticut)**
- 3) Reform the ECS formula to strike a better balance between property value and income wealth**
- (4) Consider conducting property tax revaluations on a statewide or regional level to save towns money**
- (5) Explore using one of the four different models that would base the municipal car tax on the purchase price of a vehicle (MSRP) or the transfer of title (see attached models)**

On behalf the Municipal Tax Authority Sub-Committee we hope these recommendations prove useful in developing legislation to address property tax reform and changes to our overall state tax system.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Berger". The signature is stylized and cursive.

Representative Jeff Berger  
Chairman, Municipal Tax Authority Sub-Committee

Cc: Representative J. Brendan Sharkey, Speaker of the House  
Municipal Tax Authority Sub-Committee Member

