



OFFICE OF THE FIRST SELECTMAN

Michael R. Criss
First Selectman, Town of Harwinton

REVENUE, FINANCE & BONDING COMMITTEE

March 15, 2021

Good Afternoon, my name is Michael R. Criss, I am the First Selectman for the Town of Harwinton and I am submitting testimony regarding S.B. 171 "An Act Establishing a State-wide Tax on Real Property.", S.B. 172 "An Act Establishing a State-wide Assessment to Encourage Affordable Housing in the State", H.B. 6178 "An Act Concerning the Restructuring of Certain Taxes and Tax Equity".

S.B. 171 "An Act Establishing State-wide Tax on Real Property", S.B. 172 "An Act Establishing a State-wide Assessment to Encourage Affordable Housing in the State", H.B. 6178 "An Act Concerning the Restructuring of Certain Taxes and Tax Equity".

Thank you for the opportunity to comment and submit testimony on proposed S.B. 171 "An Act Establishing a State-wide Tax on Real Property.", S.B. 172 "An Act Establishing a State-wide Assessment to Encourage Affordable Housing in the State", & H.B. 6178 "An Act Concerning the Restructuring of Certain Taxes and Tax Equity". The Town of Harwinton opposes bills S.B. 171, S.B. 172 and H.B. 6178 as any new taxes are not the solution for out-of-control state spending.

For years, the Town of Harwinton has continued to come down to the capital to participate in movements against any type of new taxes or tax hikes on our already suffering residents and businesses. The State of Connecticut already has one of the most regressive taxes in the state known as the Property Tax; This tax continues to burden residential, commercial and industrial tax payers. Not just the property tax, but many taxes in Connecticut have proven to not only destroy any type of economic development but also continue to create barriers to home ownership. Adding a state-wide property tax on top of a local property tax will not only continue the devastating effects of the pandemic on the state, but also the devastating effects of tax and spend policies.

TOWN OF HARWINTON

100 BENTLEY DRIVE

HARWINTON, CONNECTICUT 06791

Tele: (860) 485-9051 • Fax: (860) 485-0051

Web Site:
www.harwinton.us

Email:
1stselectman@harwinton.us



OFFICE OF THE FIRST SELECTMAN

The Town of Harwinton strongly opposes any new taxes that are created in efforts to build the general fund and hide the lackadaisical and inattentive approach the state has had to curb its spending. Connecticut has a strong history of breaking promises to not only its residents but its businesses and municipalities as well, and there is no reason to start believing now that these bills would help to recover Connecticut. The state will continue to experience budget deficits due to continue mismanagement and failed legislation. We all know that new taxes mean more spending, less cutting and the state to still continue to fail to meet its obligations.

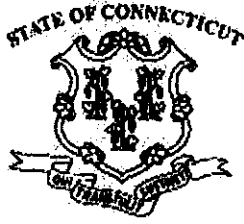
The Town of Harwinton urges the committee to put a stop to any new taxes and to work with municipalities and the residents that elected you to enact meaningful property tax reform. Let's examine together why taxes continue to rise in this state and the impact of the other 99 mandated property tax exemptions on local tax bases. The Town of Harwinton stands ready to work with the state to provide true success for not only our residents, our businesses and to save our economy. We need to all together stop our overreliance on taxes and start looking at how we can live within our means just like we ask our residents to do.

Thank you for allowing me to submit testimony in opposition S.B. 171, S.B. 172 & H.B. 6178 on behalf of the Town of Harwinton. If you have any further questions, please feel free to contact me at any time.

Michael R. Criss
First Selectman, Town of Harwinton
mcriss@harwinton.us
860-485-2916

TOWN OF HARWINTON

100 BENTLEY DRIVE
HARWINTON, CONNECTICUT 06791
Tele: (860) 485-9051 • Fax: (860) 485-0051



General Assembly

January Session, 2021

Proposed Bill No. 171

LCO No. 571



* 0 0 5 7 1 *

Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
SEN. LOONEY, 11th Dist.

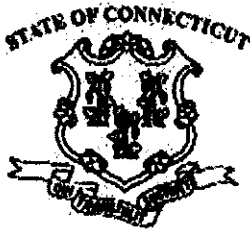
AN ACT ESTABLISHING A STATE-WIDE TAX ON REAL PROPERTY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 That the general statutes be amended to establish a one mill state-
- 2 wide tax on commercial and residential real property, provided the first
- 3 three hundred thousand dollars of the assessed value of a residential
- 4 property shall be exempt from such tax.

Statement of Purpose:

To establish a state-wide tax on commercial and residential real property.



General Assembly

January Session, 2021

Proposed Bill No. 172

LCO No. 572



* 0 0 5 7 2 *

Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
SEN. LOONEY, 11th Dist.

AN ACT ESTABLISHING A STATE-WIDE ASSESSMENT TO ENCOURAGE AFFORDABLE HOUSING IN THE STATE.

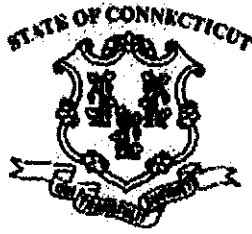
Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 That the general statutes be amended to establish a state-wide
2 assessment on commercial and residential real property, based on the
3 percentage of affordable housing developments, as defined in section 8-
4 30g of the general statutes, located in a municipality, provided the first
5 three hundred thousand dollars of the assessed value of a residential
6 property shall be exempt from such assessment. The assessment rate
7 shall be calculated as follows: (1) For municipalities that meet a
8 threshold of at least ten per cent as set forth in section 8-30g of the
9 general statutes, zero mills; (2) for municipalities that meet a threshold
10 as set forth in said section of eight per cent to less than ten per cent, four-
11 tenths of one mill; (3) for municipalities that meet a threshold as set forth
12 in said section of six per cent to less than eight per cent, eight-tenths of
13 one mill; (4) for municipalities that meet a threshold as set forth in said
14 section of four per cent to less than six per cent, one and two-tenths mill;
15 (5) for municipalities that meet a threshold as set forth in said section of

16 two per cent to less than four per cent, one and six-tenths of one mill;
17 and (6) for municipalities that meet a threshold as set forth in said
18 section of zero per cent to less than two per cent, two mills.

Statement of Purpose:

To establish a state-wide assessment on real property to encourage affordable housing in the state.



General Assembly

January Session, 2021

Proposed Bill No. 6187

LCO No. 2354



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:

REP. ELLIOTT, 88th Dist.
REP. ARNONE, 58th Dist.
REP. SMITH, 48th Dist.
REP. TERCYAK, 26th Dist.
REP. VARGAS, 6th Dist.
REP. PHIPPS, 100th Dist.
REP. SANCHEZ, 24th Dist.
REP. MICHEL, 146th Dist.
REP. PORTER, 94th Dist.
REP. PALM, 36th Dist.
REP. NOLAN, 39th Dist.
REP. LUXENBERG, 12th Dist.
REP. HUGHES, 135th Dist.

REP. JOHNSON, 49th Dist.
REP. LEMAR, 96th Dist.
REP. GODFREY, 110th Dist.
REP. GUCKER, 138th Dist.
REP. HENNESSY, 127th Dist.
REP. DIMASSA, 116th Dist.
REP. GILCHREST, 18th Dist.
REP. FARRAR, 20th Dist.
REP. D'AGOSTINO, 91st Dist.
REP. CHAFEE, 33rd Dist.
REP. GIBSON, 15th Dist.
REP. ROSARIO, 128th Dist.

AN ACT CONCERNING THE RESTRUCTURING OF CERTAIN TAXES AND TAX EQUITY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 That (1) the general statutes be amended to (A) increase the property
- 2 tax credit to four hundred dollars, (B) increase the applicable percentage
- 3 of the earned income tax credit to fifty per cent and expand eligibility
- 4 for said tax credit, (C) establish a ten per cent tax on the annual gross
- 5 revenues derived from digital advertising services in the state for any

6 business with annual world-wide gross revenues exceeding ten billion
7 dollars, (D) establish a two per cent tax on the portion of assessed value
8 of any owner-occupied residential real property exceeding one million
9 five hundred thousand dollars, (E) eliminate the fifteen-million-dollar
10 estate tax cap and reduce the estate tax exemption thresholds, (F)
11 increase the rate of tax imposed under section 12-214 of the general
12 statutes to eleven and one-half per cent and the surcharge under said
13 section to twenty per cent, (G) establish a surcharge of five per cent of
14 the net gain from the sale or exchange of capital assets and on dividend
15 and interest income for (i) unmarried individuals and married
16 individuals filing separately, with taxable income over five hundred
17 thousand dollars, and (ii) heads of household, married individuals filing
18 jointly and individuals filing as surviving spouses, with taxable income
19 over eight hundred thousand dollars, and (H) adjust the marginal
20 income tax rates for (i) unmarried individuals with taxable income over
21 (I) five hundred thousand dollars to eight and eighty-two-hundredths
22 per cent, and (II) one million dollars to twelve and six hundred ninety-
23 six-thousandths per cent, (ii) heads of household with taxable income
24 over (I) eight hundred thousand dollars to eight and eighty-two-
25 hundredths per cent, and (II) one million two hundred thousand dollars
26 to twelve and six hundred ninety-six-thousandths per cent, (iii) married
27 individuals filing jointly and individuals filing as surviving spouses,
28 with taxable income over (I) eight hundred thousand dollars to eight
29 and eighty-two-hundredths per cent, and (II) one million two hundred
30 thousand dollars to twelve and six hundred ninety-six-thousandths per
31 cent, and (iv) married individuals filing separately with taxable income
32 over (I) five hundred thousand dollars to eight and eighty-two-
33 hundredths per cent, and (II) one million dollars to twelve and six
34 hundred ninety-six-thousandths per cent, and (2) the Labor
35 Commissioner be required to make a one-time direct payment of five
36 hundred dollars to all individuals who experienced economic hardships
37 due to the COVID-19 pandemic and received unemployment
38 compensation benefits between March 15, 2020, and December 31, 2020,
39 inclusive.

Statement of Purpose:

To restructure certain taxes to assist in the economic recovery of all state residents and require the Labor Commissioner to make a one-time direct payment of five hundred dollars to individuals who experienced economic hardships due to the COVID-19 pandemic and received unemployment compensation benefits between March 15, 2020, and December 31, 2020, inclusive.