



TESTIMONY
of the
CONNECTICUT CONFERENCE OF MUNICIPALITIES
to the
TRANSPORTATION COMMITTEE

March 9, 2009

CCM is Connecticut's statewide association of towns and cities and the voice of local governments - your partners in governing Connecticut. Our members represent over 93% of Connecticut's population. We appreciate this opportunity to provide testimony to you on issues of concern to towns and cities.

CCM opposes:

- **House Bill 5661 "An Act Concerning the Assessment of Property Tax on Antique, Rare or Special Interest Motor Vehicle," and**
- **House Bill 5899 "An Act Concerning Property Tax Assessment on Antique, Rare or Special Interest Motor Vehicles."**

H.B 5661 would mandate a \$500 limit on the maximum assessed value of any motor vehicle for which antique, rare or special interest plates have been issued. Similarly, H.B 5899 would provide that any antique, rare or special interest motor vehicle for which special number plates have been issue, shall be assessed at a value not more than five hundred dollars.

Enactment of either of these two bills could result in a loss of local property tax revenue to municipalities.

Connecticut statutes dictate that towns and cities are dependent on one tax – the property tax – for the vast majority of their revenue. This tax is an overly burdensome tax that municipalities must impose because it's practically the only way for them to pay for local services.

These bills are unnecessary, as statutes, section 12-71(b), already provides:

- Except as otherwise provided by the general statutes, property subject to this section shall be valued at the same percentage of its then actual valuation as the assessors have determined with respect to the listing of real estate for the same year, *except that any antique, rare or special interest motor vehicle, as defined in section 14-1, shall be assessed at a value of not more than five hundred dollars.* [emphasis added]

There is no public policy reason for limiting the assessed values of such vehicles which, in some circumstances, could have a re-sale value significantly higher than the \$500 assessed value. For example, a quick Google search turned up a 1965 Ford Mustang with a sales price of \$29,000¹, and a 1957 Ford Thunderbird with a sales price of \$36,900²

The NADA book indicates the value of a 1960 Rolls Royce Phantom V 4 Door Limousine James Young at between \$69,700 and \$100,900.³

There is no reason to grant a property tax exemption to people who purchase these cars. This is not the time to give tax breaks to one category of property owner.

We urge you to take no action on these bills,

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If you have any questions, please contact Donna Hamzy, Legislative Analyst
via email dhamzy@ccm-ct.org or via phone (203) 498-3000.

¹ <http://www.bcautos.com/musclecars/65mustang.html>

² <http://www.bcautos.com/musclecars/57tbird.html>

³ <http://www.nadaguides.com/default.aspx?LI=7923-22-1-5013-0-0-0&l=7923&w=22&p=1&f=5014&y=1960&m=1326&d=5334&c=7&vi=85643&da=1>