

# OFFICE OF FISCAL ANALYSIS

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sSB-380

AN ACT CONCERNING A PROPERTY TAX EXEMPTION FOR  
CERTAIN PASSENGER MOTOR VEHICLES.

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## ***OFA Fiscal Note***

### ***State Impact:***

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Policy & Mgmt., Off.	GF - Cost	\$240 million	\$240 million

Note: GF=General Fund

***Municipal Impact:*** See Below

### ***Explanation***

The bill creates an exemption on the assessed value of passenger motor vehicles of \$5,000 in any municipality with a mill rate over 29. It allows those municipalities to apply to the Office of Policy and Management (OPM) for reimbursement for the revenue loss due to such exemption.

The bill results in a revenue loss to municipalities with mill rates over 29 of \$240 million, and a corresponding cost to OPM to reimburse those municipalities. As the bill requires OPM to reimburse municipalities for 100% of the tax loss resulting from the exemption, the net impact to municipalities is zero.

### ***The Out Years***

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in municipal grand lists and mill rates.