OFFICE OF FISCAL ANALYSIS
Legislative Office Building, Room 5200
Hartford, CT 06106 ◇ (860) 240-0200
http://www.cga.ct.gov/ofa

sSB-1208
AN ACT IMPLEMENTING A ONE-YEAR DELAY TO CERTAIN CHANGES IN STATUTES CONCERNING THE ASSESSMENT OF MOTOR VEHICLES FOR PROPERTY TAXATION.
AMENDMENT

LCO No.: 8779
File Copy No.: 523
Senate Calendar No.: 319

OFA Fiscal Note

See Fiscal Note Details

The amendment strikes the underlying bill and its associated fiscal impact.

Section 2 of the amendment changes the assessed value of certain vehicles to be based on the original cost, minus depreciation. Any impact due to this change beginning in FY 25 will be dependent on what the assessed value of the vehicle would have been otherwise.

Section 3 of the amendment (1) requires the depreciation schedule to be applied only to motor vehicles with an assessment of at least $500 instead of a value of at least $500 and (2) changes the depreciation schedule for motor vehicles by increasing the percentage of a manufacturer's suggested retail price by ten percentage points for each year of age. This results in a grand list increase beginning in FY 25. A grand list increase results in a revenue gain to municipalities given a constant mill rate.

Section 3 also requires an assessor to use certain criteria to determine the value of modified commercial vehicles.

Section 4 requires that any nonpermanent modifications to commercial motor vehicles are considered tangible personal property that may be taxed and excludes motor vehicles from any required annual declaration of tangible personal property. Any impact from these changes will: (1) be dependent on how the modified commercial vehicles and other vehicles would have otherwise been assessed, and (2) begin in FY 25.

Section 6 requires motor vehicles to be listed for property tax in the town in which they most frequently are located. This may result in a grand list shift from one town to another beginning in FY 25.

Section 7 requires unregistered motor vehicles that are not used or useable to be valued and depreciated using the same method as all other motor vehicles. Any impact due to this change beginning in FY 25 will be dependent on what the assessed value of the vehicle would have been otherwise.

Section 8 extends the time period for which a motor vehicle can be added to the grand list by the assessor. This may result in a grand list increase beginning in FY 26 to the extent this results in more motor vehicles being added to the grand list.

Section 8 also allows the owner of a motor vehicle to appeal the assessment and requires any portion of the motor vehicle tax that was paid in excess to be refunded to the owner if the tax is reduced upon the appeal. This may result in a potential revenue loss to municipalities beginning in FY 25 to the extent taxes are refunded.