

OFFICE OF FISCAL ANALYSIS

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sSB-225

AN ACT CONCERNING PERSONAL PROPERTY TAX
EXEMPTIONS FOR MOTOR VEHICLES USED EXCLUSIVELY FOR
FARMING.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Grand List Reduction	None	See Below

Explanation

The bill expands a property tax exemption for farm machinery to include motor vehicles as qualifying property. This results in a grand list reduction to various municipalities beginning in FY 26 as more property will be eligible for the exemption.

Qualifying farmers are permitted an exemption of up to \$100,000 of assessed value on qualifying property for each farmer or group of farmers. Based on FY 24 data from the Department of Motor Vehicles, vehicles registered with a farm plate made up approximately \$52.6 million of taxable property.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to how the exemption is applied to these vehicles.

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