

Western Connecticut COUNCIL OF GOVERNMENTS



February 27, 2023

Esteemed Chairs Fonfara and Horn,
Members of the Finance, Revenue and Bonding Committee:

The Western Connecticut Council of Governments (WestCOG) appreciates the opportunity to comment on Senate Bill 776, *An Act Concerning a State-wide Property Tax on Certain Residential Real Property*. **WestCOG opposes this bill.**

The property tax is the largest single tax in Connecticut, and households in Connecticut have the second highest average property tax bills of any state in the country. Yet rather than reducing this overdependence, the bill would exacerbate it by overlaying a second, new property tax on the existing property tax.

Concerningly, the burden of this tax would not be equally distributed but in large part would focus on low- and moderate-income households. In taxing only residential properties that are assessed at \$1.5 million or more, the bill would raise taxes on some of the state's most affordable housing – apartment buildings. It can be expected that landlords would pass this new tax to their tenants in the form of higher rent, decreasing the affordability of multifamily housing and increasing the burden that housing costs place on tenants. This is especially concerning given a) recent findings regarding the regressiveness of the property tax with respect to income and b) the substantial rises in rent that Connecticut, like much of the nation, has experienced.

For these reasons, WestCOG urges your Committee not to advance this bill.

Should you have questions or require additional information, please do not hesitate to contact me. Thank you for your consideration.

A handwritten signature in black ink that reads "Francis R. Pickering".

Francis R. Pickering
Executive Director