

House Republican Press Release

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REP. SCRIBNER: GOP BUDGET PLAN WOULD ADDRESS CONVEYANCE TAX ISSUES



HARTFORD- State Rep. David Scribner (R-Brookfield, Bethel) today said that a Republican budget plan introduced Wednesday, May 21 would provide additional revenues to towns while lowering the state conveyance tax to ease the burden on state taxpayers. Rep. Scribner is a long-time member of the Legislature's tax-writing

Finance, Revenue and Bonding Committee.

The state's conveyance tax, which is added to the cost of real estate transactions, was increased when the state hit difficult fiscal times several years ago and designed as a temporary measure. However, efforts to 'sunset' the increase in the tax have been resisted by the majority party.

The plan supported by Rep. Scribner would lower the conveyance tax rate without lowering state aid to municipalities. This would be accomplished by keeping the municipal portion of the conveyance tax intact, while reducing the state portion (.5% on residential real estate sales under \$800,000) by .15%.

The savings to taxpayers is equal to savings that would be achieved if the conveyance tax were to sunset. It would be paid by implementing a Tax Amnesty program. The budget plan builds upon a budget proposal introduced in April by Senate and House Republicans in contrast to majority party leaders, who have chosen not to make adjustments to the second year of the biennial budget for the first time since the early 1990s.

"The conveyance tax increase was never intended to be a permanent revenue source, nor were towns expected to become so dependent upon it as such," said Rep. Scribner. "It is important that we provide municipalities with opportunity for revenue streams that are predictable and dependable, the real estate market has proven it is not. This initiative represents a reasonable and logical approach to address the issue."