

Village of New London
Incorporated. 1853

Dear House Ways and Means Committee,

Thank you for the opportunity to write in opposition of HB 519.

As you know, HB 519 has two parts. The first part would prohibit some municipal tax administrators from sending notices prior to the October extension due date.

Notices from municipal tax offices can help reduce the late filing fee for people who forgot to file. In municipalities that do not send notices prior to the October extension due date, taxpayers have stated that they would have wanted to receive notices as penalties and interest had been accruing during the extension period. These notices enable municipal tax offices to offer good customer service.

The second part of the bill eliminates the penalty for not filing a legally required tax return if the taxpayer does not have a tax balance. Municipalities must be able to enforce the accurate and fair administration of the municipal income tax because municipalities rely heavily on this revenue source, 70% of which funds police and fire services.

Without a penalty, municipalities will not be able to enforce mandatory filing, which will lead to some taxpayers not filing a return. Municipalities must be able to enforce mandatory filing for all taxpayers in order to be consistent, uniform, and fair to all taxpayers.

Taxpayers are currently able to ask a municipal tax administrator to waive these penalties and many municipalities will waive the late fee when asked if the taxpayer is not a habitual late filer. This demonstrates the value of local tax offices, as municipalities will work with taxpayers to resolve these issues.

Thank you for your consideration of our concerns.

Respectfully,



Toby Thomas
Mayor