

Senator McKinney, Representative Hovey, and Representative Lyddy:

During this difficult economic time our community is facing unparalleled financial challenges. As you know, state aid to municipalities is being reduced, local revenue sources are shrinking, and the need for services and quality education in communities like Newtown is, as it always has been, in high demand.

We are writing today as a unified voice in support of two main issues; both of which are extremely important to Newtown in order to sustain a growing and stable community: the real estate conveyance tax and the flexibility to allow towns to raise local revenue through specific, localized levies on goods and / or services to end reliance on the property tax as the lone significant source of town revenue.

The real estate conveyance tax is an important revenue stream that greatly assists us in keeping local property taxes stable. If the current conveyance tax legislation is allowed to "sunset" on June 30, 2010, Newtown will be further hindered financially during the coming fiscal year as we have included the current rates in our revenue estimates for fiscal year 2010 - 2011. We hope you will support extending the conveyance tax during this fiscal year's legislative session in order to help Newtown's citizens not bear the burden of this potential drop in revenue.

In concert with the conveyance tax, the ability Newtown has to raise local revenues in addition to property taxes is of vital importance to the future growth of our town. We urge you to support legislation that will give municipalities like ours the autonomy over raising local revenue sources. With state and federal aid to Newtown dropping, our community will face the growing burden of the removal of these long counted-upon dollars to assist in our community's strong growth. Without such flexibility, the property tax alone can no longer effectively provide communities the ability to raise the revenue they need. This is particularly true in light of the State's continuing process to place unfunded mandates on communities.

We thank you for your continued work on behalf of the people of Newtown, and hope you will urge the extension of the real estate conveyance tax and will promote the ability for our community to raise local revenues separate from the State of Connecticut.

Sincerely,

Newtown, CT Legislative Council