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I am writing as a concerned New Haven Citizen. I have taken an active interest in our City budget and am familiar with how dependent we are on State Aid. Our challenge is that we provide a number of regional services without the support of regional government. Additionally, 40% of our Grand List is tax exempt and, of the land that is left, we provide one of the largest portions of subsidized housing in the state, further reducing the amount that can be captured through taxes. This places a particular burden on a relatively small number of people in the City of New Haven.

We are all facing decreased funding as more and more money goes to fund a war started based upon lies. As the Federal Government reduces State's funding, in turn the State reduces funding for municipalities. Unfortunately, this means belt tightening for everyone. To this end, I helped found a grassroots group of diverse citizens interested in transparent government and financial sustainability. We have been reviewing the City budget and making proposals to our elected officials.

I am reluctantly endorsing the Penny Tax plan for municipalities' as my hopes for regional government seem to be a pipe dream. I am generally not for paying more out of one pocket to fund something I am also paying for out of another pocket. The Penny Tax request is obviously a tax increase on myself as well as a special burden to those selling larger commodities such as Lowes, car/motorcycle dealers and manufactures. I believe this is one way to target the regional aspect of the benefit New Haven plays in the larger geographical area if it were to apply to restaurants, hotels, theater and other attractions.

Any new funding should only pay for current liabilities or tax relief and not simply be an infusion for new spending and simply leave our long-term needs and prospects unchanged. My City is at risk for financial chaos and paying off our debts and relieving the tax burden on tax payers is something that can help prevent our city from becoming a greater financial liability to the State (such as when the State took over other cities).

I am also here today to ask you to support a tax cap on property taxes. I believe that providing a tax cap will ensure Cities are doing everything within their power to spend efficiently, to minimize waste, while working to ensure everyone can afford to stay in their homes. I believe such a cap should be for all tax payers and taxes should be tied to market values, say 3% of market value or 4% of assessed valuations. This provides an incentive for municipalities to help increase market values -- by having better schools, less crime, etc. Simply capping the rate of annual increase is not adequate. Also inadequate, would be to provide a system where taxes continue to go up on people who can afford to pay them, and having the state make up the difference for those who cannot. Such a system would provide a perverse incentive for municipalities to increase spending thinking it will get a bigger check from the State while taking away the power and voice of the city as a whole to address its budget and therefore dividing people among class lines or driving those who can afford it to cloister themselves into suburbs with similar tax brackets to minimize tax disparities.

I am generally against any scheme to increase tax revenues unless it is coupled with some assurance that existing revenues are being spent prudently. If the City wants me, the same City taxpayer, to ante up another \$21 MM a year in Sales tax (the Penny Tax), then it should show evidence that it has a lean budget with defined metrics that it can be clearly and transparently measured.

I support a progressive tax system when it applies to all people. When one town has something next to another that does not, the net result will cause the property taxes of people making a decent income to escalate rapidly and cause massive flight from the Cities. It may solve a property tax problem for lower income families - but it will cause great harm among families who already bear a disproportionate burden of the taxes and use few/fewer city services. I believe such an exodus to be disastrous fiscal policy on the local level. We already have an elderly tax freeze, which alone may not be a problem, but a 6% cap corresponding to earnings will create an imbalance from which we cannot recover.

Therefore, I am encouraging you to support proposals to help Connecticut cities be more fiscally sound and independent while not increasing taxes to only increase new spending. If we are on solid footings, we can pay for new and expansive programs in line with our values. I am resisting agreeing to any increase which will sustain a broken system, cost more, and leave us in the same financial chaos.

Please support a Penny Tax with all revenues tied to paying for **existing debt and unfunded liabilities** and please also support a Tax Cap tied to Market Values to actively encourage municipalities to become more attractive, healthy places to live with superior education systems.