

Oppose HB 119 Property Tax Relief for COVID Affected Businesses

MUNICIPALITIES ALREADY ASSIST LOCAL BUSINESSES AS THEY CAN

There is little question that many small business owners have been damaged by the COVID-19 pandemic and its economic effects. With that recognition, HB 119 Property Tax Relief for COVID Affected Business represents an inefficient approach to help struggling businesses while creating tremendous budget uncertainty for local governments at a time when many have suffered. This relief, even if temporary, will come directly from local budgets, as the legislation includes no state appropriation to cover the local budget gaps that it would create.

BY OPPOSING HB 119, KNOW THAT:

- ❑ Many cities and towns have seen huge increases in delinquent water, sewer and electricity utility payments during the pandemic. Others have suffered hotel occupancy tax and other revenue losses related to the cancellations of conventions, sporting events and concerts.
- ❑ Cities and towns face budget uncertainty moving forward due to the pandemic and how it may affect property tax collections in the long-term. This bill adds to that uncertainty.
- ❑ Despite their own budget losses, many municipalities that could afford to do so have assisted business owners with grants or various deferred payment programs. A state mandate fails to take into account these local efforts or the ability of local taxpayers to absorb the costs.
- ❑ The legislation creates an inefficient approach to help struggling businesses, as the processes that it would require will take months. The state has the ability to assist needy businesses now. The assessment provisions are even more complex, and it is unclear how they would work under current assessment procedures and rules.



A state requirement that local property taxes be deferred and that property reassessments begin immediately places an unfair burden on local governments, even as they have seen disproportionate revenue effects from the pandemic. Taking money out of local coffers, when other avenues exist to assist struggling small businesses, will ultimately mean less dollars flowing through local economies and further damage to the private sector. **Please oppose HB 119 and find other, more efficient ways to assist needy business owners.**