

# MOTOR VEHICLE ASSESSMENT CHANGES

## Motor Vehicle Assessment Changes Effective October 1, 2024

Prior to October 1, 2024 motor vehicles were assessed at 70% of the Clean Retail value found in the JD Power pricing guide. Pursuant to Public Act 22-118 and Public Act 25-2, the Town Assessors Office will be valuing registered/non-registered vehicles differently than they have in the past. As of October 1, 2024, the Assessor's Office will use the Manufacturers Suggested Retail Price (MSRP) of each vehicle and apply the depreciation schedule as described in the Public Acts to calculate the depreciated value of each vehicle. This depreciated value will then be multiplied by the statewide assessment ratio of 70% to calculate the assessed value of the vehicle for taxation. The assessed value of the vehicle will decrease yearly based upon the depreciation schedule but will never fall below a 500 assessment for taxation purposes. The assessment is then multiplied by the mill rate, capped at 32.46.

## Example of old and new tax calculation based on a 2022 Corolla XLE (estimate only)

### Old Valuation Method

100% clean retail price = \$28,875 (JD Power)

$28,875 \times 70\%$  (assessment ratio) = 20,210 (assessment)  $\times$  .03246 (mill rate) = \$656.02 tax bill

### New Valuation Method

MSRP 27,625  $\times$  80% depreciation from schedule = 22,100 depreciated value

$22,100 \times 70\%$  (assessment ratio) = 15,470 (assessment)  $\times$  .03246 (mill rate) = \$502.16 tax bill

## New Personal Use Exemptions pursuant to Section 12-81(82) of the CT General Statutes

- Any snowmobile, all-terrain vehicle or residential utility trailer, provided such property is exclusively used for personal use is exempt for assessment years commencing on or after October 1, 2024.
- A utility trailer is defined under Section 14-1 as a trailer designed and used to transport personal property, materials or equipment, whether or not permanently affixed to the bed of the trailer.
- While still required to be registered with the Department of Motor Vehicles, these types of vehicles will be treated as personal possessions and no longer subject to local property taxation.

## Board of Assessment Appeals pursuant to Section 12-117a of the CT General Statutes

- Motor vehicles are assessed based on MSRP without factors such as high mileage, salvage vehicles, and rebuilt titles.
- The only grounds for appealing for a taxpayer is if the Assessor did not base the assessment on the vehicle's MSRP.
- Vehicle owners may appeal the MSRP determination to the Board of Assessment Appeals at their next successive meeting.