

CONNECTICUT REALTORS® (CTR)

LEGISLATIVE ISSUES FACING REALTORS IN 2017

Oppose any New or Increased Conveyance Taxes and/or other Closing Costs

Connecticut REALTORS® opposes any additional fees at closing that would increase costs to either party involved in a real estate transaction. The very last action we should be undertaking is RAISING TAXES on the sale or transfer of real estate. The Association must remain vigilant in opposition to all legislation which could require any additional real estate taxes or other closing costs.

Taxation of Equipment for Business Professionals, including Real Estate Licensees

It has come to the attention of CTR that certain towns are considering a practice of the Tax Assessor to make personal property used by a real estate licensee in “working from home”, such as a cell phone, is subject to Connecticut personal property tax. CTR strongly opposes this proposed action and will be working to fight it in the 2017 legislative session.

Efforts to Lower Property Taxes

It is expected there will be efforts to do comprehensive tax reform in Connecticut, which could be either good or very bad for Connecticut real estate. Property taxes are already very high. Connecticut REALTORS® opposes any tax which could be an impediment to home ownership. To that end, the Association will support legislation, if any is proposed, which could serve to reduce the property tax burden on the property owners of Connecticut.

Possible Sprinkler and Smoke Detector Issues

In the 2015 session there was a bill requiring mandatory sprinklers in all new residential properties, effective 2017, as well as a bill requiring all smoke detectors have a non-removable 10-year battery. CTR supports voluntary fire sprinklers but not time of transfer mandates. Those types of detectors are an unproven technology and could add costs to home sales. Similar bills were introduced in 2016. CTR was able to defeat both proposals, but we do expect the proponents of these issues to return in 2017. The Association will continue to oppose the legislation.

Fix to Commercial Real Estate Statutes

After reviewing the 2015 Real Estate Licensing Laws, CTR will be discussing possible legislative changes with the Department of Consumer Protection. Commercial real estate brokers would like to see some attention placed on revisions to the commercial broker lien process with respect to sales and leases. The issue of the timing of commercial agency disclosures may also be addressed.

Energy Efficiency and Radon Reporting Mandates

Connecticut REALTORS® historically opposes time of transfer mandates and reporting requirements that can both increase costs for potential buyers while adding to the cost and time burden for buyers and

sellers of real estate. Buyers already have the option to test and inspect any aspect of a property that may be important to their buying decision, including energy, radon and other types of inspections. Requiring certain types of inspections or tests with mandatory result reporting forces the buyer and seller to pay additional costs and spend additional time to complete the purchasing process.

In 2015, Connecticut REALTORS testified against radon reporting to a central database. CTR was able to prevent this bill from moving through the Legislature in 2016 as well. We anticipate this issue will return in 2017. CTR remains in discussions with related agencies to ensure understanding of our concerns about any proposals to create mandates.

Opposition to Mileage Tax

While leadership of both parties in the General Assembly have very publicly communicated their strong opposition to imposing a mileage tax in Connecticut, the fact remains that Connecticut is participating in a study of such concept. We strongly oppose this concept.

Additional issues may arise before the start and throughout the 2017 session. CTR will inform the membership ASAP if this occurs.