

**STATE OF CONNECTICUT, PUBLIC  
DOCUMENT NO. 48. REPORT OF  
THE TAX COMMISSIONER 1921  
AND 1922 TO HIS EXCELLENCY  
THE GOVERNOR**

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*State of Connecticut*  
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REPORT

OF THE

TAX COMMISSIONER

1921 AND 1922

TO

HIS EXCELLENCY THE GOVERNOR



HARTFORD  
PRINTED BY THE STATE  
1922

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State of Connecticut.

WILLIAM H. BLODGETT,  
Tax Commissioner.  
CARLOS S. HOLCOMB,  
First Assistant.

OFFICE OF THE TAX COMMISSIONER,

HARTFORD, JANUARY 3, 1923.

*His Excellency*, CHARLES A. TEMPLETON,  
Governor of Connecticut.

SIR:

The statutes require the Tax Commissioner to report biennially to the Governor and to mention in each such report any imperfections he may think proper to bring to the attention of the General Assembly. Pursuant to the provisions of the statute referred to, I have the honor to submit this report. The general plan of this report is substantially the same as reports of the Tax Commissioner of prior date.

STATE GRAND LIST

The grand list of the state in 1921, as shown by reports from the towns, was \$1,962,763,631.00, an increase of \$300,986,903.00 over the grand list of 1919, or about 18 per cent. Compared with selling values of property the assessors are generally undervaluing the property assessed by them, but it may be assumed that about the same rule of valuation was employed by the assessors in 1921, the results of which valuations form the basis of the grand list shown in this report, as was employed prior to that year. The increase in the grand list may be due in part to better work of the assessors in fixing valuations than previously has been done, or it may be ascribed to a general increase in values which reflects the development and growth of the state.



## BOARD OF EQUALIZATION

The provisions of Section 1245 of the General Statutes require the Board of Equalization to add to or deduct from grand lists of towns, as reported by town officials, such amount as in the judgment of the board may be necessary to raise or lower the list of any town to the actual cash value of the taxable property therein, and in so doing the board is authorized to employ such assistance as may seem to the board to be reasonable and necessary. The General Assembly of 1915 changed the basis of laying the state and county tax. In that enactment it eliminated the responsibility of the Board of Equalization, insofar as the fixing of grand lists of towns for the purpose of laying such taxes was concerned. But the statute thus enacted did not affect the duties of the Board of Equalization with respect to grand lists of towns which may receive money from the state in aid of road or bridge construction, or for the purpose of aiding in the maintenance of adequate school facilities, the basis of furnishing such aid being the grand lists, as corrected or equalized by said board. (See Attorney-General's opinion respecting grand lists, rendered June 25, 1907). By authority of that opinion, the grand list as fixed by the Board of Equalization is to be accepted as the official list for all transactions between the state and the towns. State aid in partial support of schools is paid to certain towns by authority of the provisions of Chapter 339 of the Public Acts of 1919. Towns having a grand list of \$500,000 or less are reimbursed to the amount of 75% of the money expended by them for teachers' salaries in the school year preceding; in towns having grand lists of more than \$500,000, but not in excess of \$1,000,000, 60% so expended is reimbursed to them; towns having grand lists of more than \$1,000,000, but not in excess of \$1,500,000, are reimbursed to the amount of 45%; towns having grand lists of more than \$1,500,000, but not in excess of \$2,000,000, receive 30% reimbursement; and towns having grand lists of more than \$2,000,000, but not in excess of \$2,500,000, receive reimbursement for salaries so paid to the amount of 20%. Under the provisions of this statute eighty-six towns were benefited on account of such expenditures made in the school year ended in July, 1922. The aggregate amount paid by the state for such reimbursement was \$333,418.34.

By the provisions of Section 1 of said Chapter 339, towns which shall have laid a tax of not less than six mills in any year for the maintenance of schools may receive special aid within the discretion of the State Board of Education, if it appears to said board that the money raised by such assessment shall be found to be insufficient to maintain the schools therein at the standard required by the State Board of Education. During the school year ended in July 1921, twenty-five towns applied for and received special aid, the amount paid to them in the aggregate having been \$41,295.08. For the school year ended in July 1922, fifty-five towns applied for special aid. Such applications for fifteen towns were not approved by the State Board of Education. The aggregate claimed by the towns whose applications were approved amounted to \$66,430.45. However, owing to insufficient money available to pay the claims in full, 36.25% was allowed on each such claim, and the aggregate amount paid for special aid amounted to \$24,080.86.

Chapter 308 of the Public Acts of 1921, authorizes reimbursement by the state to each town having a grand list of less than \$4,000,000.00 for high school tuition fees actually paid, to the amount of not more than fifty dollars for each high school pupil attending high school in a town other than that in which such pupil resides. Under the provisions of this statute, reimbursement for money was paid as high school tuition to nineteen towns, the aggregate amount so expended prior to September 1, 1922, having been \$62,533.07. The aggregate amount for school aid annually paid on the basis of grand list cannot be less than \$437,246.

By the provisions of Section 1481 of the General Statutes, towns received state aid for highway purposes on the basis of their grand lists. Towns having a grand list of over \$1,250,000 pay one-fourth of the cost of state aid highways constructed therein, while towns having grand lists of less than \$1,250,000 pay one-eighth of the cost of such construction. The annual expenditures paid by the state on the basis of this classification is considerably in excess of the amount paid in aid of schools, the precise amount being difficult to ascertain owing to lack of data covering all items of such state expenditures. These figures respecting the distribution of state aid money, are presented in

this report with the purpose of showing the importance of the Board of Equalization as a device created to carry out the state's purpose of distributing money equitably among towns.

Prior to the current year the Board of Equalization has based its conclusions in regard to the grand lists of towns and has in the main part relied on official reports of town officers respecting the percentage of assessed value to the true or fair market value of property in towns where they have jurisdiction. On investigation it is shown that the reports from such officials have been frequently made in a perfunctory manner and that the figures furnished by them in many instances are not reliable. The price at which property has been sold otherwise than in speculative transactions, particularly if averages are used, would seem to furnish a barometer or guide reflecting increases or decreases in property valuation within a town. It is ascertained that few boards of assessors in determining fair market value permit themselves to be guided by the considerations which actually have moved sellers to sell and buyers to buy property. To a large extent, as a result of ignoring valuations at which property has been sold, the statutory rule of assessment, "the just and true value, meaning the fair market value of property," is not even fairly approached in a very large number of the towns of the state. It follows, of course, that the grand lists of towns in which such deplorable methods of determining values exist may not in any sort of propriety be used as a basis on which to distribute state funds, in aid of schools, roads, or for any other purpose.

But the assessors are not altogether at fault. Boards of Equalization prior to the current year must assume the responsibility for failing to apprise themselves of the abuses which have become ingrained through the years into the methods of imposing the property tax. The authority given to the Board of Equalization to obtain information respecting the methods employed by taxing authorities in the towns appears to be ample. Doubt may exist as to the wisdom of centralizing power in three persons to fix grand lists in the 169 towns in the state, but this doubt, if any there be, has been resolved in favor of the grant of such power. The General Assembly has decided the issue, and whatever avoidable injustice may have been done in apportioning state aid