

Motor Vehicle Assessment Changes Effective October 1, 2024

The Office of Policy and Management provided Assessors with guidance based on recent legislation including Public Act 22-118 and June Special Session Public Act 24-1 and Public Act 25-2.

Effective with the October 1, 2024 Grand List, Assessors will utilize the Manufacturer Suggested Retail Price (MSRP) of your vehicle and apply a depreciation schedule to calculate the depreciated value of your vehicle.

The depreciated value will then be multiplied by the statewide assessment ratio of 70%, producing the assessed value of your vehicle for taxation.

The assessed value of your vehicle will automatically decrease annually according to the depreciation schedule. **Your vehicle will be assessed at no less than \$500 for taxation purposes at any time.**

The depreciation schedule initially started at 85% for vehicles up to 1 year and went down annually by 5% until it reached 15% in year 15. This caused the Suffield 2024 Motor Vehicle Grand List to decrease by nearly \$16M or a 9.56% decrease. Other CT municipalities experienced similar drops. Early in the 2025 Legislative session, House Bill 7067 was passed to allow towns to adopt a different depreciation schedule to offset their Grand List decreases. Governor Lamont signed PA 25-02 into law on March 3, 2025. The Board of Selectmen adopted this local option on March 12, 2025 and the Assessor refiled the Motor Vehicle Grand list using the following depreciation schedule:

Age of Vehicle	Percentage of MSRP
Up to year one	Ninety per cent
Year two	Eighty-five per cent
Year three	Eighty per cent
Year four	Seventy-five per cent
Year five	Seventy per cent
Year six	Sixty-five per cent
Year seven	Sixty per cent
Year eight	Fifty-five per cent
Year nine	Fifty per cent
Year ten	Forty-five per cent
Year eleven	Forty per cent
Year twelve	Thirty-five per cent
Year thirteen	Thirty per cent
Year fourteen	Twenty-five per cent
Years fifteen and beyond	Twenty per cent but not less than \$500

The MSRP will be provided by the Department of Motor Vehicles (DMV) if it is available. When unavailable, the determination of the MSRP shall be the responsibility of the Assessor in consultation with the Connecticut Association of Assessing Officers.

Previously, Assessors used the JD Power (NADA) clean retail value to calculate motor vehicle assessments. During the COVID pandemic, used and new motor vehicle values skyrocketed and residents saw their tax bills increase. This went against the notion that cars are a poor investment that lose value every year. The legislature implemented this new valuation method to ensure that doesn't happen again.

Additionally, Section 12-81(82) of the CT General Statutes has been adopted so that:

- Any snowmobile, all-terrain vehicle or residential utility trailer, provided such property is exclusively 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.

This new methodology also impacts the assessment appeals process. 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 appeal for a taxpayer is if the Assessor did not base the assessment from the vehicle's MSRP.
- Vehicle owners may appeal the MSRP determination to the Board of Assessment Appeals at their next successive meeting.

These changes will impact tax bills starting in July 2025.