

## Motor Vehicle Valuation

Subsection (b) of §12-71 states "Except as otherwise provided by the general statutes property subject to this section shall be valued at the same percentage of its then actual valuation as the assessors have determined with respect to the listing of real estate for the same year". One of the exceptions that the general statutes provide is for an antique, rare or special interest motor vehicle, as defined in §14-1. That statute defines such a vehicle as "... a motor vehicle twenty years old or older which is being preserved because of historic interest and which is not altered or modified from the original manufacturer's specifications." Antique, rare or special interest motor vehicles cannot be assessed at more than \$500. Although the DMV may issue an Early American Plate (Code 25 – Historical), such vehicles do not have to have this or any other type of special registration in order for their assessment to be capped at \$500. In fact, such vehicles do not even have to be registered.

On or before the first day of October each year, the Secretary of the Office of Policy and Management (OPM), in cooperation with the Connecticut Association of Assessing Officers (CAAO), recommends a schedule of motor vehicle values (i.e., specific pricing guides prepared by nationally recognized firms) pursuant to §12-71d. The recommended schedule of motor vehicle values must be used by assessors in each municipality in determining the assessed value of the motor vehicles that are encompassed in the schedule. The value of each motor vehicle as listed represents its clean retail price, and its assessment is based on 70% of such clean retail price.

The schedule of values that OPM generally recommends is the one that the National Automobile Dealers Association (NADA) issues. NADA's Used Car and Older Used Car Guides do not list the average retail prices of vehicles. Instead, they list "clean retail value." Assessors should be aware that these terms are synonymous -- NADA's clean retail value has the same meaning as the term average retail price or average retail value.

Each year, the CAAO purchases the OPM recommended value software and the DMV houses it at the agency's Wethersfield location. Prior to distributing each municipality's motor vehicle list, DMV prices 60% to 65% of all registered vehicles using this software. The CAAO charges municipalities for

the usage of the software depending upon the number of vehicles on each town's grand list. This method of valuing motor vehicles has been demonstrated to be the one that is most cost-effective, since assessors would otherwise have to manually price a multitude of vehicles. The software used represents values in the guide books referenced in the recommended schedule to price domestic cars, imported cars, light duty trucks, 100, 200 and 300 series vans, minivans, motor cycles and recreational vehicles. Not included in these guide books are vehicles that have been customized or modified with other than standard vehicles options, trucks with a body other than a standard pick-up body, and vans with a body other than that considered the standard.

Older motor vehicles and/or specialty cars may also require special attention by assessors in the determination of their average retail values. These vehicles may require the use of commercially prepared pricing guidebooks that are not recommended by OPM. The pricing of these vehicles continues to be the responsibility of the assessor. In many towns a minimum assessment is placed on very old vehicles. Regardless of the source, once valuation schedules are adopted, the values contained therein become those of the assessor. Notwithstanding the motor vehicle values as listed in any such schedule, determination of the assessed value of any motor vehicle for tax purposes in any town continues to be the responsibility of the assessor.