

Property Tax Relief for Older Adults:

A Profile of Connecticut's Local Programs

Deb Migneault & Deb Polun

Connecticut Commission on Aging

2008 Carlson Forum, November 20, 2008





CT Commission on Aging Who We Are... What We Do

An **Independent, Non-Partisan**
Agency of the CT General
Assembly

Citizen-driven ~ 17 voting
members, 16 non-voting
members (state legislators and
representatives of state departments)



CT Commission on Aging Who We Are... What We Do



The mission of the CoA is to **advocate** on behalf of Connecticut's **present and future** generations of older adults and to serve as an **objective, credible** source of information on issues affecting them.

Brief History of Property Tax Relief Programs

A Timeline:

1967: Tax Freeze Program Begins

1973: Local Options Programs established
by CGA

1979: Tax Freeze Program stops accepting
applications

1985: Elderly and Totally Disabled Tax Relief Program
established by the CGA (later named Circuit
Breaker)

2006: New Tax Freeze Program established by the CGA



Property Tax Survey of CT's Municipalities

Summer 2007: CT Commission on Aging, with the support of the General Assembly's Select Committee on Aging, conducted a comprehensive review of property tax relief programs.

All 169 Connecticut municipalities were surveyed.

Property Tax Survey of CT's Municipalities

Goal: Inventory the local relief programs across the state.

What's already happening?

- How many municipalities currently have a local program?
- What are the eligibility criteria for these programs?
- What kind of relief is offered?

Statewide Survey

- 92% Response Rate
- All but 13 Municipalities Responded!

THANK YOU!

Comprehensive Report

Property Tax Relief for Older Adults: A Profile of Connecticut's Local Programs

- ✓ Brief Overview
- ✓ Data Analysis
- ✓ Recommendations
- ✓ Municipal Inventory of Programs

*Update your municipality's information by
filling out the form provided in your
packets!*

What We Learned

63% (107) of CT municipalities have a local option program.

- 87 municipalities have a credit program
- 35 have a deferral program
- 26 have a freeze program

What We Learned

Each of the 107 local programs is designed differently...

- ✓ Type of relief
- ✓ Amount of relief
- ✓ Eligibility guidelines

What We Learned

Extreme **variation** among municipalities...

Examples:

Type of Relief:

Credit, Deferral, Freeze, Volunteer Credit

Income Limits:

Income limits for eligibility range widely, from low income limits to no income limits at all.

Amounts of relief:

Credits of \$100 to \$1,700 depending on income. Some municipalities determine relief using formulas based on age, residence and income or a credit based on age exclusively.

Residency Requirements:

1 year, 3 years, 10 years, 20 years

Liens vs. No Liens

What We Learned

Percentage of Towns (by county)
with a local property tax relief program:

County	Percent
Fairfield	100% (23 of 23)
Hartford	69% (20 of 29)
Litchfield	35% (9 of 26)
Middlesex	80% (12 of 15)
New Haven	78% (21 of 27)
New London	43% (9 of 21)
Tolland	54% (7 of 13)
Windham	40% (6 of 15)

What We Learned

Percentage of Towns
(by Urban/Rural classification system)
with a local property tax relief program:

Classification	Percent
Urban Core	43% (3 of 7)
Urban Periphery	80% (24 of 30)
Suburban	82% (50 of 61)
Wealthy	100% (8 or 8)
Rural	35% (22 of 63)

What We Learned

(Comments from Assessors)

“If we could have income information by age, by town from the DRS it would aid in estimating the impact of changes we plan to make. Right now it is all guess work.”

“Programs are complex, fragmented and confusing. ...as policymakers make changes to the tax system they must be mindful of the confusion that already exists as they attempt to provide relief.”

“Just remember, every exemption or abatement causes everyone else’s tax burden to increase.”

“The income limits on the Circuit Breaker need to go up. The maximum grant must be increased too.”

CoA Recommendations

- Information about existing programs should be included in annual property tax bills, in language that is easy to read and understand.
- The state should collect information about property tax relief programs annually and make it available to the public.
- Local elected officials and assessors should have access to information to help them make decisions about property tax relief programs and options for implementing revaluation.

CoA Recommendations

- Property tax relief programs should be provided in an equitable manner to low and moderate income households.
- The state should examine the possibility of combining or streamlining existing property tax relief programs to achieve efficiency and for ease of use by residents.
- Existing programs and their use should be considered as part of comprehensive tax reform.

Property Tax Relief for Older Adults: A Profile of Connecticut's Local Programs

Report available: www.cga.ct.gov/coa

Have changes to your municipality's
information?

PLEASE LET US KNOW!

Fill out the form available in your packet and
return it to the CoA office.

Property Tax Relief for Older Adults: A Profile of Connecticut's Local Programs



CoA Contact Information:

Phone: 860-240-5200

Website: www.cga.ct.gov/coa

Email: coa@cga.ct.gov