



General Assembly

February Session, 2000

Raised Bill No. 5176

LCO No. 802

Referred to Committee on Planning and Development

Introduced by:
(PD)

***An Act Concerning Assessment Of The Personal Property Tax
On Telecommunication Facilities By Municipalities.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-80a of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 (a) Any [(1)] taxpayer which, prior to January 1, 1990, was subject to
4 tax under chapter 211 with respect to the rendering of
5 telecommunications service and which, on or after January 1, 1990, is
6 subject to tax under chapter 219 for [rendering] telecommunications
7 service [and (2) other taxpayer that is subject to tax under chapter 219
8 for rendering telecommunications service and which has elected in the
9 manner specified in this section to have personal property taxed as
10 provided in this section,] rendered shall be required to submit to the
11 Commissioner of Revenue Services and the Secretary of the Office of
12 Policy and Management, not later than the thirtieth day of November
13 of each year during which it is subject to tax under chapter 219, a list of
14 all personal property [that is] owned by such taxpayer in this state on
15 the first day of October of such year, [and that is used solely and
16 exclusively for rendering telecommunications service, as defined in

17 said chapter 219,] including the location of each item of such property
18 and the fair market value thereof, recognizing depreciation of such
19 property to the maximum extent allowed for purposes of the
20 corporation business tax in this state, as certified by the Commissioner
21 of Revenue Services. If the records of a taxpayer subject to the
22 requirements of this subsection do not contain the data necessary to
23 develop the list as required without undue cost, the taxpayer may, for
24 purposes of requirements under this subsection, petition the
25 Commissioner of Revenue Services for approval of an alternate
26 method of determining the value of the plant used [solely and
27 exclusively to render] to transmit telecommunications services, but not
28 including central office or switching equipment of that taxpayer,
29 located in each town in the state. If the commissioner finds that the
30 alternative method proposed results in a reasonable approximation of
31 the value of the property of the taxpayer located in each town, [and
32 used solely and exclusively for rendering telecommunications service,]
33 the commissioner shall notify the taxpayer that the proposed alternate
34 method is acceptable and the taxpayer shall be permitted to use the
35 alternate method in developing the list required under this subsection.

36 (b) Not later than the first day of February immediately following
37 the end of such tax year, the Secretary of the Office of Policy and
38 Management shall determine, with respect to such company, a value
39 for personal property equivalent to seventy per cent of the value of
40 personal property included in the list of such property prepared and
41 certified in accordance with subsection (a) of this section. The amount
42 of tax applicable with respect to such personal property of any
43 taxpayer subject to the tax imposed under this section shall be
44 determined by multiplying the value of personal property of such
45 company, as determined under this subsection, by a mill rate of
46 forty-seven mills. Said secretary shall, not later than the first day of
47 March immediately following the end of such tax year, submit a tax
48 bill to each company stating the amount of tax payable to each town in
49 relation to the personal property of such taxpayer located in such
50 town. Such tax shall be due and payable to the town in which such

51 personal property is located not later than the first day of April
52 immediately following. Any city or borough not consolidated with the
53 town in which it is located and any town containing such a city or
54 borough shall receive a portion of the tax due and payable to such
55 town on the basis of the following ratio: The total taxes levied in the
56 previous fiscal year by such town, city or borough shall be the
57 numerator of the fraction. The total taxes levied by the town and all
58 cities or boroughs located within such town shall be added together,
59 and the sum shall be the denominator of the fraction. Any such city or
60 borough may, by vote of its legislative body, direct the Secretary of the
61 Office of Policy and Management to reallocate all or a portion of the
62 share of such city or borough to the town in which it is located.

63 (c) With respect to tangible personal property included in the list of
64 such property submitted to the Secretary of the Office of Policy and
65 Management as provided in subsection (a) of this section, any taxpayer
66 subject to the tax imposed under this section for any tax year shall not
67 be subject to property tax in any town applicable to such personal
68 property for the assessment year in such town commencing on the first
69 day of October immediately preceding the date on which the tax
70 determined with respect to such property in accordance with this
71 section becomes due and payable.

72 [(d) Any taxpayer that, on or after January 1, 1990, is subject to tax
73 under chapter 219 for rendering telecommunications service but that,
74 prior to January 1, 1990, was not subject to tax under chapter 211 for
75 rendering telecommunications service may elect to have personal
76 property taxed in the manner specified in this section. Such election
77 shall be made in writing and filed with the Secretary of the Office of
78 Policy and Management and a copy thereof shall be filed with the
79 assessor of each town in which personal property affected by such
80 election is located. Such election, once filed with the secretary, shall be
81 irrevocable and shall, if filed on or before the date that is two months
82 prior to the start of the assessment year, be effective for such
83 assessment year and for all succeeding assessment years, otherwise to

84 be effective for the next succeeding assessment year and all succeeding
85 assessment years.

86 (e) For assessment years commencing on or after October 1, 1997,
87 the provisions of this section, including informational reporting
88 requirements imposed on owners, shall also apply, to the extent
89 provided in section 12-80b, to property that is used both to render
90 telecommunications service subject to tax under chapter 219 and to
91 render community antenna television service subject to tax under
92 chapter 219 and that is required, under subsection (a) of section 12-80b,
93 to be taxed as provided in this section.]

94 Sec. 2. (NEW) If any person fails to pay the amount of tax that is due
95 on the tax bill prepared under section 12-80a of the general statutes, as
96 amended by this act, within the time specified under the provisions of
97 said section 12-80a, there shall be imposed a penalty equal to ten per
98 cent of such amount due and unpaid or fifty dollars, whichever is
99 greater. Such amount shall bear interest at the rate of one per cent per
100 month or fraction thereof, from the due date of such tax until the date
101 of payment.

102 Sec. 3. Section 12-268j of the general statutes is repealed and the
103 following is substituted in lieu thereof:

104 [(a)] The taxation provided for in [chapter] chapters 211 and 212
105 upon gross earnings in any year shall be in lieu of all taxes with respect
106 to such year on tangible personal property used [solely and
107 exclusively] in a business so specified by a company included in
108 section 12-256.

109 [(b) The taxation provided for in chapter 211 upon gross earnings in
110 any year shall be in lieu of all taxes with respect to such year on part of
111 the tangible personal property that is used both to render
112 telecommunications service subject to tax under chapter 219 and to
113 render community antenna television service subject to tax under
114 chapter 219. The portion of such property in lieu of which taxation is

115 provided for in chapter 211 and which is exempt from property tax is
116 determined as provided in section 12-80b.]

117 Sec. 4. Section 12-80b of the general statutes is repealed.

118 Sec. 5. This act shall take effect from its passage and shall apply to
119 municipal assessment years commencing on and after October 1, 2000.

Statement of Purpose:

To authorize municipalities to collect personal property taxes on telecommunications facilities located within their boundaries.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]