



Senate

General Assembly

File No. 556

January Session, 2001

Substitute Senate Bill No. 1337

Senate, May 2, 2001

The Committee on Finance, Revenue and Bonding reported through SEN. LOONEY of the 11th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING A PROPERTY TAX EXEMPTION FOR SCHOOL VEHICLES.

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

1 Section 1. Section 12-81 of the general statutes is amended by adding
2 subdivision (76) as follows:

3 (NEW) (76) School buses, as defined in section 14-275.

4 Sec. 2. Section 12-81y of the general statutes is repealed.

5 Sec. 3. This act shall take effect October 1, 2001, and shall be
6 applicable to assessment years of a municipality commencing after the
7 expiration of any contract entered into by such municipality for the
8 provision of school buses which contract is in effect on said date.

FIN Joint Favorable Subst.

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Affected Agencies: Office of Policy and Management

Municipal Impact: Grand List Reduction, STATE MANDATE,
Potential Savings

Explanation

Municipal Impact:

By making the current municipal local option to abate property taxes on new school buses a mandatory property tax exemption and applicable on all school buses, not just new ones, will result in a grand list reduction to all municipalities that contract with a third party provider for school bus transportation services. Municipalities may also realize a savings to the extent that they are able to negotiate a more favorable contract due to property taxes no longer being a cost factor.

OLR BILL ANALYSIS

sSB 1337

AN ACT CONCERNING A PROPERTY TAX EXEMPTION FOR SCHOOL VEHICLES.

SUMMARY:

The bill replaces a municipal option to abate up to 100% of the property taxes due on new school buses with a mandatory statewide 100% property tax exemption for all school buses.

Under current law, optional municipal abatements can take effect for assessment years beginning on or after October 1, 2001. They must be approved by a municipality's legislative body or, if the legislative body is a town meeting, its board of selectmen.

By law, a "school bus" is a motor bus painted, constructed, equipped, and registered as a school bus and regularly used to transport children to and from school or school activities.

EFFECTIVE DATE: October 1, 2001 and applicable to municipal assessment years starting after the expiration date of any contract a municipality has for school buses in effect on that date.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 24 Nay 21