



General Assembly

January Session, 2001

**Raised Bill No. 1131**

LCO No. 3702

Referred to Committee on Commerce

Introduced by:  
(CE)

**AN ACT CONCERNING THE PROPERTY TAX EXEMPTION FOR  
MACHINERY AND EQUIPMENT IN ENTERPRISE ZONES.**

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

1 Subdivision (60) of section 12-81 of the general statutes is repealed  
2 and the following is substituted in lieu thereof:

3 (60) (a) (1) Machinery and equipment which represents an addition  
4 to the assessment or grand list of the municipality in which this  
5 exemption is claimed and is installed in any manufacturing facility, as  
6 defined in section 32-9p, which facility is or has been constructed, or  
7 substantially renovated or expanded on or after July 1, 1978, in a  
8 distressed municipality or targeted investment community or  
9 enterprise zone designated pursuant to section 32-70 and for which an  
10 eligibility certificate has been issued by the Department of Economic  
11 and Community Development, concurrently with and directly  
12 attributable to such construction, renovation or expansion, (2)  
13 machinery and equipment which represents an addition to the  
14 assessment or grand list of the municipality in which this exemption is  
15 claimed and is installed, or machinery and equipment existing, in any  
16 manufacturing facility, as defined in section 32-9p, which facility is or

17 has been acquired on or after July 1, 1978, in a distressed municipality,  
18 targeted investment community or enterprise zone designated  
19 pursuant to section 32-70 and for which an eligibility certificate has  
20 been issued by the Department of Economic and Community  
21 Development, and (3) machinery and equipment acquired and  
22 installed on or after October 1, 1986, in a manufacturing facility that is  
23 or has at one time been certified as eligible for the exemption under  
24 this subparagraph in accordance with section 32-9r, and which  
25 continues to be used for manufacturing purposes, provided such  
26 machinery and equipment is installed in conjunction with an  
27 expansion program that satisfies the requirements for a manufacturing  
28 facility, as defined in section 32-9p, and is contiguous to and represents  
29 an increase in square feet of floor space of not less than fifty per cent of  
30 the floor space in the certified manufacturing facility, as follows: To the  
31 extent of eighty per cent of its valuation for purposes of assessment in  
32 each of the five full assessment years for which the manufacturing  
33 facility in which it is installed qualifies for an exemption under  
34 subdivision (59) of this section;

35 (b) (1) Machinery and equipment which represents an addition to  
36 the assessment or grand list of the municipality in which this  
37 exemption is claimed and is installed in any service facility, as defined  
38 in section 32-9p, which facility is or has been constructed, or  
39 substantially renovated or expanded on or after July 1, 1996, and for  
40 which an eligibility certificate has been issued by the Department of  
41 Economic and Community Development, concurrently with and  
42 directly attributable to such construction, renovation or expansion, (2)  
43 machinery and equipment which represents an addition to the  
44 assessment or grand list of the municipality in which this exemption is  
45 claimed and is installed, or machinery and equipment existing, in any  
46 service facility, as defined in section 32-9p, which facility is or has been  
47 acquired on or after July 1, 1996, and for which an eligibility certificate  
48 has been issued by the department, and (3) machinery and equipment  
49 acquired and installed on or after July 1, 1996, in a service facility that  
50 is or has at one time been certified as eligible for the exemption under

51 this subparagraph in accordance with section 32-9r and which  
52 continues to be used for service purposes, provided such machinery  
53 and equipment is installed in conjunction with an expansion program  
54 that satisfies the requirements for a service facility, as defined in  
55 section 32-9p, and is contiguous to and represents an increase in  
56 square feet of floor space of not less than fifty per cent of the floor  
57 space in the certified service facility, as follows: (i) In the case of an  
58 investment of twenty million dollars or more but not more than thirty-  
59 nine million dollars in the service facility, to the extent of forty per cent  
60 of its valuation for purposes of assessment in each of the five full  
61 assessment years for which the service facility in which it is installed  
62 qualifies for an exemption under subdivision (59) of this section; (ii) in  
63 the case of an investment of more than thirty-nine million dollars but  
64 not more than fifty-nine million dollars in the service facility, to the  
65 extent of fifty per cent of its valuation for purposes of assessment in  
66 each of the five full assessment years for which the service facility in  
67 which it is installed qualifies for an exemption under subdivision (59)  
68 of this section; (iii) in the case of an investment of more than fifty-nine  
69 million dollars but not more than seventy-nine million dollars in the  
70 service facility, to the extent of sixty per cent of its valuation for  
71 purposes of assessment in each of the five full assessment years for  
72 which the service facility in which it is installed qualifies for an  
73 exemption under subdivision (59) of this section; (iv) in the case of an  
74 investment of more than seventy-nine million dollars but not more  
75 than ninety million dollars in the service facility, to the extent of  
76 seventy per cent of its valuation for purposes of assessment in each of  
77 the five full assessment years for which the service facility in which it  
78 is installed qualifies for an exemption under subdivision (59) of this  
79 section; or (v) in the case of an investment of more than ninety million  
80 dollars in the service facility, to the extent of eighty per cent of its  
81 valuation for purposes of assessment in each of the five full assessment  
82 years for which the service facility in which it is installed qualifies for  
83 an exemption under subdivision (59) of this section, except that any  
84 financial institution, as defined in section 12-217u, having at least four

85 thousand qualified employees, as determined in accordance with an  
86 agreement pursuant to subdivision (3) of subsection (n) of section 12-  
87 217u, shall be eligible to have the assessment period extended for five  
88 additional years upon approval of the commissioner, in accordance  
89 with all applicable regulations, provided such full-time employees  
90 have not been relocated from another facility in the state operated by  
91 the same eligible applicant. In no event shall the definition of qualified  
92 employee be more favorable to the employer than the definition  
93 provided in section 12-217u;

94 (c) This exemption shall terminate for the assessment year next  
95 following if the manufacturing facility or service facility in which such  
96 machinery and equipment is installed no longer qualifies for an  
97 exemption under said subdivision (59), and there shall not be a pro  
98 rata application of the exemption of such machinery and equipment in  
99 the assessment year of such termination. Any person who desires to  
100 claim the exemption provided in this subdivision shall file annually  
101 with the assessor or board of assessors in the distressed municipality,  
102 targeted investment community or enterprise zone designated  
103 pursuant to section 32-70 in which the manufacturing facility or service  
104 facility is located, on or before the first day of November, written  
105 application claiming such exemption on a form prescribed by the  
106 Secretary of the Office of Policy and Management. Failure to file such  
107 application in this manner and form within the time limit prescribed  
108 shall constitute a waiver of the right to such exemption for such  
109 assessment year, unless an extension of time is allowed pursuant to  
110 section 12-81k, and upon payment of the required fee for late filing.  
111 This exemption shall not apply to rolling stock. The machinery and  
112 equipment of a manufacturing facility having a code classification 2833  
113 or 2834 in the Standard Industrial Code Classification Manual, United  
114 States Office of Management and Budget, 1987 edition, and having at  
115 least one thousand full-time employees, as defined in subsection (f) of  
116 section 32-9j, shall be eligible to have the assessment period extended  
117 for five additional years upon approval of the commissioner.

**CE**

*Joint Favorable C/R*

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