



General Assembly

**Amendment**

January Session, 2001

LCO No. 7489

Offered by:

SEN. SULLIVAN, 5<sup>th</sup> Dist.

SEN. JEPSEN, 27<sup>th</sup> Dist.

SEN. PETERS, 20<sup>th</sup> Dist.

SEN. WILLIAMS, 29<sup>th</sup> Dist.

To: Subst. Senate Bill No. 1178

File No. 660

Cal. No. 428

**"AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR MANUFACTURING MACHINERY AND EQUIPMENT, A MORATORIUM ON CHANGING ASSESSMENT METHODS FOR CERTAIN UTILITY PROPERTY AND FIXING OF ASSESSMENTS FOR ELECTRIC GENERATING FACILITIES."**

1 After line 251, insert the following and renumber the remaining  
2 section accordingly:

3 "Sec. 6. Subdivision (60) of section 12-81 of the general statutes is  
4 repealed and the following is substituted in lieu thereof:

5 (60) (a) (1) Machinery and equipment which represents an addition  
6 to the assessment or grand list of the municipality in which this  
7 exemption is claimed and is installed in any manufacturing facility, as  
8 defined in section 32-9p, which facility is or has been constructed, or  
9 substantially renovated or expanded on or after July 1, 1978, in a  
10 distressed municipality or targeted investment community or

11 enterprise zone designated pursuant to section 32-70 and for which an  
12 eligibility certificate has been issued by the Department of Economic  
13 and Community Development, concurrently with and directly  
14 attributable to such construction, renovation or expansion, (2)  
15 machinery and equipment which represents an addition to the  
16 assessment or grand list of the municipality in which this exemption is  
17 claimed and is installed, or machinery and equipment existing, in any  
18 manufacturing facility, as defined in section 32-9p, which facility is or  
19 has been acquired on or after July 1, 1978, in a distressed municipality,  
20 targeted investment community or enterprise zone designated  
21 pursuant to section 32-70 and for which an eligibility certificate has  
22 been issued by the Department of Economic and Community  
23 Development, and (3) machinery and equipment acquired and  
24 installed on or after October 1, 1986, in a manufacturing facility that is  
25 or has at one time been certified as eligible for the exemption under  
26 this subparagraph in accordance with section 32-9r, and which  
27 continues to be used for manufacturing purposes, provided such  
28 machinery and equipment is installed in conjunction with an  
29 expansion program that satisfies the requirements for a manufacturing  
30 facility, as defined in section 32-9p, and is contiguous to and represents  
31 an increase in square feet of floor space of not less than fifty per cent of  
32 the floor space in the certified manufacturing facility, as follows: To the  
33 extent of eighty per cent of its valuation for purposes of assessment in  
34 each of the five full assessment years for which the manufacturing  
35 facility in which it is installed qualifies for an exemption under  
36 subdivision (59) of this section;

37 (b) (1) Machinery and equipment which represents an addition to  
38 the assessment or grand list of the municipality in which this  
39 exemption is claimed and is installed in any service facility, as defined  
40 in section 32-9p, which facility is or has been constructed, or  
41 substantially renovated or expanded on or after July 1, 1996, and for  
42 which an eligibility certificate has been issued by the Department of  
43 Economic and Community Development, concurrently with and  
44 directly attributable to such construction, renovation or expansion, (2)

45 machinery and equipment which represents an addition to the  
46 assessment or grand list of the municipality in which this exemption is  
47 claimed and is installed, or machinery and equipment existing, in any  
48 service facility, as defined in section 32-9p, which facility is or has been  
49 acquired on or after July 1, 1996, and for which an eligibility certificate  
50 has been issued by the department, and (3) machinery and equipment  
51 acquired and installed on or after July 1, 1996, in a service facility that  
52 is or has at one time been certified as eligible for the exemption under  
53 this subparagraph in accordance with section 32-9r and which  
54 continues to be used for service purposes, provided such machinery  
55 and equipment is installed in conjunction with an expansion program  
56 that satisfies the requirements for a service facility, as defined in  
57 section 32-9p, and is contiguous to and represents an increase in  
58 square feet of floor space of not less than fifty per cent of the floor  
59 space in the certified service facility, as follows: (i) In the case of an  
60 investment of twenty million dollars or more but not more than thirty-  
61 nine million dollars in the service facility, to the extent of forty per cent  
62 of its valuation for purposes of assessment in each of the five full  
63 assessment years for which the service facility in which it is installed  
64 qualifies for an exemption under subdivision (59) of this section; (ii) in  
65 the case of an investment of more than thirty-nine million dollars but  
66 not more than fifty-nine million dollars in the service facility, to the  
67 extent of fifty per cent of its valuation for purposes of assessment in  
68 each of the five full assessment years for which the service facility in  
69 which it is installed qualifies for an exemption under subdivision (59)  
70 of this section; (iii) in the case of an investment of more than fifty-nine  
71 million dollars but not more than seventy-nine million dollars in the  
72 service facility, to the extent of sixty per cent of its valuation for  
73 purposes of assessment in each of the five full assessment years for  
74 which the service facility in which it is installed qualifies for an  
75 exemption under subdivision (59) of this section; (iv) in the case of an  
76 investment of more than seventy-nine million dollars but not more  
77 than ninety million dollars in the service facility, to the extent of  
78 seventy per cent of its valuation for purposes of assessment in each of  
79 the five full assessment years for which the service facility in which it

80 is installed qualifies for an exemption under subdivision (59) of this  
81 section; or (v) in the case of an investment of more than ninety million  
82 dollars in the service facility, to the extent of eighty per cent of its  
83 valuation for purposes of assessment in each of the five full assessment  
84 years for which the service facility in which it is installed qualifies for  
85 an exemption under subdivision (59) of this section, except that any  
86 financial institution, as defined in section 12-217u, having at least four  
87 thousand qualified employees, as determined in accordance with an  
88 agreement pursuant to subdivision (3) of subsection (n) of section 12-  
89 217u, shall be eligible to have the assessment period extended for five  
90 additional years upon approval of the commissioner, in accordance  
91 with all applicable regulations, provided such full-time employees  
92 have not been relocated from another facility in the state operated by  
93 the same eligible applicant. In no event shall the definition of qualified  
94 employee be more favorable to the employer than the definition  
95 provided in section 12-217u;

96 (c) This exemption shall terminate for the assessment year next  
97 following if the manufacturing facility or service facility in which such  
98 machinery and equipment is installed no longer qualifies for an  
99 exemption under said subdivision (59), and there shall not be a pro  
100 rata application of the exemption of such machinery and equipment in  
101 the assessment year of such termination. Any person who desires to  
102 claim the exemption provided in this subdivision shall file annually  
103 with the assessor or board of assessors in the distressed municipality,  
104 targeted investment community or enterprise zone designated  
105 pursuant to section 32-70 in which the manufacturing facility or service  
106 facility is located, on or before the first day of November, written  
107 application claiming such exemption on a form prescribed by the  
108 Secretary of the Office of Policy and Management. Failure to file such  
109 application in this manner and form within the time limit prescribed  
110 shall constitute a waiver of the right to such exemption for such  
111 assessment year, unless an extension of time is allowed pursuant to  
112 section 12-81k, and upon payment of the required fee for late filing.  
113 This exemption shall not apply to rolling stock. The machinery and

114 equipment of a manufacturing facility having a code classification 2833  
115 or 2834 in the Standard Industrial Code Classification Manual, United  
116 States Office of Management and Budget, 1987 edition, and having at  
117 least one thousand full-time employees, as defined in subsection (f) of  
118 section 32-9j, shall be eligible to have the assessment period extended  
119 for five additional years upon approval of the commissioner, provided  
120 such machinery and equipment are on the October, 2000, grand list of  
121 the municipality in which this exemption is claimed."