



General Assembly

**Amendment**

January Session, 2001

LCO No. 6124

Offered by:

REP. DAVIS, 50<sup>th</sup> Dist.

REP. BLACKWELL, 12<sup>th</sup> Dist.

To: Subst. House Bill No. 6057

File No. 569

Cal. No. 389

**"AN ACT TO PROVIDE FOR REIMBURSEMENT OF OPTIONAL  
MUNICIPAL PROPERTY TAX RELIEF PROGRAMS."**

1 Strike out everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 12-129n of the general statutes is repealed and the  
4 following is substituted in lieu thereof:

5 (a) Any municipality may, by vote of its legislative body on  
6 recommendation of its board of finance or equivalent body, provide  
7 property tax relief to residents of such municipality, with respect to  
8 real property owned and occupied by such residents as their principal  
9 residence, who are (1) sixty-five years of age and over, or whose  
10 spouses, living with them, are sixty-five years of age or over or sixty  
11 years of age or over and the surviving spouse of a taxpayer qualified in  
12 such municipality under this section at the time of his or her death or  
13 with respect to real property on which such residents or their spouses  
14 are liable for taxes under section 12-48, or (2) under age sixty-five and

15 eligible in accordance with applicable federal regulations to receive  
16 permanent total disability benefits under Social Security, or have not  
17 been engaged in employment covered by Social Security and  
18 accordingly have not qualified for benefits thereunder, but have  
19 become qualified for permanent total disability benefits under any  
20 federal, state or local government retirement or disability plan,  
21 including the Railroad Retirement Act and any government-related  
22 teacher's retirement plan, in which requirements with respect to  
23 qualifications for such permanent total disability benefits are  
24 comparable to such requirements under Social Security, provided such  
25 residents or their spouses under subdivisions (1) or (2) above have  
26 been taxpayers of such municipality for one year immediately  
27 preceding their receipt of tax benefits under this section, and meet the  
28 requirements which may be established by such municipality with  
29 respect to maximum income allowable during the calendar year  
30 preceding the year in which application is made for the tax relief  
31 provided in this section. No such property tax relief, together with any  
32 relief received by any such resident under the provisions of sections  
33 12-129b to 12-129d, inclusive, and 12-170aa shall exceed, in the  
34 aggregate the total amount of the tax which would, except for said  
35 sections 12-129b to 12-129d, inclusive, 12-170aa and this section, be laid  
36 against the taxpayer.

37 (b) Prior to initial approval by the legislative body of such  
38 municipality of the plan of property tax relief to be provided pursuant  
39 to the provisions of this section, the executive authority of such  
40 municipality shall appoint a committee consisting of not less than five  
41 resident taxpayers of such municipality, which shall undertake and  
42 complete within a period not in excess of sixty days following such  
43 appointment, a study and investigation with respect to such property  
44 tax relief and, on the basis thereof, prepare a report to be presented to  
45 the board of finance or equivalent body of such municipality, which  
46 report shall include the following: (1) The fiscal effect of such property  
47 tax relief on property tax revenue for such municipality; (2)  
48 recommendations with respect to the form and extent of such property

49 tax relief. After the initial approval of such property tax relief by the  
50 legislative body of such municipality, such plan may be amended from  
51 time to time by vote of its legislative body on recommendation of its  
52 board of finance or equivalent body without compliance with the  
53 requirements of this subsection applicable to such initial approval.

54 (c) The total abatement of property tax revenue, based on an  
55 estimate in any tax year by the board of finance or equivalent body of  
56 such municipality, which may be granted in such tax year by such  
57 municipality pursuant to the provisions of this section shall not exceed  
58 an amount equal to ten per cent of the total real property tax assessed  
59 in such municipality in the preceding tax year.

60 (d) Any such property tax relief granted to any such resident in  
61 accordance with the provisions of this section shall not disqualify such  
62 resident with respect to any benefits for which such resident shall be  
63 eligible under the provisions of sections 12-129b to 12-129d, inclusive,  
64 and 12-170aa, and any such property tax relief provided under this  
65 section shall be in addition to any such benefits for which such  
66 resident shall be eligible under said sections.

67 (e) Reimbursement of such municipality under the provisions of  
68 sections 12-129b to 12-129d, inclusive, and 12-170aa shall be limited to  
69 such amount as the municipality would be entitled to receive for  
70 revenues lost because of tax relief provided under the provisions of  
71 said sections. The property tax relief provided for in this section may,  
72 in any case where title to real property is recorded in the name of the  
73 taxpayer or his or her spouse and any other person or persons, be  
74 prorated to reflect the fractional share of such taxpayer or spouse or, if  
75 such property is a multiple-family dwelling, such relief may be  
76 prorated to reflect the fractional portion of such property occupied by  
77 the taxpayer.

78 (f) Any municipality providing property tax relief under this section  
79 may establish a lien on such property in the amount of the relief  
80 granted, provided if the total amount of such property tax relief with

81 respect to any such taxpayer, when combined with any such tax relief  
82 for which such taxpayer may be eligible in accordance with sections  
83 12-129b to 12-129d, inclusive, or 12-170aa, exceeds in the aggregate  
84 seventy-five per cent of the property tax for which such taxpayer  
85 would be liable but for the benefits under this section and any of the  
86 sections mentioned above in this subsection, such municipality shall be  
87 required to establish a lien on such property in the amount of the total  
88 tax relief granted, plus interest applicable to the total of such unpaid  
89 taxes at a rate to be determined by such municipality. Any such lien  
90 shall have a priority in the settlement of such person's estate.

91 (g) (1) Any municipality establishing a program of property tax  
92 relief under this section shall make persons eligible for such relief if  
93 they qualify in accordance with age and income pursuant to subsection  
94 (a) of this section and are unit owners of a cooperative.

95 (2) The amount of annual property tax relief in accordance with this  
96 subsection to any such person shall be determined in relation to an  
97 assumed amount of property tax liability applicable to the assessed  
98 value for the dwelling unit which such person owns and occupies, as  
99 determined by the assessor in the municipality in which the  
100 cooperative is situated. For purposes of this section the assessor shall  
101 determine the assumed amount of property tax liability applicable to  
102 the assessed value for the dwelling unit of each such person who is  
103 otherwise eligible under this subsection, but such determination shall  
104 not constitute a tax bill for purposes of property taxation of such  
105 cooperative or any individual dwelling unit thereof. Annually, not  
106 later than the first day of June, the assessor in such municipality, upon  
107 receipt of an application for such relief, shall determine, with respect to  
108 the assessment list in such municipality for the assessment year  
109 commencing October first immediately preceding, the portion of the  
110 assessed value of the entire cooperative, as included in such  
111 assessment list, attributable to the dwelling unit occupied by such  
112 person. The assumed property tax liability for purposes of determining  
113 the amount of the relief shall be the product of such assessed value and  
114 the mill rate in such municipality as determined for purposes of

115 property tax imposed on said assessment list for the assessment year  
116 commencing October first immediately preceding. The amount of  
117 relief to which such person shall be entitled for such assessment year  
118 shall be equivalent to the amount of tax reduction for which such  
119 person would qualify, considering such assumed property tax liability  
120 to be the actual property tax applicable to such person's dwelling unit  
121 and such person as liable for the payment of such tax.

122 (h) Any municipality establishing a program of property tax relief  
123 under this section may issue its bonds, notes or other obligations  
124 pursuant to chapter 109, including bonds, notes or other obligations  
125 the interest on which may be subject to federal income taxes, for the  
126 purpose of reimbursing such municipality for the loss of property tax  
127 revenue related to the tax reductions allowed under this section during  
128 the current or prior fiscal years that are secured by liens established  
129 under subsection (f) of this section. Notwithstanding the provisions of  
130 the general statutes or any special act, local law or charter governing  
131 the authorization and issuance of bonds, notes and other obligations,  
132 such bonds, notes, or other obligations shall be authorized and issued  
133 by resolution of the legislative body of the municipality, and shall be  
134 subject to the same limitations and requirements as bonds issued  
135 pursuant to chapter 109. As used in this section "legislative body" shall  
136 have the same meaning as defined in section 7-370c."