



General Assembly

January Session, 2001

Amendment

LCO No. 8282

Offered by:

SEN. LOONEY, 11th Dist.

To: Subst. Senate Bill No. 1334

File No. 647

Cal. No. 430

**"AN ACT CONCERNING MUNICIPAL DEVELOPMENT
PROJECTS."**

1 After line 130, insert the following:

2 "Sec. 7. Section 12-129n of the general statutes is repealed and the
3 following is substituted in lieu thereof:

4 (a) Any municipality may, by vote of its legislative body on
5 recommendation of its board of finance or equivalent body, provide
6 property tax relief to residents of such municipality, with respect to
7 real property owned and occupied by such residents as their principal
8 residence, who are (1) sixty-five years of age and over, or whose
9 spouses, living with them, are sixty-five years of age or over or sixty
10 years of age or over and the surviving spouse of a taxpayer qualified in
11 such municipality under this section at the time of his or her death or
12 with respect to real property on which such residents or their spouses
13 are liable for taxes under section 12-48, or (2) under age sixty-five and
14 eligible in accordance with applicable federal regulations to receive
15 permanent total disability benefits under Social Security, or have not

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

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

50 time to time by vote of its legislative body on recommendation of its
51 board of finance or equivalent body without compliance with the
52 requirements of this subsection applicable to such initial approval.

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

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

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

77 (f) Any municipality providing property tax relief under this section
78 may establish a lien on such property in the amount of the relief
79 granted, provided if the total amount of such property tax relief with
80 respect to any such taxpayer, when combined with any such tax relief
81 for which such taxpayer may be eligible in accordance with sections

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

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

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

116 relief to which such person shall be entitled for such assessment year
117 shall be equivalent to the amount of tax reduction for which such
118 person would qualify, considering such assumed property tax liability
119 to be the actual property tax applicable to such person's dwelling unit
120 and such person as liable for the payment of such tax.

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