



General Assembly

Raised Bill No. 5417

February Session, 2002

LCO No. 1270

Referred to Committee on Planning and Development

Introduced by:
(PD)

***AN ACT CONCERNING THE PRESERVATION OF FARM LAND,
FOREST LAND AND OPEN SPACE LAND.***

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

1 Section 1. Subsection (b) of section 12-107c of the general statutes, as
2 amended by section 116 of public act 01-195, is repealed and the
3 following is substituted in lieu thereof (*Effective July 1, 2002, and*
4 *applicable to sales, transfers or changes in use of land classified as farm land*
5 *that occur on or after July 1, 2002*):

6 (b) An application for classification of land as farm land shall be
7 made upon a form prescribed by the Commissioner of Agriculture and
8 shall set forth a description of the land, a general description of the use
9 to which it is being put, a statement of the potential liability for tax
10 under the provisions of sections 12-504a to 12-504e, inclusive, as
11 amended by this act, and such other information as the assessor may
12 require to aid the assessor in determining whether such land qualifies
13 for such classification. Any application filed after July 1, 2002, shall be
14 accompanied by a filing fee of fifty dollars, payable to the
15 municipality.

16 Sec. 2. Subsection (c) of section 12-107d of the general statutes, as
17 amended by section 117 of public act 01-195, is repealed and the
18 following is substituted in lieu thereof (*Effective July 1, 2002, and*
19 *applicable to sales, transfers or changes in use of land classified as forest land*
20 *that occur on or after July 1, 2002*):

21 (c) An owner of land designated as forest land by the State Forester
22 may apply for its classification as forest land on any grand list of a
23 municipality by filing a written application for such classification with
24 the assessor thereof not earlier than thirty days before or later than
25 thirty days after the assessment date and, if the State Forester has not
26 cancelled the designation of such land as forest land as of a date at or
27 prior to the assessment date such assessor shall classify such land as
28 forest land and include it as such on the grand list, provided in a year
29 in which a revaluation of all real property in accordance with section
30 12-62 becomes effective such application may be filed not later than
31 ninety days after such assessment date in such year. Any application
32 filed after July 1, 2002, shall be accompanied by a filing fee of fifty
33 dollars, payable to the municipality.

34 Sec. 3. Subsection (b) of section 12-107e of the general statutes, as
35 amended by section 118 of public act 01-195, is repealed and the
36 following is substituted in lieu thereof (*Effective July 1, 2002, and*
37 *applicable to sales, transfer or changes in use of open space land that occur on*
38 *or after July 1, 2002*):

39 (b) An owner of land included in any area designated as open space
40 land upon any plan as finally adopted may apply for its classification
41 as open space land on any grand list of a municipality by filing a
42 written application for such classification with the assessor thereof not
43 earlier than thirty days before or later than thirty days after the
44 assessment date, provided in a year in which a revaluation of all real
45 property in accordance with section 12-62 becomes effective such
46 application may be filed not later than ninety days after such
47 assessment date. The assessor shall determine whether there has been

48 any change in the area designated as an area of open space land upon
49 the plan of development which adversely affects its essential character
50 as an area of open space land and, if the assessor determines that there
51 has been no such change, said assessor shall classify such land as open
52 space land and include it as such on the grand list. An application for
53 classification of land as open space land shall be made upon a form
54 prescribed by the Commissioner of Agriculture and shall set forth a
55 description of the land, a general description of the use to which it is
56 being put, a statement of the potential liability for tax under the
57 provisions of section 12-504a to 12-504e, inclusive, as amended by this
58 act, and such other information as the assessor may require to aid in
59 determining whether such land qualifies for such classification. Any
60 application filed after July 1, 2002, shall be accompanied by a filing fee
61 of fifty dollars, payable to the municipality.

62 Sec. 4. Section 12-504a of the general statutes is repealed and the
63 following is substituted in lieu thereof (*Effective July 1, 2002, and*
64 *applicable to sales, transfers or changes in use of land classified as farm land,*
65 *forest land or open space land that occur on or after July 1, 2002*):

66 (a) Any land which has been classified by the record owner thereof
67 as open space land pursuant to section 12-107e, as amended by this act,
68 if sold by [him] the record owner within a period of ten years from the
69 time [he] the record owner first caused such land to be so classified,
70 shall be subject to a conveyance tax applicable to the total sales price of
71 such land, which tax shall be in addition to the tax imposed under
72 sections 12-494 to 12-504, inclusive. Said conveyance tax shall be at the
73 following rate: (1) Ten per cent of said total sales price if sold within
74 the first year following the date of such classification; (2) nine per cent
75 if sold within the second year following the date of such classification;
76 (3) eight per cent if sold within the third year following the date of
77 such classification; (4) seven per cent if sold within the fourth year
78 following the date of such classification; (5) six per cent if sold within
79 the fifth year following the date of such classification; (6) five per cent
80 if sold within the sixth year following the date of such classification; (7)

81 four per cent if sold within the seventh year following the date of such
82 classification; (8) three per cent if sold within the eighth year following
83 the date of such classification; (9) two per cent if sold within the ninth
84 year following the date of such classification; and (10) one per cent if
85 sold within the tenth year following the date of such classification. No
86 conveyance tax shall be imposed on such record owner by the
87 provisions of sections 12-504a to 12-504f, inclusive, as amended by this
88 act, following the end of the tenth year after the date of such
89 classification by such record owner.

90 (b) Any land which has been classified by the record owner thereof
91 as farm land pursuant to section 12-107, as amended by this act, or as
92 forest land pursuant to section 12-107d, as amended by this act, if sold
93 or transferred by [him] the record owner within a period of ten years
94 from the time [he] the record owner acquired title to such land or from
95 the time [he] the record owner first caused such land to be so
96 classified, whichever is earlier, shall be subject to a conveyance tax
97 applicable to the total sales price of such land, which tax shall be in
98 addition to the tax imposed under sections 12-494 to 12-504, inclusive,
99 as amended by this act. Said conveyance tax shall be at the following
100 rate: (1) Ten per cent of said total sales price if sold within the first year
101 of ownership by such record owner; (2) nine per cent if sold within the
102 second year of ownership by such record owner; (3) eight per cent if
103 sold within the third year of ownership by such record owner; (4)
104 seven per cent if sold within the fourth year of ownership by such
105 record owner; (5) six per cent if sold within the fifth year of ownership
106 by such record owner; (6) five per cent if sold within the sixth year of
107 ownership by such record owner; (7) four per cent if sold within the
108 seventh year of ownership by such record owner; (8) three per cent if
109 sold within the eighth year of ownership by such record owner; (9)
110 two per cent if sold within the ninth year of ownership by such record
111 owner; and (10) one per cent if sold within the tenth year of ownership
112 by such record owner. No conveyance tax shall be imposed by the
113 provisions of sections 12-504a to 12-504f, inclusive, as amended by this
114 act, following the end of the tenth year of ownership by such record

115 owner.

116 Sec. 5. Section 12-504c of the general statutes is repealed and the
 117 following is substituted in lieu thereof (*Effective July 1, 2002, and*
 118 *applicable to sales, transfers or changes in use of land classified as farm land,*
 119 *forest land or open space land that occur on or after July 1, 2002*):

120 The provisions of section 12-504a, as amended by this act, shall not
 121 be applicable to the following: [(a)] (1) Transfers of land resulting from
 122 eminent domain proceedings; [(b)] (2) mortgage deeds; [(c)] (3) deeds
 123 to or by the United States of America, state of Connecticut or any
 124 political subdivision or agency thereof; [(d)] (4) strawman deeds and
 125 deeds which correct, modify, supplement or confirm a deed previously
 126 recorded; [(e)] (5) deeds between husband and wife and parent and
 127 child when no consideration is received, except that a subsequent
 128 nonexempt transfer by the grantee in such cases shall be subject to the
 129 provisions of section 12-504a, as amended by this act, as it would be if
 130 the grantor were making such nonexempt transfer; [(f)] (6) tax deeds;
 131 [(g)] (7) deeds releasing any property which is a security for a debt or
 132 other obligation; [(h)] (8) deeds of partition; [(i)] (9) deeds made
 133 pursuant to a merger of a corporation; [(j)] (10) deeds made by a
 134 subsidiary corporation to its parent corporation for no consideration
 135 other than the cancellation or surrender of the capital stock of such
 136 subsidiary; [(k)] (11) property transferred as a result of death by devise
 137 or otherwise and in such transfer the date of acquisition or
 138 classification of the land for purposes of sections 12-504a to 12-504f,
 139 inclusive, as amended by this act, whichever is earlier, shall be the date
 140 of acquisition or classification by the decedent; [(l)] (12) deeds to any
 141 corporation, trust or other entity, of land to be held in perpetuity for
 142 educational, scientific, aesthetic or other equivalent passive uses,
 143 provided such corporation, trust or other entity has received a
 144 determination from the Internal Revenue Service that contributions to
 145 it are deductible under applicable sections of the Internal Revenue
 146 Code; [(m)] (13) land subject to a covenant specifically set forth in the
 147 deed transferring title to such land, which covenant is enforceable by

148 the town in which such land is located, to refrain from selling,
149 transferring or developing such land in a manner inconsistent with its
150 classification as farm land pursuant to section 12-107c, as amended by
151 this act, forest land pursuant to section 12-107d, as amended by this
152 act, or open space land pursuant to section 12-107e, as amended by this
153 act, for a period of not less than eight years from the date of transfer,
154 provided if such covenant is violated the conveyance tax set forth in
155 this chapter shall be applicable at the rate which would have been
156 applicable at the date the deed containing the covenant was delivered
157 [and, in addition, the town or any taxpayer therein may commence an
158 action to enforce such covenant] and the value of the property that is
159 subject to the imposition shall be the present true and actual value of
160 the property as determined by the assessor under the provisions of
161 section 12-63 for the most recent revaluation implemented pursuant to
162 section 12-62; and [(n)] (14) land the development rights to which have
163 been sold to the state under chapter 422a. In the case of land subject to
164 a covenant enforceable by the town as described in subdivision (13) of
165 this section, the town or any taxpayer therein may, prior to the
166 commencement of the ninth assessment year following the assessment
167 year in which the deed containing such covenant is filed, commence an
168 action to enforce such covenant. If [such action is taken by such] a
169 taxpayer commences such action, the town shall be served as a
170 necessary party.

171 Sec. 6. Section 12-504e of the general statutes is repealed and the
172 following is substituted in lieu thereof (*Effective July 1, 2002, and*
173 *applicable to sales, transfers or changes in use of land classified as farm land,*
174 *forest land or open space land that occur on or after July 1, 2002*):

175 [Any land which has been classified by the owner as farm land
176 pursuant to section 12-107c, as forest land pursuant to section 12-107d,
177 or as open space land pursuant to section 12-107e, if changed by him,
178 within a period of ten years of his acquisition of title, to use other than
179 farm, forest or open space, shall be subject to said conveyance tax as if
180 there had been an actual conveyance by him, as provided in sections

181 12-504a and 12-504b, at the time he makes such change in use and
182 classification. Said conveyance tax schedule shall apply to fair market
183 values as determined by the assessor under the provisions of section
184 12-63 for all other property.]

185 (a) Any land which has been classified by the record owner thereof
186 as open space land, pursuant to section 12-107e, as amended by this
187 act, if changed by the record owner to a use inconsistent with the use
188 described in the application within ten years from the time the record
189 owner first caused such land to be classified, shall be subject to the
190 conveyance tax provided in section 12-504a, as amended by this act, or
191 if there had been an actual sale or conveyance of such property, as
192 provided in section 12-504b.

193 (b) Any land which has been classified by the record owner thereof
194 as farm land pursuant to section 12-107c, as amended by this act, or as
195 forest land pursuant to section 12-107d, as amended by this act, if
196 changed by the record owner to a use inconsistent with that described
197 in the record owner's application for the classification within a period
198 of ten years from the time the record owner acquired title to such land
199 or from the time the record owner first caused such land to be
200 classified, whichever is earlier, shall be subject to the conveyance tax as
201 provided in section 12-504a, as amended by this act, or if there had
202 been an actual sale or conveyance of such property, as provided in
203 section 12-504b.

204 (c) For the purposes of this section: (1) The value of any such land
205 shall be the present true and actual value thereof as determined by the
206 assessor under the provisions of section 12-63 for the most recent
207 revaluation implemented pursuant to section 12-62; and (2) the date
208 used for purposes of determining the rate to be applied in determining
209 said conveyance tax shall be the date on which the use of such land is
210 changed, or the date on which the assessor becomes aware of such
211 change in use, whichever date is earlier.

212 Sec. 7. Section 12-504f of the general statutes is repealed and the

213 following is substituted in lieu thereof (*Effective July 1, 2002, and*
214 *applicable to sales, transfers or changes in use of land classified as farm land,*
215 *forest land or open space land that occur on or after July 1, 2002*):

216 The [tax] assessor shall file annually, not later than sixty days after
217 the assessment date, with the town clerk a certificate for any land
218 which has been classified as farm land pursuant to section 12-107c, as
219 amended by this act, as forest land pursuant to section 12-107d, as
220 amended by this act, or as open space land pursuant to section 12-107e,
221 as amended by this act, which certificate shall set forth the date of the
222 initial classification and the obligation to pay the conveyance tax
223 imposed by this chapter, provided in the year a revaluation is
224 implemented, pursuant to section 12-62, the certificate shall be filed
225 not later than the day the grand list is lodged in the office of the
226 assessor for public inspection, in accordance with section 12-55. Said
227 certificate shall be recorded in the land records of such town. [Any
228 such classification of land shall be deemed personal to the particular
229 owner who requests such classification and shall not run with the
230 land.]

231 Sec. 8. Section 12-504h of the general statutes is repealed and the
232 following is substituted in lieu thereof (*Effective July 1, 2002, and*
233 *applicable to sales, transfers or changes in use of land classified as farm land,*
234 *forest land or open space land that occur on or after July 1, 2002*):

235 Any classification of farm land pursuant to section 12-107c, as
236 amended by this act, of forest land pursuant to section 12-107d, as
237 amended by this act, or open space land pursuant to section 12-107e, as
238 amended by this act, shall be deemed personal to the particular owner
239 who requests and receives such classification and shall not run with
240 the land. Any land which has been classified by the record owner [as
241 farm land pursuant to section 12-107c, as forest land pursuant to
242 section 12-107d, or as open space land pursuant to section 12-107e]
243 pursuant to said sections 12-107c, 12-107d and 12-107e, shall remain so
244 classified without the filing of any new application [subsequent to

245 such classification, notwithstanding the provisions of said sections 12-
 246 107c, 12-107d and 12-107e,] until either of the following shall occur: (1)
 247 The use of such land is changed to a use other than that described in
 248 the application for the existing classification by said record owner, or
 249 (2) such land is sold or transferred by said record owner. In the event
 250 there is such a change in the use of property classified, the
 251 classification shall cease as of the date on which the use of the property
 252 is changed, or as of the date on which the assessor becomes aware of
 253 such change, whichever date is earlier. If there is a sale or transfer of
 254 property so classified, said classification shall cease as of the date of
 255 the sale or transfer.

This act shall take effect as follows:	
Section 1	<i>July 1, 2002, and applicable to sales, transfers or changes in use of land classified as farm land that occur on or after July 1, 2002</i>
Sec. 2	<i>July 1, 2002, and applicable to sales, transfers or changes in use of land classified as forest land that occur on or after July 1, 2002</i>
Sec. 3	<i>July 1, 2002, and applicable to sales, transfer or changes in use of open space land that occur on or after July 1, 2002</i>
Sec. 4	<i>July 1, 2002, and applicable to sales, transfers or changes in use of land classified as farm land, forest land or open space land that occur on or after July 1, 2002</i>
Sec. 5	<i>July 1, 2002, and applicable to sales, transfers or changes in use of land classified as farm land, forest land or open space land that occur on or after July 1, 2002</i>
Sec. 6	<i>July 1, 2002, and applicable to sales, transfers or changes in use of land classified as farm land, forest land or open space land that occur on or after July 1, 2002</i>
Sec. 7	<i>July 1, 2002, and applicable to sales, transfers or changes in use of land classified as farm land, forest land or open space land that occur on or after July 1, 2002</i>
Sec. 8	<i>July 1, 2002, and applicable to sales, transfers or changes in use of land classified as farm land, forest land or open space land that occur on or after July 1, 2002</i>

Statement of Purpose:

To revise the process for classification of farm land, forest land and open space land by (1) establishing a filing fee for new applications, (2) clarifying provisions relating to the imposition of the existing conveyance tax on land classified as farm, forest or open space land, in circumstances involving a sale, transfer of ownership or change in use, (3) clarifying that the preferential property tax treatment of such properties ceases upon such a sale, transfer or change of use, and (4) extending the time in a year of revaluation by which a certificate must be filed with the town clerk setting forth a classified property owner's initial classification and obligation to pay the existing conveyance tax.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]