



**AN ACT CONCERNING PERIODIC REVALUATION OF REAL PROPERTY BY MUNICIPALITIES.**

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

1 Section 1. Subsection (h) of section 12-62 of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective from*  
3 *passage*):

4 (h) (1) Nothing in this section shall be construed as prohibiting a  
5 town from electing to effect a revaluation of real estate earlier than the  
6 year of next revaluation, as designated in subsection (b) of this section.

7 (2) [A] On and after October 1, 2002, a town electing to effect its next  
8 revaluation earlier than required pursuant to subsection (b) of this  
9 section shall effect its next subsequent revaluation [for the assessment  
10 date commencing four years following the effective date of the  
11 revaluation so implemented] on the assessment date that is four years  
12 after the date provided in said subsection (b) which date is applicable  
13 to the revaluation which is being effected earlier.

14 Sec. 2. Section 12-62 of the general statutes is amended by adding  
15 subsection (k) as follows (*Effective from passage*):

16 (NEW) (k) (1) As used in this subsection: (A) "Coefficient of  
17 dispersion", "commercial property", "market sale", "median ratio",  
18 "price related differential", "property class", "ratio", "residential

19 property" and "vacant land" have the same meanings as the definitions  
20 of those terms in the regulations adopted under section 12-62i.

21 (2) Notwithstanding the provisions of this section, a town shall be  
22 exempt from performing its next scheduled revaluation if, as of the  
23 date that calculations pursuant to this subsection are performed: (A)  
24 The overall level of assessment for all property classes is within plus or  
25 minus ten per cent of the seventy per cent assessment ratio required  
26 under subsection (b) of section 12-62a, as measured by the overall  
27 median ratio; (B) the level of assessment for each property class for  
28 which there are fifteen or more market sales is within plus or minus  
29 five per cent of the median overall level of assessment for each such  
30 property class; (C) the coefficient of dispersion for each property class  
31 for which there are fifteen or more market sales is equal to or less than  
32 (i) fifteen per cent for all property; (ii) fifteen per cent for residential  
33 property; (iii) twenty per cent for commercial property; and (iv) twenty  
34 per cent for vacant land; and (D) the price related differential for each  
35 property class for which there are fifteen or more market sales is  
36 within 0.98 and 1.03. The provisions of this subsection shall terminate  
37 on October 1, 2007, and shall not apply to any revaluation scheduled to  
38 be implemented on or after said date.

39 (3) In order to claim exemption under this subsection from the  
40 requirement to implement a revaluation pursuant to subsection (b) of  
41 this section, a town shall perform the calculations required by this  
42 subsection not earlier than April second and not later than April tenth  
43 of the calendar year preceding the October first assessment date on  
44 which such revaluation pursuant to subsection (b) of this section is  
45 required to be effective, except that a town scheduled to implement a  
46 revaluation on October 1, 2003, may perform such calculations not  
47 later than thirty days after the effective date of this section. Such  
48 calculations shall be based on market sales that occurred between  
49 October first of the previous calendar year and April first of the  
50 calendar year in which such calculations are performed, provided if  
51 the total number of market sales occurring in said period is less than  
52 thirty, the time period prior to said October first shall be extended in

53 monthly increments until the number of market sales is equal to or  
54 greater than thirty, but in no event shall such time period be extended  
55 for more than twelve months prior to said October first. The assessor  
56 may adjust the sales price of any property to take into account: (A) The  
57 fact that the property sold is subject to a lease that does not represent  
58 market rent, as defined in section 12-63b; (B) the inclusion of personal  
59 property in the price paid for real property that was sold; or (C) any  
60 other factor the assessor deems appropriate provided there is objective  
61 criteria substantiating any such adjustment and the reason for such  
62 adjustment is documented by the assessor. In the event the time period  
63 is extended under the provisions of this subsection, the assessor may  
64 also adjust the sales price of any property sale occurring in said  
65 extended time period to take into account the effect of a price change  
66 in the real estate market between the date of sale and the date such  
67 calculations are performed. Information concerning such market sales  
68 and the statistical analyses of such sales shall be available for public  
69 inspection for not less than one year from the date a town certifies its  
70 exemption from the requirement to implement its next scheduled  
71 revaluation, provided the Secretary of the Office of Policy and  
72 Management does not rescind such exemption, pursuant to section 3 of  
73 this act.

74 (4) Any town that meets the criteria set forth in this subsection shall,  
75 not later than five days after the calculations required by this  
76 subsection are performed, certify its exemption from the requirement  
77 to implement its next scheduled revaluation pursuant to subsection (b)  
78 of this section to the Secretary of the Office of Policy and Management.  
79 Such certification shall be signed by the chief executive officer and the  
80 assessor and filed in their respective offices and shall specify the  
81 assessment date to which such exemption applies. The certification  
82 submitted to the secretary shall be accompanied by documentation of  
83 the town's compliance with the criteria delineated in this subsection, in  
84 such form and manner as the secretary may require. Such  
85 documentation shall include, but not be limited to: (A) Information  
86 concerning all sales of real property for each property class that

87 occurred during the time period encompassed by the town's analyses;  
88 (B) information concerning the market sales used in the analysis for  
89 each property class during such time period; (C) documentation  
90 concerning the reason used by the assessor to adjust the sales price of  
91 each property and the dollar amount of the adjustment; (D)  
92 documentation of the reason for not including a real property sale in  
93 the analysis of any property class; and (E) the results of each of the  
94 applicable calculations described in subdivision (2) of this subsection.  
95 Each town that certifies an exemption from the requirement to  
96 implement a revaluation pursuant to this subsection shall cooperate  
97 with the secretary or the committee established pursuant to section 3 of  
98 this act in promptly providing any information the secretary or the  
99 committee may require. A copy of the certification of a town's  
100 exemption from the requirement to implement its next scheduled  
101 revaluation, as submitted to the secretary, shall be provided to the  
102 town clerk of the town, who shall record such certification on the land  
103 records. In the event the secretary rescinds such exemption, the  
104 secretary's notice rescinding the town's revaluation exemption  
105 certification shall be recorded on the land records.

106 Sec. 3. (NEW) (*Effective from passage*) (a) There shall be a committee  
107 for the purpose of analyzing the data upon which a town bases its  
108 certification of exemption from the requirement to implement a  
109 scheduled revaluation on and after October 1, 2003, pursuant to section  
110 12-62 of the general statutes, as amended by this act, together with all  
111 data that was or should have been considered in completing the  
112 calculations on which such exemption certification is based. Not later  
113 than three months after the date on which the Secretary of the Office of  
114 Policy and Management receives a town's certification of exemption  
115 from such requirement, the committee shall complete its analysis and  
116 shall submit a written report of its findings to the secretary. Such  
117 report shall include the committee's opinion of the validity of the  
118 exemption certification made by the town and a recommendation  
119 regarding the secretary's action concerning such certification. Not later  
120 than five days after receiving a report of the committee's findings, the

121 secretary shall send a written notice to the town, by certified or  
122 registered mail, validating or rescinding the town's revaluation  
123 exemption certification. The secretary shall validate the town's  
124 exemption from the requirement to implement a revaluation as of the  
125 October first of the calendar year next following, unless the committee  
126 recommends that the secretary rescind such exemption.

127 (b) The committee shall consist of the following members appointed  
128 by the Secretary of the Office of Policy and Management: (1) Five  
129 persons appointed for two-year terms, at least one of whom shall  
130 represent a municipality with a population of ten thousand or less, one  
131 of whom shall represent a municipality with a population greater than  
132 ten thousand but less than forty thousand, one of whom shall  
133 represent a municipality with a population greater than forty  
134 thousand, one of whom shall be a person who has demonstrated  
135 competence in statistical analyses and one of whom shall be an  
136 employee of the Office of Policy and Management; and (2) six persons  
137 appointed for four-year terms, each of whom shall be certified  
138 pursuant to section 12-40a of the general statutes, and shall be  
139 employed by a municipality in the state in a position relating to the  
140 assessment of property for purposes of the property tax, or shall have  
141 been employed in such a position within five years preceding the date  
142 on which such person is appointed. All committee members shall be  
143 appointed not later than July 1, 2002. The secretary shall fill each  
144 vacancy at the conclusion of a term. Each member of the committee  
145 other than the representative from the Office of Policy and  
146 Management shall serve without pay, provided a town shall reimburse  
147 committee members for reasonable expenses they incur in analyzing  
148 the data upon which the town based its certification of exemption. Any  
149 person who ceases to be an employee of the Office of Policy and  
150 Management or to be certified pursuant to said section 12-40a, shall  
151 cease to be a member of the committee and the secretary shall appoint  
152 a replacement to fill the remainder of such person's term. The  
153 committee shall elect a chairperson and adopt rules and procedures for  
154 complying with the requirements of this section, provided a member

155 of the committee shall not vote on the validity of a certification made  
156 by the town in which such member (A) resides, (B) owns or has a  
157 substantial interest in property subject to taxation, or (C) is a municipal  
158 employee.

159 (c) The committee shall establish whether or not a town complied  
160 with the requirements of section 12-62 of the general statutes, as  
161 amended by this act, in effecting the required calculations, and  
162 whether or not the assessor in performing the analyses for each  
163 property class and for all real property: (1) Excluded market sales that  
164 should have been included, (2) made adjustments to the sales prices of  
165 property that were not based on objective criteria, not documented, or  
166 not substantiated in terms of the reasons therefor, (3) included sales  
167 that were not market sales, or (4) did not make necessary and  
168 appropriate adjustments to the sales prices of real property. If the  
169 committee finds that the town or the assessor did not conform to the  
170 requirements of subsection (k) of section 12-62, as amended by this act,  
171 and that such nonconformance materially affected the calculations on  
172 which the town based its certification of exemption from the  
173 requirement to implement a scheduled revaluation, the committee  
174 shall recommend that the secretary rescind such exemption. If the  
175 committee finds that the town or the assessor conformed to such  
176 requirements, or did not conform to such requirements but that such  
177 nonconformance did not materially affect the calculations on which  
178 such certification was based, the committee shall recommend that the  
179 secretary validate such exemption.

180 (d) In the event the Secretary of the Office of Policy and  
181 Management rescinds a town's revaluation exemption certification, the  
182 town shall implement a revaluation of all real property as soon as is  
183 practicable, but in no event later than the October first next following  
184 the date on which it was scheduled to implement the revaluation for  
185 which the secretary rescinded the exemption certification. Any such  
186 town shall be required to implement its next subsequent revaluation  
187 for the assessment date that is four years after the assessment date for  
188 which such exemption certification is rescinded and thereafter such

189 town shall implement a revaluation in accordance with the provisions  
190 of subsection (b) of section 12-62 of the general statutes. Any such  
191 town shall not be eligible to certify an exemption from the requirement  
192 to implement a revaluation, pursuant to section 12-62 of the general  
193 statutes, as amended by this act, any earlier than the date that is five  
194 years after the date on which the town certified the exemption from  
195 the requirement to implement a revaluation that the secretary  
196 rescinded. If the secretary determines that such town's revaluation  
197 exemption certification could not have been made unless the town  
198 intentionally disregarded the provisions of section 12-62 of the general  
199 statutes, as amended by this act, in order to subvert the requirement to  
200 implement a scheduled revaluation, the secretary may impose a  
201 penalty against such town. The secretary shall determine the amount  
202 of such penalty and the method by which it shall be paid, which may  
203 include subtracting such amount from any grant the payment of which  
204 the secretary certifies to the Comptroller in the fiscal year in which the  
205 penalty is imposed, or in the fiscal year next following. Prior to  
206 imposing any such penalty, the secretary, or the secretary's designee,  
207 shall hold a hearing and shall send a written notice to the town of the  
208 date, time and place thereof not later than ten business days before  
209 such hearing is scheduled. Not later than thirty days following the  
210 conclusion of such hearing, the secretary shall determine if imposition  
211 of a penalty is warranted and shall send a written notice of such  
212 determination to the town. In the event the secretary imposes a  
213 penalty, such notice shall state the amount of such penalty and the  
214 method by which it shall be paid. The secretary shall send any notice  
215 required by this section by certified or registered mail. Any town  
216 aggrieved by the action of the secretary following such hearing or by  
217 the amount of the penalty imposed may appeal to the superior court  
218 for the judicial district wherein such town is located. Such appeal shall  
219 be taken not later than ten business days after the date on which the  
220 town receives the secretary's notice concerning such penalty. Any such  
221 appeal shall be privileged.

222 (e) On and after July 1, 2002, the provisions of this section and

223 section 12-62 of the general statutes, as amended by this act, shall  
224 supercede the provisions of any special act, charter or home rule  
225 ordinance to the contrary concerning the year a revaluation is required  
226 to be implemented.

227 Sec. 4. Subsection (c) of section 9-199 of the general statutes is  
228 repealed and the following is substituted in lieu thereof (*Effective from*  
229 *passage*):

230 (c) Notwithstanding the provisions of subsection (a) of this section  
231 or of any special act, municipal charter or home rule ordinance, a  
232 municipality may, by ordinance, authorize its legislative body to  
233 appoint additional members to the board of assessment appeals for  
234 any assessment year. [in which a revaluation becomes effective, for the  
235 assessment year prior to such year of revaluation and for the  
236 assessment year following such year of revaluation.]

237 Sec. 5. Subdivision (11) of section 12-81 is repealed and the  
238 following is substituted in lieu thereof (*Effective from passage*):

239 (11) Subject to the provisions of section 12-88, tangible property  
240 owned by, or held in trust for, a religious organization, provided such  
241 tangible property is used exclusively for cemetery purposes; donations  
242 held in trust by a municipality, an ecclesiastical society or a cemetery  
243 association, the income of which is to be used for the care or  
244 improvement of its cemetery, or of one or more private burial lots  
245 within such cemetery. Subject to the provisions of sections 12-87 and  
246 12-88, any other tangible property used for cemetery purposes shall  
247 not be exempt, unless (a) such tangible property is exclusively so used,  
248 and (b) no officer, member or employee of the organization owning  
249 such property receives or, at any future time, shall receive any  
250 pecuniary profit from the cemetery operations thereof except  
251 reasonable compensation for services in the conduct of its cemetery  
252 affairs, and (c) in 1965, and quadrennially thereafter, a statement on  
253 forms prepared by the [Secretary of the Office of Policy and  
254 Management] assessor shall be filed on or before the last day required

255 by law for the filing of assessment returns with the local board of  
256 assessors of any town, consolidated town and city or consolidated  
257 town and borough, in which any of its property claimed to be exempt  
258 is situated.

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>from passage</i>
Sec. 4	<i>from passage</i>
Sec. 5	<i>from passage</i>

**FIN**      *Joint Favorable Subst.*