



General Assembly

February Session, 2002

**Bill No. 36**

LCO No. 312

Referred to Committee on Finance, Revenue and Bonding

Introduced by:

SEN. DELUCA, 32<sup>nd</sup> Dist.

REP. WARD, 86<sup>th</sup> Dist.

**AN ACT CONCERNING METHODS OF MITIGATING THE EFFECTS OF REVALUATION IN A MUNICIPALITY SUBJECT TO THE PROVISIONS OF SPECIAL ACT 01-1.**

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

1       Section 1. (*Effective from passage*) (a) Any municipality that is subject  
2 to the provisions of special act 01-1 may, with respect to the October 1,  
3 2001, assessment list in such municipality in which a revaluation  
4 becomes effective, as required under section 12-62 of the general  
5 statutes, by vote of its legislative body and in the manner provided in  
6 this subsection, defer all or any part of the amount of any increase in  
7 the assessed value of real property included in the assessment list in  
8 the year such revaluation becomes effective, provided in the year such  
9 revaluation becomes effective and in any succeeding year in which  
10 such deferment is allowed by such municipality, the assessed value of  
11 any real property in the year immediately preceding revaluation shall  
12 be increased in such equal amounts in each of the succeeding years  
13 such that the assessed value of such real property in the last year of  
14 such deferment, but in no event later than the fourth year following

15 the year of such revaluation, shall be no less than the assessed value  
16 applicable to such property in the year of revaluation except for  
17 deferment of such increased assessment in accordance with this  
18 subsection. In any municipality electing to defer all or any part of the  
19 amount of such increase in the assessed value of real property over the  
20 period of four years immediately following the year of revaluation, as  
21 provided in this subsection, subject to approval by the legislative body,  
22 as provided in this section, with respect to real property included in  
23 the assessment list in the year of such revaluation, new real estate  
24 construction in such municipality which is completed and determined  
25 to be subject to property tax as provided in section 12-53a of the  
26 general statutes after the assessment date in the year of such  
27 revaluation and prior to the assessment date in the fourth year  
28 following the year of such revaluation, may be assessed during such  
29 period in a manner similar to that provided in this subsection for real  
30 property included in the assessment list in the year of such  
31 revaluation, deferring a portion of the actual assessed value of such  
32 new construction as of the date liability for property tax is established  
33 and adding such portion in equal increments to an assessed value for  
34 such new construction estimated as that which would have been  
35 applicable if it had been completed immediately prior to the  
36 assessment date in the year of such revaluation, provided such  
37 increments shall be added in each assessment year commencing with  
38 the year in which liability for property tax is so established and ending  
39 not later than the fourth year following the year of such revaluation.  
40 The assessed value for purposes of this subsection in each of said years  
41 shall be determined as the sum of (1) such estimated assessed value,  
42 (2) any of the equal increments already added to such estimated value  
43 for purposes of determining the assessed value in accordance with this  
44 subsection, and (3) the increment for the year with respect to which  
45 such assessed value is being determined. The portion of the actual  
46 assessed value of such new construction as of the date of such liability  
47 which is to be deferred and added in increments to such estimated  
48 assessed value shall be the amount by which the actual assessed value

49 of such new construction on the date tax liability is so established  
50 exceeds the estimated assessed value for such new construction as  
51 described in this subsection.

52 (b) Any municipality which has elected to defer all or any part of  
53 the amount of increase in the assessed value of real property as  
54 provided in subsection (a) of this section may (1) continue the plan of  
55 such deferment as approved by the legislative body of such  
56 municipality until the fourth year following the year of such  
57 revaluation as provided in said subsection (a), or (2) at any time,  
58 subject to approval by the legislative body in such municipality,  
59 discontinue the plan of such deferment as adopted and,  
60 notwithstanding the provisions of section 7-344 of the general statutes  
61 and any public or special act or charter, lay such rate of property tax  
62 on the assessment list for the assessment year in which such  
63 discontinuance occurs, as completed and placed in the assessor's office  
64 in accordance with section 12-55 of the general statutes, without any  
65 deferment of amounts of increase in assessed values in accordance  
66 with said subsection (a), in the amount that would have been  
67 applicable with respect to said assessment list if such plan of  
68 deferment had not been adopted. In the event any such tax in  
69 accordance with said subsection (a) has been levied and become due  
70 and payable in such assessment year prior to the date of such  
71 discontinuance as provided in this subsection, the amount of tax due  
72 and payable under this subsection shall be that portion of such tax in  
73 excess of the amount of tax due and payable prior to the date of such  
74 discontinuance and which amount, notwithstanding discontinuance of  
75 such plan of deferment, shall continue to be collectible by the tax  
76 collector. Within a period not exceeding thirty days following the date  
77 on which such plan of deferment is discontinued, the assessor in such  
78 municipality shall notify the tax collector as to the additional amounts  
79 of such tax due with respect to the assessment list for the assessment  
80 year in which such discontinuance occurs and the tax collector shall,  
81 not later than ten days after such notice, mail a bill to the owner of  
82 each parcel of real property subject to such additional tax. Such tax

83 shall be due and payable and collectible as other municipal property  
84 taxes, except that such tax shall be due and payable in an initial or  
85 single installment not sooner than thirty days following the date such  
86 bill is mailed to the owner and in any remaining installments of equal  
87 amounts as the same are determined to be due and payable by the  
88 legislative body.

89       Sec. 2. (*Effective from passage*) (a) Any municipality that is subject to  
90 the provisions of special act 01-1 may, by vote of its legislative body,  
91 with respect to the October 1, 2001, assessment list in such  
92 municipality in which a revaluation becomes effective, as required  
93 under section 12-62 of the general statutes, provide for a gradual  
94 increase in assessed values of real property for purposes of property  
95 tax, commencing with the year in which such revaluation becomes  
96 effective and continuing for a certain number of years as elected by  
97 such municipality, not exceeding four years immediately following the  
98 year of such revaluation. Such gradual increase in assessed values shall  
99 be the result of incremental increases in the rate of assessment of real  
100 property, to be added as provided in subsection (b) of this section to  
101 the assessment ratio determined under section 10-261a of the general  
102 statutes for the year immediately preceding revaluation in such  
103 municipality.

104       (b) Upon electing to increase assessed values in the manner allowed  
105 in this section, any such municipality shall determine, with respect to  
106 said assessment ratio for the year immediately preceding such  
107 revaluation, the difference between the assessment rate at seventy per  
108 cent of present true and actual value, as required under subsection (b)  
109 of section 12-62a of the general statutes, and said ratio of assessed  
110 value of real property to fair market value in the year immediately  
111 preceding revaluation for such municipality. Such difference shall  
112 represent the portion of the assessment rate at seventy per cent to be  
113 added to said ratio for such municipality in attaining the required  
114 assessment rate of seventy per cent of present true and actual value.  
115 Such amount shall be added to said ratio in equal increments, as

116 determined in accordance with this subsection, over the number of  
117 years elected by such municipality, provided the total number of years  
118 for such purpose may not exceed five years including the year of such  
119 revaluation. For the purposes of this subsection, increments shall be  
120 considered equal if such increments are equal (1) in terms of the  
121 absolute amount of the increase in the assessment ratio for each of the  
122 years of such gradual increase in assessed value, or (2) in terms of the  
123 percentage of increase in the assessment ratio from year to year which  
124 is applicable to such gradual increase in assessed value, for each year  
125 of the term of such gradual increase in assessed value.

126 (c) In a municipality which has adopted the assessment procedure  
127 allowed in this section, new construction which is first assessed for  
128 purposes of property tax, after the assessment date on which such  
129 revaluation becomes effective but before the assessment rate has been  
130 increased to seventy per cent of present true and actual value, shall be  
131 assessed initially at the rate applicable in the procedure as adopted by  
132 such municipality at the time of such initial assessment, and thereafter  
133 at the rate of assessment applicable with respect to all real property on  
134 the assessment list in such municipality.

135 Sec. 3. (*Effective from passage*) Notwithstanding the provisions of  
136 subsection (b) of section 12-62 of the general statutes, the assessor of  
137 any municipality that elects to defer all or any part of the amount of  
138 any increase in the assessed value of real property included in the  
139 October 1, 2001, assessment list in such municipality, pursuant to the  
140 provisions of sections 1 or 2 of this act, shall revalue all of the real  
141 estate in such municipality for assessment purposes, for the  
142 assessment year commencing October 1, 2006. All provisions of said  
143 section 12-62, with the exception of the Year of Subsequent  
144 Revaluation as set forth in subsection (b) of said section 12-62, shall be  
145 applicable with respect to the conduct of the revaluation to be effective  
146 as of the assessment year commencing October 1, 2006.

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>

**FIN**      *Joint Favorable*