



House of Representatives

File No. 627

General Assembly

January Session, 2003

(Reprint of File No. 299)

House Bill No. 5264
As Amended by House
Amendment Schedule "A"

Approved by the Legislative Commissioner
May 2, 2003

AN ACT CONCERNING AN OPTIONAL INCREASE IN THE VETERANS' PROPERTY TAX EXEMPTION.

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

1 Section 1. Section 12-81f of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2003, and*
3 *applicable to assessment years commencing on and after October 1, 2003*):

4 (a) Any municipality, upon approval by its legislative body, may
5 provide that any veteran entitled to an exemption from property tax in
6 accordance with subdivision (19) of section 12-81 shall be entitled to an
7 additional exemption, [applicable to the assessed value of property up
8 to the amount of ten thousand dollars,] provided such veteran's
9 qualifying income does not exceed (1) the applicable maximum
10 amount as provided under section 12-81l, or (2) an amount established
11 by the municipality, not exceeding the maximum amount under said
12 section 12-81l by more than twenty-five thousand dollars. The
13 exemption provided for under this subsection shall be applied to the
14 assessed value of an eligible veteran's property and, at the option of
15 the municipality, may be an amount up to ten thousand dollars or an

16 amount up to ten per cent of such assessed value.

17 (b) Any municipality, upon approval by its legislative body, may
18 provide that any veteran's surviving spouse entitled to an exemption
19 from property tax in accordance with subdivision (22) of section 12-81
20 shall be entitled to an additional exemption, [applicable to the assessed
21 value of property up to the amount of ten thousand dollars,] provided
22 such surviving spouse's qualifying income does not exceed (1) the
23 maximum amount applicable to an unmarried person as provided
24 under section 12-811, or (2) an amount established by the municipality,
25 not exceeding the maximum amount under said section 12-811 by more
26 than twenty-five thousand dollars. The exemption provided for under
27 this subsection shall be applied to the assessed value of an eligible
28 surviving spouse's property and, at the municipality's option, may be
29 in an amount up to ten thousand dollars or in an amount up to ten per
30 cent of such assessed value.

31 (c) Any such veteran or spouse submitting a claim for such
32 additional exemption shall be required to file an application on a form
33 prepared for such purpose by the assessor, not later than the
34 assessment date with respect to which such additional exemption is
35 claimed, provided when an applicant has filed for such exemption and
36 received approval for the first time, such applicant shall be required to
37 file for such exemption biennially thereafter, subject to the provisions
38 of subsection (d) of this section. Each such application shall include a
39 copy of such veteran's or spouse's federal income tax return, or in the
40 event such a return is not filed such evidence related to income as may
41 be required by the assessor, for the tax year of such veteran or spouse
42 ending immediately prior to the assessment date with respect to which
43 such additional exemption is claimed.

44 (d) Any person who has submitted application and been approved
45 in any year for the additional exemption under subsection (a) or (b) of
46 this section shall, in the year immediately following approval, be
47 presumed to be qualified for such exemption. During the year
48 immediately following such approval, the assessor shall notify, in

49 writing, each person presumed to be qualified pursuant to this
50 subsection. If any such person has qualifying income in excess of the
51 maximum allowed under said subsection (a) or (b), such person shall
52 notify the assessor on or before the next filing date for such exemption
53 and shall be denied such exemption for the assessment year
54 immediately following and for any subsequent year until such person
55 has reapplied and again qualified for such exemption. Any person
56 who fails to notify the assessor of such disqualification shall make
57 payment to the municipality in the amount of property tax loss related
58 to the exemption improperly taken.

This act shall take effect as follows:	
Section 1	<i>July 1, 2003, and applicable to assessment years commencing on and after October 1, 2003</i>

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 04 \$	FY 05 \$
Various Municipalities	Cost	Minimal	Minimal

Explanation

Municipalities electing to increase the optional property tax assessment exemption would experience a minimal loss in their net grand list (assessed value less exemptions allowed under state law). It assumed that the impact to a municipality would not be significant enough to require an adjustment to their mill rate to offset a minimal net grand list reduction.

House 'A' struck the bill and removed the original fiscal impact stated in the file copy.

OLR Amended Bill Analysis

HB 5264 (as amended by House "A")*

AN ACT CONCERNING AN OPTIONAL INCREASE IN THE VETERANS' PROPERTY TAX EXEMPTION**SUMMARY:**

This bill expands the number of veterans and their surviving spouses eligible for an optional property tax exemption. Specifically, it increases the maximum income a person can have and be eligible for the program by \$25,000, to \$41,200 for a single veteran or a survivor of a veteran and \$45,000 for a married veteran. To be eligible for the optional benefit, the person must be eligible for the \$1,000 property tax exemption that municipalities must provide for veterans and their surviving spouses.

Under current law, municipalities can exempt up to \$10,000 of the property's value. The bill alternatively allows the municipality to set a maximum exemption of up to 10% of the property's value.

*House Amendment "A" allows municipalities to set the maximum exemption at \$10,000, as permitted under current law, as an alternative to setting the maximum at 10% of the property's value.

EFFECTIVE DATE: July 1, 2003 and applicable to assessment years starting on and after October 1, 2003.

BACKGROUND***Legislative History***

On April 15, the House referred the original version of this bill (File 299) to the Finance, Revenue and Bonding Committee, which favorably reported it on April 24.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Report
Yea 16 Nay 0

Finance, Revenue and Bonding Committee

Joint Favorable Report
Yea 42 Nay 0