



House of Representatives

File No. 761

General Assembly

January Session, 2003

(Reprint of File No. 645)

House Bill No. 6169
As Amended by House
Amendment Schedule "A"

Approved by the Legislative Commissioner
May 23, 2003

AN ACT CONCERNING APPLICATION OF THE PROPERTY TAX TO QUASI-PUBLIC AGENCIES.

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

1 Section 1. (NEW) (*Effective October 1, 2003, and applicable to assessment*
2 *years commencing on or after October 1, 2003*) (a) As used in this section,
3 "quasi-public agency" has the meaning as provided in subdivision (1)
4 of section 1-120 of the general statutes.

5 (b) Notwithstanding any other provision of the general statutes
6 exempting real property owned by a quasi-public agency from
7 municipal property taxation, any real property acquired by a quasi-
8 public agency for future use which is not during an assessment year
9 held or used in furtherance of one or more purposes of such quasi-
10 public agency under any provision of the general statutes or any other
11 public purpose shall be subject to property taxation for such
12 assessment year in the municipality in which such property is located
13 provided each of the following conditions is satisfied: (1) Such
14 property has been owned of record by the quasi-public agency for a
15 period of at least one year prior to and including the assessment date

16 for such assessment year, (2) such property is used during such
17 assessment year for an income producing purpose, (3) such property
18 would be subject to real property taxation under chapter 203 of the
19 general statutes but for its ownership by the quasi-public agency, and
20 (4) grants or payments in lieu of property taxes are not otherwise being
21 made to the municipality with respect to such property by the quasi-
22 public agency, the state or any other person pursuant to law or any
23 agreement with such municipality.

This act shall take effect as follows:	
Section 1	<i>October 1, 2003, and applicable to assessment years commencing on or 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	Potential Grand List Increase	See Below	See Below

Explanation

The bill as amended would result in an increase to a municipality's grand list to the extent that a quasi-public agency owns real property and does not use it for furtherance of one or more purposes of such quasi-public agency or any other public purpose.

House "A" clarified the intent of the bill and results in the fiscal impact outlined above.

OLR Bill Analysis

HB 6169 (as amended by House "A")*

AN ACT CONCERNING APPLICATION OF THE PROPERTY TAX TO QUASI-PUBLIC AGENCIES**SUMMARY:**

This bill sets conditions under which towns can tax real property a state quasi-public agency acquired for future use. Towns can do this if:

1. the agency holds or uses the property for any purpose other than a public purpose or one of its legally authorized purposes;
2. the agency owned the property for at least one year prior to and including the October 1 assessment date for the assessment year in which the property is taxed;
3. the agency used the property during that assessment year to produce income;
4. the property would have been taxed if the agency did not own it; and
5. neither the agency, the state, or any other party made grants or payments in lieu of taxes to the town under law or agreement with the town.

Towns can continue taxing the property until the assessment year in which the agency begins to use it for statutory or public purpose.

The bill applies to real property owned by the Connecticut Development Authority, Connecticut Innovations, Inc., Connecticut Health and Educational Facilities Authority, Connecticut Higher Education Supplemental Loan Authority, Connecticut Housing Finance Authority, Connecticut Housing Authority, Connecticut Resources Recovery Authority, Connecticut Hazardous Waste Management Service, Connecticut Port Authority, Capital City Economic Development Authority, and Connecticut Lottery

Corporation.

*House Amendment "A" eliminates the bill's original provisions, which required the agencies to pay property taxes on any real and personal property used for a purpose that is beyond their scope of duties.

EFFECTIVE DATE: October 1, 2003 and applicable to assessment years beginning on or after that date.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Change of Reference
Yea 17 Nay 0

Finance, Revenue and Bonding Committee

Joint Favorable Report
Yea 30 Nay 12