



Senate

General Assembly

File No. 283

February Session, 2004

Substitute Senate Bill No. 455

Senate, March 29, 2004

The Committee on Planning and Development reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT MAKING THE SOUTH FIRE DISTRICT ELIGIBLE FOR PAYMENTS IN LIEU OF TAXES.

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

1 Section 1. Section 12-19a of the general statutes is amended by
2 adding subsection (f) as follows (*Effective July 1, 2004*):

3 (NEW) (f) For the fiscal year commencing July 1, 2004, and each
4 fiscal year thereafter, the city of Middletown shall make payable to the
5 South Fire District a portion of the grant payable under this section to
6 said city. The portion payable to said district under this subsection
7 shall be equal to the amount which results from application of the
8 district mill rate to the real property on which is located the
9 Connecticut Juvenile Training School, Connecticut Valley Hospital and
10 Riverview Hospital for Children and Youth.

This act shall take effect as follows:

Section 1	July 1, 2004
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PD *Joint Favorable Subst.*

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 05 \$	FY 06 \$
Middletown	See Below	See Below	See Below

Explanation

Beginning in FY 05 the city of Middletown would have to share a portion of its State Real Property PILOT with the South Fire District. As Middletown's South Fire District's mill rate is approximately 11% of the City of Middletown's mill rate (3.34 as compared to .31.2), the city would share approximately 11% of its PILOT for the district.

OLR Bill Analysis

sSB 455

AN ACT MAKING THE SOUTH FIRE DISTRICT ELIGIBLE FOR PAYMENTS IN LIEU OF TAXES**SUMMARY:**

This bill requires Middletown to share the state grant in lieu of taxes it receives for three state-owned properties with the South Fire District, which is an independent taxing district located entirely within the city. The properties are the Connecticut Juvenile Training School, Connecticut Valley Hospital (CVH), and Riverview Hospital for Children, all which lie in the district. Middletown must give the district an amount equal to the taxes the district would have collected on these tax-exempt properties based on its mill rate. Under current law, districts do not qualify for the grants.

The law exempts state-owned property from property taxes. The state grants in lieu of taxes reimburse towns for some of the revenue they lose because of the exemption. The grant amount equals a specified percentage of the taxes towns would have collected on these properties, but the state proportionately reduces the amounts if the total exceeds the amount the legislature budgeted for the grants. The percentage for prisons and juvenile centers is 100%; for CVH, 65%; and most other state property, including Riverview Hospital, 45%.

EFFECTIVE DATE: July 1, 2004

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 19 Nay 0