



General Assembly

February Session, 2004

**Substitute Bill No. 5475**

\*        HB05475TRA        042104        \*

**AN ACT CONCERNING THE SITUS OF MOTOR VEHICLES FOR  
PROPERTY TAX PURPOSES.**

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

1       Section 1. Subsection (b) of section 12-41 of the general statutes is  
2       repealed and the following is substituted in lieu thereof (*Effective from*  
3       *passage*):

4       (b) No person required by law to file an annual declaration of  
5       personal property shall include in such declaration motor vehicles  
6       which are registered in the office of the state Commissioner of Motor  
7       Vehicles. With respect to any vehicle subject to taxation in a town other  
8       than the town in which such vehicle is registered, pursuant to section  
9       12-71, as amended by this act, information concerning such vehicle  
10       may be included in a declaration filed pursuant to this section or  
11       section 12-43, or on a report filed pursuant to section 12-57a.

12       Sec. 2. Section 12-71 of the general statutes is repealed and the  
13       following is substituted in lieu thereof (*Effective from passage*):

14       (a) All goods, chattels and effects or any interest therein, including  
15       any interest in a leasehold improvement classified as other than real  
16       property, belonging to any person who is a resident in this state, shall  
17       be listed for purposes of property tax in the town where such person  
18       resides, subject to the provisions of sections [12-42] 12-41, as amended

19 by this act, 12-43 and 12-59. Any such property belonging to any  
20 nonresident shall be listed for purposes of property tax as provided in  
21 section 12-43. Motor vehicles and snowmobiles shall be listed for  
22 purposes of the property tax in accordance with subsection (f) of this  
23 section.

24 (b) [All] Except as otherwise provided by the general statutes,  
25 property subject to this section shall be valued at the same percentage  
26 of its then actual valuation as the assessors have determined with  
27 respect to the listing of real estate for the same year, except that any  
28 motor vehicle for which number plates have been issued under section  
29 14-20 [and any aircraft manufactured prior to January 1, 1946,] shall be  
30 assessed at a value of not more than five hundred dollars. [except  
31 when otherwise provided by law.] The provisions of this section shall  
32 not include money or property actually invested in merchandise or  
33 manufacturing carried on out of this state or machinery or equipment  
34 which would be eligible for exemption under subdivision (72) of  
35 section 12-81, as amended, once installed and which cannot begin or  
36 which has not begun manufacturing, processing or fabricating; or  
37 which is being used for research and development, including  
38 experimental or laboratory research and development, design or  
39 engineering directly related to manufacturing or being used for the  
40 significant servicing, overhauling or rebuilding of machinery and  
41 equipment for industrial use or the significant overhauling or  
42 rebuilding of other products on a factory basis or being used for  
43 measuring or testing or metal finishing or in the production of motion  
44 pictures, video and sound recordings.

45 (c) Upon payment of the property tax assessed with respect to any  
46 property referred to in this section, owned by a resident or nonresident  
47 of this state, which is currently used or intended for use in relation to  
48 construction, building, grading, paving or similar projects, including,  
49 but not limited to, motor vehicles, bulldozers, tractors and any  
50 trailer-type vehicle, excluding any such equipment weighing less than  
51 five hundred pounds, and excluding any motor vehicle subject to  
52 registration pursuant to chapter 246 or exempt from such registration

53 by section 14-34, the town in which such equipment is taxed shall  
54 issue, at the time of such payment, for display on a conspicuous  
55 surface of each such item of equipment for which such tax has been  
56 paid, a validation decal or sticker, identifiable as to the year of issue,  
57 which will be presumptive evidence that such tax has been paid in the  
58 appropriate town of the state.

59 (d) (1) Personal property subject to taxation under this chapter shall  
60 not include computer software, except when the cost thereof is  
61 included, without being separately stated, in the cost of computer  
62 hardware. "Computer software" shall include any program or routine  
63 used to cause a computer to perform a specific task or set of tasks,  
64 including without limitation, operational and applicational programs  
65 and all documentation related thereto.

66 (2) The provisions of subdivision (1) of this subsection shall be  
67 applicable (A) to the assessment year commencing October 1, 1988,  
68 and each assessment year thereafter, and (B) to any assessment of  
69 computer software made after September 30, 1988, for any assessment  
70 year commencing before October 1, 1988.

71 (3) Nothing contained in this subsection shall create any implication  
72 related to liability for property tax with respect to computer software  
73 prior to July 1, 1989.

74 (4) A certificate of correction in accordance with section 12-57 shall  
75 not be issued with respect to any property described in subdivision (1)  
76 of this subsection for any assessment year commencing prior to  
77 October 1, 1989.

78 (e) For assessment years commencing on or after October 1, 1992,  
79 each municipality shall exempt aircraft, as defined in section 15-34,  
80 from the provisions of this chapter.

81 (f) (1) Property subject to taxation under this chapter shall include  
82 each registered and unregistered motor vehicle and snowmobile that,  
83 in the normal course of operation, most frequently leaves from and

84 returns to or remains in a town in this state, and any other motor  
85 vehicle or snowmobile located in a town in this state, which motor  
86 vehicle or snowmobile is not used or is not capable of being used.

87 (2) Any motor vehicle or snowmobile registered in this state subject  
88 to taxation in accordance with the provisions of this subsection shall be  
89 set in the list of the town where such vehicle in the normal course of  
90 operation most frequently leaves from and returns to or in which it  
91 remains. It shall be presumed that any such motor vehicle or  
92 snowmobile most frequently leaves from and returns to or remains in  
93 the town in which the owner of such vehicle resides, unless a provision  
94 of this subsection otherwise expressly provides. As used in this  
95 subsection, "the town in which the owner of such vehicle resides"  
96 means the town in this state where (A) the owner, if an individual, has  
97 established a legal residence consisting of a true, fixed and permanent  
98 home to which such individual intends to return after any absence, or  
99 (B) the owner, if a company, corporation, limited liability company,  
100 partnership, firm or any other type of public or private organization,  
101 association or society, has an established site for conducting the  
102 purposes for which it was created. In the event such an entity resides  
103 in more than one town in this state, it shall be subject to taxation by  
104 each such town with respect to any registered or unregistered motor  
105 vehicle or snowmobile that most frequently leaves from and returns to  
106 or remains in such town.

107 (3) Any motor vehicle owned by a nonresident of this state shall be  
108 set in the list of the town where such vehicle in the normal course of  
109 operation most frequently leaves from and returns to or in which it  
110 remains. If such vehicle in the normal course of operation most  
111 frequently leaves from and returns to or remains in more than one  
112 town, it shall be set in the list of the town in which such vehicle is  
113 located for the three or more months preceding the assessment day in  
114 any year, except that, if such vehicle is located in more than one town  
115 for three or more months preceding the assessment day in any year, it  
116 shall be set in the list of the town where it is located for the three  
117 months or more in such year nearest to such assessment day. In the

118 event a motor vehicle owned by a nonresident is not located in any  
119 town for three or more of the months preceding the assessment day in  
120 any year, such vehicle shall be set in the list of the town where such  
121 vehicle is located on such assessment day.

122 (4) Notwithstanding any provision of subdivision (2) of this  
123 subsection: (A) Any registered motor vehicle that is assigned to an  
124 employee of the owner of such vehicle for the exclusive use of such  
125 employee and which, in the normal course of operation most  
126 frequently leaves from and returns to or remains in such employee's  
127 town of residence, shall be set in the list of the town where such  
128 employee resides; (B) any registered motor vehicle that is being  
129 operated, pursuant to a lease, by a person other than the owner of such  
130 vehicle, or such owner's employee, shall be set in the list of the town  
131 where the person who is operating such vehicle pursuant to said lease  
132 resides; (C) any registered motor vehicle designed or used for  
133 recreational purposes, including, but not limited to, a camp trailer,  
134 camper or motor home, shall be set in the list of the town such vehicle,  
135 in the normal course of its operation for camping, travel or recreational  
136 purposes in this state, most frequently leaves from and returns to or  
137 the town in which it remains. If such a vehicle is not used in this state  
138 in its normal course of operation for camping, travel or recreational  
139 purposes, such vehicle shall be set in the list of the town in this state in  
140 which the owner of such vehicle resides; and (D) any registered motor  
141 vehicle that is used or intended for use for the purposes of  
142 construction, building, grading, paving or similar projects, or to  
143 facilitate any such project, shall be set in the list of the town in which  
144 such project is situated if such vehicle is located in said town for the  
145 three or more months preceding the assessment day in any year,  
146 provided (i) if such vehicle is located in more than one town in this  
147 state for three or more months preceding the assessment day in any  
148 year, such vehicle shall be set in the list of the town where it is located  
149 for the three months or more in such year nearest to such assessment  
150 day, and (ii) if such vehicle is not located in any town for three or more  
151 of the months preceding the assessment day in any year, such vehicle

152 shall be set in the list of the town where such vehicle is located on such  
153 assessment day.

154 (5) The owner of a motor vehicle subject to taxation in accordance  
155 with the provisions of subdivision (4) of this subsection in a town other  
156 than the town in which such owner resides may register such vehicle  
157 in the town in which such vehicle is subject to taxation.

158 (6) Information concerning any vehicle subject to taxation in a town  
159 other than the town in which it is registered may be included on any  
160 declaration or report filed pursuant to section 12-41, as amended by  
161 this act, 12-43 or 12-57a. If a motor vehicle or snowmobile is registered  
162 in a town in which it is not subject to taxation, pursuant to the  
163 provisions of subdivision (4) of this section, the assessor of the town in  
164 which such vehicle is subject to taxation shall notify the assessor of the  
165 town in which such vehicle is registered of the name and address of  
166 the owner of such motor vehicle or snowmobile, the vehicle  
167 identification number and the town in which such vehicle is subject to  
168 taxation. The assessor of the town in which said vehicle is registered  
169 and the assessor of the town in which said vehicle is subject to taxation  
170 shall cooperate in administering the provisions of this section  
171 concerning the listing of such vehicle for property tax purposes.

172 Sec. 3. Section 14-163 of the general statutes is repealed and the  
173 following is substituted in lieu thereof (*Effective July 1, 2004*):

174 [The commissioner, on or before the first day of December,  
175 annually, shall furnish to the tax assessors in each town a list  
176 containing the names and addresses of the owners of motor vehicles  
177 and snowmobiles residing in their respective towns, as they appear by  
178 the records of the Department of Motor Vehicles, with a description of  
179 such vehicles. The commissioner shall, on or before December 1, 2000,  
180 and December first, annually thereafter, furnish to the Commissioner  
181 of Revenue Services a list containing the names, addresses and federal  
182 Social Security account numbers or federal employer identification  
183 numbers, or both, if available, of the owners of motor vehicles as they

184 appear by the records of the Department of Motor Vehicles, and the  
185 vehicle identification numbers of such vehicles, in order to establish  
186 the identification of persons affected by the tax laws of the state.]

187 (a) The commissioner shall compile information concerning motor  
188 vehicles and snowmobiles subject to property taxation pursuant to  
189 section 12-71, as amended by this act, using the records of the  
190 Department of Motor Vehicles and information reported by owners of  
191 motor vehicles and snowmobiles. In addition to any other information  
192 the owner of a motor vehicle or snowmobile is required to file with the  
193 commissioner by law, such owner shall provide the commissioner with  
194 the name of the town in which such owner's motor vehicle or  
195 snowmobile is to be set in the list for property tax purposes, pursuant  
196 to section 12-71, as amended by this act. On or before December 1,  
197 2004, and annually thereafter, the commissioner shall furnish to each  
198 assessor in this state a list identifying motor vehicles and snowmobiles  
199 that are subject to property taxation in each such assessor's town. Said  
200 list shall include the names and addresses of the owners of such motor  
201 vehicles and snowmobiles, together with the vehicle identification  
202 numbers for all such vehicles for which such numbers are available.

203 (b) On or before October 1, 2004, and annually thereafter, the  
204 commissioner shall furnish to each assessor in this state a list  
205 identifying motor vehicles and snowmobiles in each such assessor's  
206 town that were registered subsequent to the first day of October of the  
207 assessment year immediately preceding, but prior to the first day of  
208 August in such assessment year, and that are subject to property  
209 taxation on a supplemental list pursuant to section 12-71b. In addition  
210 to the information for each such vehicle and snowmobile specified  
211 under subsection (a) of this section that is available to the  
212 commissioner, the list provided under this subsection shall include a  
213 code related to the date of registration of each such vehicle or  
214 snowmobile.

This act shall take effect as follows:

Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>
Sec. 3	<i>July 1, 2004</i>

**FIN**      *Joint Favorable Subst.-LCO*

**TRA**      *Joint Favorable*