



General Assembly

February Session, 2004

Raised Bill No. 5646

LCO No. 2060

* _____ HB05646FIN __ 032604 _____ *

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

**AN ACT CONCERNING REAL ESTATE CONVEYANCE TAX
TREATMENT OF EMPLOYEE RELOCATIONS.**

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

1 Section 1. Subsection (a) of section 12-498 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2004, and applicable to conveyances occurring on or after July 1, 2004*):

4 (a) The tax imposed by section 12-494, as amended, shall not apply
5 to: (1) Deeds which this state is prohibited from taxing under the
6 Constitution or laws of the United States; (2) deeds which secure a
7 debt or other obligation; (3) deeds to which this state or any of its
8 political subdivisions or its or their respective agencies is a party; (4)
9 tax deeds; (5) deeds of release of property which is security for a debt
10 or other obligation; (6) deeds of partition; (7) deeds made pursuant to
11 mergers of corporations; (8) deeds made by a subsidiary corporation to
12 its parent corporation for no consideration other than the cancellation
13 or surrender of the subsidiary's stock; (9) deeds made pursuant to a
14 decree of the Superior Court under section 46b-81, 49-24 or 52-495; (10)
15 deeds, when the consideration for the interest or property conveyed is
16 less than two thousand dollars; (11) deeds between affiliated

17 corporations, provided both of such corporations are exempt from
18 taxation pursuant to paragraph (2), (3) or (25) of Section 501(c) of the
19 Internal Revenue Code of 1986, or any subsequent corresponding
20 internal revenue code of the United States, as from time to time
21 amended; (12) deeds made by a corporation which is exempt from
22 taxation pursuant to paragraph (3) of Section 501(c) of the Internal
23 Revenue Code of 1986, or any subsequent corresponding internal
24 revenue code of the United States, as from time to time amended, to
25 any corporation which is exempt from taxation pursuant to said
26 paragraph (3) of said Section 501(c); (13) deeds made to any nonprofit
27 organization which is organized for the purpose of holding
28 undeveloped land in trust for conservation or recreation purposes; (14)
29 deeds between spouses; (15) deeds of property for the Adriaen's
30 Landing site or the stadium facility site, for purposes of the overall
31 project, each as defined in section 32-651; (16) land transfers made on
32 or after July 1, 1998, to a water company, as defined in section 16-1,
33 provided the land is classified as class I or class II land, as defined in
34 section 25-37c, after such transfer; [and] (17) transfers or conveyances
35 to effectuate a mere change of identity or form of ownership or
36 organization, where there is no change in beneficial ownership; and
37 (18) conveyances of residential property which occur not later than six
38 months after the date on which the property was previously conveyed
39 to the transferor if the transferor is (A) an employer which acquired the
40 property from an employee pursuant to an employee relocation plan,
41 or (B) an entity in the business of purchasing and selling residential
42 property of employees who are being relocated pursuant to such a
43 plan.

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| This act shall take effect as follows: | |
| Section 1 | <i>July 1, 2004, and applicable to conveyances occurring on or after July 1, 2004</i> |

FIN *Joint Favorable*