



Senate

General Assembly

January Session, 2005

File No. 298

Senate Bill No. 222

Senate, April 13, 2005

The Committee on Environment reported through SEN. STILLMAN of the 20th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING THE TAXATION OF CERTAIN PUBLIC GOLF COURSES.

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

1 Section 1. (NEW) (*Effective July 1, 2005*) (a) "Public golf course land"
2 means any golf course consisting of at least fifty acres of land that is
3 open for use by the public for golfing and that derives at least fifty per
4 cent of its annual revenues from daily fees or group outings.

5 (b) An owner of land may apply for its classification as public golf
6 course land on any grand list of a municipality by filing a written
7 application for such classification with the assessor thereof not earlier
8 than thirty days before or later than thirty days after the assessment
9 date, provided in a year in which a revaluation of all real property, in
10 accordance with section 12-62 of the general statutes, becomes effective
11 such application may be filed not later than ninety days after such
12 assessment date. An application for classification of land as public golf
13 course land shall be made upon a form prescribed by the

14 Commissioner of Revenue Services and shall set forth a description of
15 the land, a general description of the use to which it is being put, a
16 statement of the potential liability for tax under the provisions of
17 sections 12-504a to 12-504e, inclusive, of the general statutes and such
18 other information as the assessor may require to aid in determining
19 whether such land qualifies for such classification.

20 (c) Failure to file an application for classification of land as public
21 golf course land within the time limit prescribed in subsection (b) of
22 this section and in the manner and form prescribed in subsection (b) of
23 this section shall be considered a waiver of the right to such
24 classification on such assessment list.

25 (d) Any person aggrieved by the denial by an assessor of any
26 application for the classification of land as public golf course land shall
27 have the same rights and remedies for appeal and relief as are
28 provided in the general statutes for taxpayers claiming to be aggrieved
29 by the actions of assessors or boards of assessment appeals.

30 Sec. 2. Subsection (a) of section 12-63 of the general statutes is
31 repealed and the following is substituted in lieu thereof (*Effective July*
32 *1, 2005*):

33 (a) The present true and actual value of land classified as farm land
34 pursuant to section 12-107c, as forest land pursuant to section 12-107d,
35 or as open space land pursuant to section 12-107e shall be based upon
36 its current use without regard to neighborhood land use of a more
37 intensive nature, provided in no event shall the present true and actual
38 value of open space land be less than it would be if such open space
39 land comprised a part of a tract or tracts of land classified as farm land
40 pursuant to section 12-107c. The present true and actual value of land
41 classified as public golf course land pursuant to section 1 of this act
42 shall be based upon its value as raw land without any improvements
43 to the land that are incidental to the recreational uses of such land or
44 its current use and without regard to neighborhood land use of a more
45 intensive nature. The present true and actual value of all other
46 property shall be deemed by all assessors and boards of assessment

47 appeals to be the fair market value thereof and not its value at a forced
48 or auction sale.

This act shall take effect as follows and shall amend the following sections:		
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Section 1	<i>July 1, 2005</i>	New section
Sec. 2	<i>July 1, 2005</i>	12-63(a)

ENV *Joint Favorable*

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:

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Department of Revenue Services	GF - Cost	300,000	120,000

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 06 \$	FY 07 \$
Various Municipalities	See Below	See Below	See Below

Explanation

The bill requires the Department of Revenue Services to develop a separate classification for golf courses and determine its state and local potential tax liabilities. In order for DRS to comply with sections of this bill, the department will require two additional staff, appropriate computer software, and computer programming. There is anticipated an initial cost to the department of \$300,000 in FY 06 for computer software, programming and staffing. There is anticipated an ongoing cost of \$120,000 beginning in FY 07 for salaries and fringes and any additional computer reprogramming.

Under current law, public golf course land is assessed as commercial property for the purpose of local property tax assessment. The bill allows certain public golf course owners to have their golf course land assessed: (1) based on its value as undeveloped land without any improvements that are part of its recreational uses or its current use; and (2) without regard to more intensive land use in the neighborhood where the golf course is located.

This is expected to result in a significant loss in grand list value for towns that have public golf courses that would be assessed as undeveloped land under the provisions of the bill.

OLR Bill Analysis

SB 222

AN ACT CONCERNING THE TAXATION OF CERTAIN PUBLIC GOLF COURSES**SUMMARY:**

This bill authorizes assessors to assess public golf course land meeting specified criteria as raw, unimproved land, and regardless of neighboring uses. It specifies the process property owners must follow to apply for such an assessment.

EFFECTIVE DATE: July 1, 2005

PUBLIC GOLF COURSE LAND***Eligible Golf Courses***

Under the bill, a public golf course is any golf course (1) of at least 50 acres, (2) open to the public, and (3) that derives at least half its annual revenue from daily fees or group outings. The bill requires assessors to assess such land based upon its value as raw land without any improvements that are incidental to its recreational uses or current use, and without regard to neighborhood land use of a more intensive nature.

Application Procedure

The bill allows a property owner to apply for classification of public golf course land by filing a written application with the assessor within 30 days before or after the October 1 assessment date. In a year in which revaluation of real property takes effect, the owner may file the application no later than 90 days after the assessment date. He must apply on a form prescribed by the revenue services commissioner, and describe the land, how it is being used, and such other information as the assessor may require. He must also describe in his application his potential tax liability under the laws governing the conveyance of open space land. By law, open space land may be assessed at its current use value, rather than its fair market value, under the "490 program."

The property owner waives the right to apply for public golf course classification if he fails to file within the deadlines or in the manner and form prescribed. An applicant aggrieved by the assessor's denial of his application may seek redress as would any taxpayer aggrieved by the decision of an assessor or assessment appeals board.

BACKGROUND

490 Program

By law, open spaces, including golf courses, may be taxed at their current use value, rather than fair market value. To qualify, golf courses must meet certain conditions, the town's plan of conservation and development must specifically recommend preserving the property as open space, and the town's legislative body must accept the recommendation.

COMMITTEE ACTION

Environment Committee

Joint Favorable Report

Yea 26 Nay 2