



General Assembly

**Substitute Bill No. 6501**

January Session, 2005

\* \_\_\_\_\_ HB06501PD \_\_\_\_\_ 040105 \_\_\_\_\_ \*

**AN ACT AUTHORIZING THE CREATION OF NUTMEG ZONES.**

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

1 Section 1. (NEW) (*Effective October 1, 2005*) (a) A municipality that  
2 has (1) a population of more than twenty-five thousand but less than  
3 fifty thousand, (2) correctional facilities, and (3) at least one million  
4 square feet used for growing bedding plants, bounded by a portion of  
5 railroad tracks and a river, may, with the approval of the  
6 Commissioner of Economic and Community Development, designate  
7 an area of such municipality as a Nutmeg Zone.

8 (b) A facility that is acquired, constructed, substantially renovated  
9 or expanded in a Nutmeg Zone, on or after the effective date of this  
10 section, shall be exempt from the property tax under chapter 203 of the  
11 general statutes, to the extent of eighty per cent of its valuation for  
12 purposes of assessment in each of the five full assessment years  
13 following the assessment year in which the acquisition, construction,  
14 renovation or expansion of the facility is completed. The state, acting  
15 by and in the discretion of the Commissioner of Economic and  
16 Community Development, may enter into a contract with the  
17 municipality that designated said Nutmeg Zone to make payments in  
18 lieu of taxes to the municipality. Such payments shall be made  
19 annually for the five assessment years in which the facility is exempt  
20 from taxation under this subsection, in an amount equal to the taxes

