



General Assembly

January Session, 2005

**Committee Bill No. 63**

LCO No. 3752

\*03752SB00063AGE\*

Referred to Committee on Select Committee on Aging

Introduced by:  
(AGE)

**AN ACT CONCERNING PROPERTY RELIEF FOR CERTAIN ELDERLY HOMEOWNERS.**

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

1 Section 1. (NEW) (*Effective October 1, 2005, and applicable to assessment*  
2 *years commencing on or after October, 1, 2005*) (a) An owner of real  
3 property or any tenant for life or for a term of years liable for property  
4 taxes under section 12-48 who meets the qualifications stated in this  
5 subsection shall be entitled to pay the tax levied on such property,  
6 calculated in accordance with the provisions of subsection (c) for the  
7 first year the claim for such tax relief is filed and approved in  
8 accordance with the provisions of section 2 of this act, and such person  
9 shall be entitled to continue to pay the amount of such tax or such  
10 lesser amount as may be levied in any year, during each subsequent  
11 year that such person meets such qualifications, and the surviving  
12 spouse of such owner or tenant, qualified in accordance with the  
13 requirements pertaining to a surviving spouse in this subsection, or  
14 any owner or tenant possessing a joint interest in such property with  
15 such owner at the time of such owner's death and qualified at such  
16 time in accordance with the requirements in this subsection, shall be

17 entitled to continue to pay the amount of such tax or such lesser  
18 amount as may be levied in any year, as it becomes due each year  
19 following the death of such owner for as long as such surviving spouse  
20 or joint owner or joint tenant is qualified in accordance with the  
21 requirements in this subsection. After the first year a claim for such tax  
22 relief is filed and approved, application for such tax relief shall be filed  
23 biennially on a form prepared for such purpose by the Secretary of the  
24 Office of Policy and Management. Any such owner or tenant who is  
25 qualified in accordance with this section and any such surviving  
26 spouse or joint owner or joint tenant surviving upon the death of such  
27 owner or tenant, shall be entitled to pay such tax in the amount as  
28 provided in this section for so long as such owner or tenant or such  
29 surviving spouse or joint owner or joint tenant continues to be so  
30 qualified. To qualify for the tax relief provided in this section a  
31 taxpayer shall meet all the following requirements: (1) Be eighty years  
32 of age or over, or the spouse, who is domiciled with such taxpayer,  
33 shall be eighty years or over, or be fifty years of age or over and the  
34 surviving spouse of a taxpayer who at the time of death had qualified  
35 and was entitled to tax relief under this section and section 2 of this  
36 act, provided such spouse was domiciled with such taxpayer at the  
37 time of the taxpayer's death, (2) occupy such real property as his or her  
38 home, (3) either spouse shall have resided within this state for at least  
39 one year before filing the claim under this section and section 2 of this  
40 act, (4) the taxable and nontaxable income of such taxpayer, the total of  
41 which shall hereinafter be called "qualifying income", in the tax year of  
42 such homeowner ending immediately preceding the date of  
43 application for benefits under the program in this section, was not in  
44 excess of sixteen thousand two hundred dollars, if unmarried, or  
45 twenty thousand dollars, jointly with spouse if married, subject to  
46 adjustments in accordance with subsection (b) of this section, evidence  
47 of which income shall be submitted, in the form of a signed affidavit,  
48 to the assessor in the municipality in which application for benefits  
49 under this section is filed, and (5) the available assets of such taxpayer  
50 are below one hundred thousand dollars if unmarried and one

51 hundred twenty-five thousand dollars if married, (A) the asset limit for  
52 a married resident shall be determined by combining the value of  
53 assets available to both spouses, and (B) for purposes of this section,  
54 available assets are those that are considered available in determining  
55 eligibility in the Connecticut Home Care Program for the Elderly. The  
56 amount of any Medicaid payments made on behalf of such  
57 homeowner or the spouse of such homeowner shall not constitute  
58 income.

59 (b) The amounts of qualifying income as provided in this section  
60 shall be adjusted annually in a uniform manner to reflect the annual  
61 inflation adjustment in Social Security income, with each such  
62 adjustment of qualifying income determined to the nearest one  
63 hundred dollars. Each such adjustment of qualifying income shall be  
64 prepared by the Secretary of the Office of Policy and Management in  
65 relation to the annual inflation adjustment in Social Security, if any,  
66 becoming effective at any time during the twelve-month period  
67 immediately preceding the first day of October each year and the  
68 amount of such adjustment shall be distributed to the assessors in each  
69 municipality not later than the thirty-first day of December next  
70 following.

71 (c) The tax on the real property for which the benefits under this  
72 section are claimed shall be the lower of: The tax due for the 2005  
73 assessment year, or the tax due for any subsequent assessment year. If  
74 title to real property is recorded in the name of the person or the  
75 spouse making a claim and qualifying under said sections and any  
76 other person or persons, the claimant hereunder shall be entitled to  
77 pay the claimant's fractional share of the tax on such property  
78 calculated in accordance with the provisions of this section, and such  
79 other person or persons shall pay the person's or persons' fractional  
80 share of the tax without regard for the provisions of said sections. For  
81 the purposes of this section, a "mobile manufactured home", as defined  
82 in section 12-63a, shall be deemed to be real property.

83 (d) If any person with respect to whom a claim for tax relief in  
84 accordance with this section and section 2 of this act has been  
85 approved for any assessment year transfers, assigns, grants or  
86 otherwise conveys subsequent to the first day of October, but prior to  
87 the first day of August in such assessment year the interest in real  
88 property to which such claim for tax relief is related, regardless of  
89 whether such transfer, assignment, grant or conveyance is voluntary or  
90 involuntary, the amount of such tax relief benefit, determined as the  
91 amount by which the tax payable without benefit of this section  
92 exceeds the tax payable under the provisions of this section, shall be a  
93 pro rata portion of the amount otherwise applicable in such  
94 assessment year to be determined by a fraction the numerator of which  
95 shall be the number of full months from the first day of October in  
96 such assessment year to the date of such conveyance and the  
97 denominator of which shall be twelve. If such conveyance occurs in the  
98 month of October the grantor shall be disqualified for such tax relief in  
99 such assessment year. The grantee shall be required within a period  
100 not exceeding ten days immediately following the date of such  
101 conveyance to notify the assessor thereof, or in the absence of such  
102 notice, upon determination by the assessor that such transfer,  
103 assignment, grant or conveyance has occurred, the assessor shall (1)  
104 determine the amount of tax relief benefit to which the grantor is  
105 entitled for such assessment year with respect to the interest in real  
106 property conveyed and notify the tax collector of the reduced amount  
107 of such benefit, and (2) notify the Secretary of the Office of Policy and  
108 Management on or before the October first next following the end of  
109 the assessment year in which such conveyance occurs of the reduction  
110 in such benefit for purposes of a corresponding adjustment in the  
111 amount of state payment to the municipality next following as  
112 reimbursement for the revenue loss related to such tax relief. Upon  
113 receipt of such notice from the assessor, the tax collector shall, if such  
114 notice is received after the tax due date in the municipality, no later  
115 than ten days thereafter mail or hand a bill to the grantee stating the  
116 additional amount of tax due as determined by the assessor or

117 assessors. Such tax shall be due and payable and collectible as other  
118 property taxes and subject to the same liens and processes of  
119 collection, provided such tax shall be due and payable in an initial or  
120 single installment not sooner than thirty days after the date such bill is  
121 mailed or handed to the grantee and in equal amounts in any  
122 remaining, regular installments as the same are due and payable.

123       Sec. 2. (NEW) (*Effective October 1, 2005, and applicable to assessment*  
124 *years commencing on or after October 1, 2005*) (a) No claim shall be  
125 accepted under section 1 of this act unless the taxpayer or authorized  
126 agent of such taxpayer files an application with the assessor of the  
127 municipality in which the property is located, in affidavit form as  
128 provided by the Secretary of the Office of Policy and Management,  
129 during the period from February first to and including May fifteenth of  
130 any year in which benefits are first claimed, including such  
131 information as is necessary to substantiate such claim in accordance  
132 with requirements in such application. A taxpayer may make  
133 application to the secretary prior to August fifteenth of the claim year  
134 for an extension of the application period. The secretary may grant  
135 such extension in the case of extenuating circumstance due to illness or  
136 incapacitation as evidenced by a physician's certificate to that extent,  
137 or if the secretary determines there is good cause for doing so. The  
138 taxpayer shall present to the assessor a copy of such taxpayer's federal  
139 income tax return and the federal income tax return of such taxpayer's  
140 spouse, if filed separately, for such taxpayer's taxable year ending  
141 immediately prior to the submission of the taxpayer's application, or if  
142 not required to file a federal income tax return, such other evidence of  
143 qualifying income in respect to such taxable year as the assessor may  
144 require. Each such application, together with the federal income tax  
145 return and any other information submitted in relation thereto, shall be  
146 examined by the assessor and if the application is approved by the  
147 assessor, it shall be forwarded to the secretary on or before July first of  
148 the year in which such application is approved, provided in the case of  
149 a taxpayer who received a filing date extension from the secretary,  
150 such application shall be forwarded to the secretary not later than ten

151 business days after the date it is filed with the assessor. After a  
152 taxpayer's claim for the first year has been filed and approved such  
153 taxpayer shall file such an application biennially. In respect to such  
154 application required after the filing and approval for the first year the  
155 tax assessor in each municipality shall notify each such taxpayer  
156 concerning application requirements by regular mail not later than  
157 February first of the assessment year in which such taxpayer is  
158 required to reapply, enclosing a copy of the required application form.  
159 Such taxpayer may submit such application to the assessor by mail  
160 provided it is received by the assessor not later than March fifteenth in  
161 the assessment year with respect to which such tax relief is claimed.  
162 Not later than April first of such year the assessor shall notify, by  
163 certified mail, any such taxpayer for whom such application was not  
164 received by said March fifteenth concerning application requirements  
165 and such taxpayer shall submit not later than May fifteenth such  
166 application personally or for reasonable cause, by a person acting in  
167 behalf of such taxpayer as approved by the assessor.

168 (b) Any person knowingly making a false affidavit for the purpose  
169 of claiming property tax relief under section 1 of this act and this  
170 section shall be fined not more than five hundred dollars. Any person  
171 who fails to disclose all matters relating thereto or with intent to  
172 defraud makes a false statement shall refund to the state or to the  
173 municipality, as the case may be, all tax relief improperly taken.

174 Sec. 3. (NEW) (*Effective October 1, 2005, and applicable to assessment*  
175 *years commencing on or after October 1, 2005*) (a) On or before January  
176 first, annually, the tax collector of each municipality shall certify to the  
177 Secretary of the Office of Policy and Management, on a form furnished  
178 by the secretary, the amount of tax revenue which such municipality,  
179 except for the provisions of section 1 of this act, would have received,  
180 together with such supporting information as said secretary may  
181 require. Said secretary shall review each such claim in accordance with  
182 the procedure set forth in section 12-120b of the general statute, as  
183 amended by this act. Any claimant aggrieved by the results of the

184 secretary's review shall have the rights of appeal as set forth in section  
185 12-120b of the general statutes, as amended by this act.

186 (b) The Secretary of the Office of Policy and Management shall, on  
187 or before August fifteenth, annually, certify to the Comptroller the  
188 amount due each municipality under the provisions of subsection (a)  
189 of this section, including any modification of such claim made prior to  
190 August fifteenth, and the Comptroller shall draw an order on the  
191 Treasurer on or before the first day of September following and the  
192 Treasurer shall pay the amount thereof to such municipality on or  
193 before the fifteenth day of September following. If any modification is  
194 made as the result of the provisions of subsection (a) of this section on  
195 or after the August fifteenth following the date on which the tax  
196 collector has provided the amount of tax revenue in question, any  
197 adjustments to the amount due to any municipality for the period for  
198 which such modification was made shall be made in the next payment  
199 the Treasurer makes to such municipality pursuant to this section.

200 Sec. 4. Section 12-120b of the general statutes is repealed and the  
201 following is substituted in lieu thereof (*Effective October 1, 2005, and*  
202 *applicable to assessment years commencing on or after October 1, 2005*):

203 (a) As used in this section:

204 (1) "Claimant" means a person, company, limited liability company,  
205 firm, association, corporation or other business entity having received  
206 approval for financial assistance from a town's assessor or a municipal  
207 official;

208 (2) "Financial assistance" means a property tax exemption, property  
209 tax credit or rental rebate for which the state of Connecticut provides  
210 direct or indirect reimbursement; and

211 (3) "Program" means (A) property tax exemptions under section 12-  
212 81g or subdivision (55), (59), (60), (70), (72) or (74) of section 12-81, (B)  
213 tax relief pursuant to section 12-129d, section 3 of this act or 12-170aa,

214 and (C) rebates under section 12-170d.

215 (b) A claimant negatively affected by a decision of the Secretary of  
216 the Office of Policy and Management with respect to any program may  
217 appeal such decision in the manner set forth in subsection (d) of this  
218 section. Any notice the secretary issues pursuant to this section shall be  
219 sent by first class United States mail to a claimant at the address  
220 entered on the application for financial assistance as filed unless,  
221 subsequent to the date of said filing, the claimant sends the secretary a  
222 written request that any correspondence regarding said financial  
223 assistance be sent to another name or address. The date of any notice  
224 sent by the secretary pursuant to this section shall be deemed to be the  
225 date the notice is delivered to the claimant.

226 (c) The secretary may review any application for financial assistance  
227 submitted by a claimant in conjunction with a program. The secretary  
228 may exclude from reimbursement any property included in an  
229 application that, in the secretary's judgment, does not qualify for  
230 financial assistance or may modify the amount of any financial  
231 assistance approved by an assessor or municipal official in the event  
232 the secretary finds it to be mathematically incorrect, not supported by  
233 the application, not in conformance with law or if the secretary  
234 believes that additional information is needed to justify its approval.

235 (d) (1) If the secretary modifies the amount of financial assistance  
236 approved by an assessor or municipal official under a program, or  
237 makes a preliminary determination that the claimant who filed written  
238 application for such financial assistance is ineligible therefor, the  
239 secretary shall send a written notice of preliminary modification or  
240 denial to said claimant and shall concurrently forward a copy to the  
241 office of the assessor or municipal official who approved said financial  
242 assistance. The notice shall include plain language setting forth the  
243 reason for the preliminary modification or denial, the name and  
244 telephone number of a member of the secretary's staff to whom  
245 questions regarding the notice may be addressed, a request for any

246 additional information or documentation that the secretary believes is  
247 needed in order to justify the approval of such financial assistance, the  
248 manner by which the claimant may request reconsideration of the  
249 secretary's preliminary determination and the timeframe for doing so.  
250 Not later than ninety days after the date an assessor receives a copy of  
251 such preliminary notice, the assessor shall determine whether an  
252 increase to the taxable grand list of the town is required to be made as  
253 a result of such modification or denial, unless, in the interim, the  
254 assessor has received written notification from the secretary that a  
255 request for a hearing with respect to such financial assistance has been  
256 approved pursuant to subparagraph (B) of subdivision (2) of this  
257 subsection. If an assessment increase is warranted, the assessor shall  
258 promptly issue a certificate of correction adding the value of such  
259 property to the taxable grand list for the appropriate assessment year  
260 and shall forward a copy thereof to the tax collector, who shall, not  
261 later than thirty days following, issue a bill for the amount of the  
262 additional tax due as a result of such increase. Such additional tax shall  
263 become due and payable not later than thirty days from the date such  
264 bill is sent and shall be subject to interest for delinquent taxes as  
265 provided in section 12-146. With respect to the preliminary  
266 modification or denial of financial assistance for which a hearing is  
267 held, the assessor shall not issue a certificate of correction until the  
268 assessor receives written notice of the secretary's final determination  
269 following such hearing.

270 (2) (A) Any claimant aggrieved by the secretary's notice of  
271 preliminary modification or denial of financial assistance under a  
272 program may, not later than thirty business days after receiving said  
273 notice, request a reconsideration of the secretary's decision for any  
274 factual reason, provided the claimant states the reason for the  
275 reconsideration request in writing and concurrently provides any  
276 additional information or documentation that the secretary may have  
277 requested in the preliminary notice of modification or denial. The  
278 secretary may grant an extension of the date by which a claimant's  
279 additional information or documentation must be submitted, upon

280 receipt of proof that the claimant has requested such data from another  
281 governmental agency or if the secretary determines there is good cause  
282 for doing so.

283 (B) Not later than thirty business days after receiving a claimant's  
284 request for reconsideration and any additional information or  
285 documentation the claimant has provided, the secretary shall  
286 reconsider the preliminary decision to modify or deny said financial  
287 assistance and shall send the claimant a written notice of the  
288 secretary's determination regarding such reconsideration. If aggrieved  
289 by the secretary's notice of determination with respect to the  
290 reconsideration of said financial assistance, the claimant may, not later  
291 than thirty business days after receiving said notice, make application  
292 for a hearing before said secretary, or the secretary's designee. Such  
293 application shall be in writing and shall set forth the reason why the  
294 financial assistance in question should not be modified or denied. Not  
295 later than thirty business days after receiving an application for a  
296 hearing, the secretary shall grant or deny such hearing request by  
297 written notice to the claimant. If the secretary denies the claimant's  
298 request for a hearing, such notice shall state the reason for said denial.  
299 If the secretary grants the claimant's request for a hearing, the secretary  
300 shall send written notice of the date, time and place of the hearing,  
301 which shall be held not later than thirty business days after the date of  
302 the secretary's notice granting the claimant a hearing. Such hearing  
303 may, at the secretary's discretion, be held in the judicial district in  
304 which the claimant or the claimant's property is located. Not later than  
305 thirty business days after the date on which a hearing is held, a written  
306 notice of the secretary's determination with respect to such hearing  
307 shall be sent to the claimant and a copy thereof shall be concurrently  
308 sent to the assessor or municipal official who approved the financial  
309 assistance in question.

310 (3) If any claimant is aggrieved by the secretary's determination  
311 concerning the hearing regarding the claimant's financial assistance or  
312 the secretary's decision not to hold a hearing, such claimant may, not

313 later than thirty business days after receiving the secretary's notice  
314 related thereto, appeal to the superior court of the judicial district in  
315 which the claimant resides or in which the claimant's property that is  
316 the subject of the appeal is located. Such appeal shall be accompanied  
317 by a citation to the secretary to appear before said court, and shall be  
318 served and returned in the same manner as is required in the case of a  
319 summons in a civil action. The pendency of such appeal shall not  
320 suspend any action by a municipality to collect property taxes from the  
321 applicant on the property that is the subject of the appeal. The  
322 authority issuing the citation shall take from the applicant a bond or  
323 recognizance to the state of Connecticut, with surety, to prosecute the  
324 application in effect and to comply with the orders and decrees of the  
325 court in the premises. Such applications shall be preferred cases, to be  
326 heard, unless cause appears to the contrary, at the first session, by the  
327 court or by a committee appointed by the court. Said court may grant  
328 such relief as may be equitable and, if the application is without  
329 probable cause, may tax double or triple costs, as the case demands;  
330 and, upon all applications which are denied, costs may be taxed  
331 against the applicant at the discretion of the court, but no costs shall be  
332 taxed against the state.

333 (4) The secretary shall notify each claimant of the final modification  
334 or denial of financial assistance as claimed, in accordance with the  
335 procedure set forth in this subsection. A copy of the notice of final  
336 modification or denial shall be sent concurrently to the assessor or  
337 municipal official who approved such financial assistance. With  
338 respect to property tax exemptions under section 12-81g or subdivision  
339 (55), (59), (60) or (70) of section 12-81, and tax relief pursuant to section  
340 12-129d, section 3 of this act or 12-170aa, the notice pursuant to this  
341 subdivision shall be sent not later than one year after the date claims  
342 for financial assistance for each such program are filed with the  
343 secretary. For property tax exemptions under subdivision (72) or (74)  
344 of section 12-81, such notice shall be sent not later than the date by  
345 which a final modification to the payment for such program must be  
346 reflected in the certification of the secretary to the Comptroller. For the

347 program of rebates under section 12-170d, such notice shall be sent not  
 348 later than the date by which the secretary certifies the amounts of  
 349 payment to the Comptroller.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2005, and applicable to assessment years commencing on or after October 1, 2005</i>	New section
Sec. 2	<i>October 1, 2005, and applicable to assessment years commencing on or after October 1, 2005</i>	New section
Sec. 3	<i>October 1, 2005, and applicable to assessment years commencing on or after October 1, 2005</i>	New section
Sec. 4	<i>October 1, 2005, and applicable to assessment years commencing on or after October 1, 2005</i>	12-120b

**Statement of Purpose:**

To provide certain elderly homeowners with property tax relief by ensuring that such homeowners will not pay property taxes in an amount that exceeds the amount due for the 2005 assessment year and will pay lower taxes if the amount due in subsequent years is lower than the amount due for the 2005 assessment year.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

Co-Sponsors: SEN. PRAGUE, 19th Dist.; SEN. HANDLEY, 4th Dist.

S.B. 63