



General Assembly

February Session, 2006

**Raised Bill No. 5093**

LCO No. 1399

\*01399\_\_\_\_\_AGE\*

Referred to Committee on Select Committee on Aging

Introduced by:  
(AGE)

**AN ACT CONCERNING PROPERTY TAX 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, 2006, and applicable to assessment*  
2 *years commencing on or after October 1, 2006*) (a) Any municipality, upon  
3 approval of its legislative body or in any town in which the legislative  
4 body is a town meeting, by the board of selectmen may provide that an  
5 owner of real property or any tenant for life or for a term of years  
6 liable for property taxes under section 12-48 of the general statutes  
7 who meets the qualifications stated in this subsection shall be entitled  
8 to pay the tax levied on such property, calculated in accordance with  
9 the provisions of subsection (c) for the first year the claim for such tax  
10 relief is filed and approved in accordance with the provisions of  
11 section 2 of this act, and such person shall be entitled to continue to  
12 pay the amount of such tax or such lesser amount as may be levied in  
13 any year, during each subsequent year that such person meets such  
14 qualifications, and the surviving spouse of such owner or tenant,  
15 qualified in accordance with the requirements pertaining to a  
16 surviving spouse in this subsection, or any owner or tenant possessing

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

51 of which income shall be submitted to the assessor in the municipality  
52 in which application for benefits under this section is filed in such  
53 form and manner as the assessor may prescribe. The amount of any  
54 Medicaid payments made on behalf of such homeowner or the spouse  
55 of such homeowner shall not constitute income. The income of the  
56 spouse of such homeowner shall not be included in the qualifying  
57 income of such homeowner for purposes of determining eligibility for  
58 tax relief under this section, if such spouse is a resident of a health care  
59 or nursing home facility in this state, and such facility receives  
60 payment related to such spouse under the Title XIX Medicaid  
61 program. In addition to the eligibility requirements prescribed in this  
62 subsection, any municipality that provides tax relief in accordance  
63 with the provisions of this section may impose asset limits as a  
64 condition of eligibility for such tax relief.

65 (b) The amounts of qualifying income as provided in this section  
66 shall be adjusted annually in a uniform manner to reflect the annual  
67 inflation adjustment in Social Security income, with each such  
68 adjustment of qualifying income determined to the nearest one  
69 hundred dollars. Each such adjustment of qualifying income shall be  
70 prepared by the assessor of such municipality in relation to the annual  
71 inflation adjustment in Social Security, if any, becoming effective at  
72 any time during the twelve-month period immediately preceding the  
73 first day of October each year and the amount of such adjustment.

74 (c) The tax on the real property for which the benefits under this  
75 section are claimed shall be the lower of: The tax due with respect to  
76 the homeowner's residence for the assessment year commencing  
77 October first of the year immediately preceding the year in which the  
78 initial claim for tax relief is made, or the tax due for any subsequent  
79 assessment year. If title to real property is recorded in the name of the  
80 person or the spouse making a claim and qualifying under this section  
81 and any other person or persons, the claimant hereunder shall be  
82 entitled to pay the claimant's fractional share of the tax on such  
83 property calculated in accordance with the provisions of this section,

84 and such other person or persons shall pay the person's or persons'  
85 fractional share of the tax without regard for the provisions of this  
86 section. For the purposes of this section, a "mobile manufactured  
87 home", as defined in section 12-63a of the general statutes, shall be  
88 deemed to be real property.

89 (d) If any person with respect to whom a claim for tax relief in  
90 accordance with this section and section 2 of this act has been  
91 approved for any assessment year transfers, assigns, grants or  
92 otherwise conveys subsequent to the first day of October, but prior to  
93 the first day of August in such assessment year the interest in real  
94 property to which such claim for tax relief is related, regardless of  
95 whether such transfer, assignment, grant or conveyance is voluntary or  
96 involuntary, the amount of such tax relief benefit, determined as the  
97 amount by which the tax payable without benefit of this section  
98 exceeds the tax payable under the provisions of this section, shall be a  
99 pro rata portion of the amount otherwise applicable in such  
100 assessment year to be determined by a fraction the numerator of which  
101 shall be the number of full months from the first day of October in  
102 such assessment year to the date of such conveyance and the  
103 denominator of which shall be twelve. If such conveyance occurs in the  
104 month of October the grantor shall be disqualified for such tax relief in  
105 such assessment year. The grantee shall be required within a period  
106 not exceeding ten days immediately following the date of such  
107 conveyance to notify the assessor thereof, or in the absence of such  
108 notice, upon determination by the assessor that such transfer,  
109 assignment, grant or conveyance has occurred, the assessor shall  
110 determine the amount of tax relief benefit to which the grantor is  
111 entitled for such assessment year with respect to the interest in real  
112 property conveyed and notify the tax collector of the reduced amount  
113 of such benefit. Upon receipt of such notice from the assessor, the tax  
114 collector shall, if such notice is received after the tax due date in the  
115 municipality, no later than ten days thereafter mail or hand a bill to the  
116 grantee stating the additional amount of tax due as determined by the  
117 assessor. 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, 2006, and applicable to assessment*  
124 *years commencing on or after October 1, 2006*) (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 such form and  
128 manner as the assessor may prescribe, during the period from  
129 February first to and including May fifteenth of any year in which  
130 benefits are first claimed, including such information as is necessary to  
131 substantiate such claim in accordance with requirements in such  
132 application. A taxpayer may make application to the assessor prior to  
133 August fifteenth of the claim year for an extension of the application  
134 period. The assessor may grant such extension in the case of  
135 extenuating circumstance due to illness or incapacitation as evidenced  
136 by a physician's certificate to that extent, or if the assessor determines  
137 there is good cause for doing so. The taxpayer shall present to the  
138 assessor a copy of such taxpayer's federal income tax return and the  
139 federal income tax return of such taxpayer's spouse, if filed separately,  
140 for such taxpayer's taxable year ending immediately prior to the  
141 submission of the taxpayer's application, or if not required to file a  
142 federal income tax return, such other evidence of qualifying income in  
143 respect to such taxable year as the assessor may require. Each such  
144 application, together with the federal income tax return and any other  
145 information submitted in relation thereto, shall be examined by the  
146 assessor and a determination shall be made as to whether the  
147 application is approved. Upon determination by the assessor that the  
148 applying homeowner is entitled to tax relief in accordance with the  
149 provisions of section one of this act and this section, the assessor shall  
150 notify the homeowner and the municipal tax collector of the approval  
151 of such application. The municipal tax collector shall determine the

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

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

177 (c) Any municipality providing property tax relief under section 1 of  
178 this act and this section may establish a lien on such property in the  
179 amount of the total tax relief granted, plus interest applicable to the  
180 total of unpaid taxes represented by such tax relief, at a rate to be  
181 determined by such municipality. Any such lien shall have a priority  
182 in the settlement of such person's estate.

183 (d) Any such property tax relief granted to any such resident in

184 accordance with the provisions of section 1 of this act and this section  
185 shall not disqualify such resident with respect to any benefits for  
186 which such resident shall be eligible under the provisions of sections  
187 12-129b to 12-129d, inclusive, of the general statutes, section 12-129n  
188 and section 12-170aa of the general statutes, as amended, and any such  
189 property tax relief provided under this section shall be in addition to  
190 any such benefits for which such resident shall be eligible under said  
191 sections 12-129b to 12-129d, inclusive, and sections 12-129n and 12-  
192 170aa.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	New section
Sec. 2	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	New section

**Statement of Purpose:**

To afford municipalities the option of providing property tax relief to certain elderly homeowners in a manner that limits the amount of property taxes due and owing from such homeowners.

*[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.]*