



General Assembly

February Session, 2006

Raised Bill No. 5712

LCO No. 2140

02140_____PD_

Referred to Committee on Planning and Development

Introduced by:
(PD)

AN ACT AUTHORIZING THE ESTABLISHMENT OF NUTMEG ZONES.

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

1 Section 1. (NEW) (*Effective October 1, 2006*) (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
21 that would have been paid on said facility if the facility were not
22 exempt from such taxation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2006</i>	New section

Statement of Purpose:

To promote business development by reducing the property taxes for certain businesses in eligible municipalities.

[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.]