



General Assembly

Substitute Bill No. 531

February Session, 2006

* SB00531PD_FIN031706 *

AN ACT CONCERNING OPTIONS TO ABATE PROPERTY TAXES.

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

1 Section 1. Section 12-124a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2006, and*
3 *applicable to assessment years commencing on or after October 1, 2006*):

4 (a) Any municipality may, upon approval by its legislative body or
5 in any town in which the legislative body is a town meeting, by the
6 board of selectmen, abate the property taxes due for any tax year with
7 respect to any residential dwelling occupied by the owner or owners
8 and for whom such dwelling is the primary place of residence, to the
9 extent that such property taxes exceed eight per cent or more of the
10 total income from any source, adjusted for self-employed persons to
11 reflect the allowance for expenses in determining adjusted gross
12 income for federal income tax purposes, of such owner or owners and
13 any other person for whom such dwelling is the primary place of
14 residence, for the calendar year immediately preceding the beginning
15 of the tax year for which such taxes are due. Application for such
16 abatement shall be made not later than thirty days preceding the tax
17 due date for such tax year, provided if the amount of such taxes has
18 not been determined on such date, within ten days following
19 determination of the amount of such taxes.

20 (b) Whenever any municipality has approved abatement of taxes as
21 provided in subsection (a) of this section, the owner or owners shall
22 deliver to the tax collector in such municipality, not later than ten days
23 following the tax due date for such taxes abated, an agreement, on a
24 form executed and acknowledged in the form and manner required for
25 the transfer of an interest in real property, to reimburse such
26 municipality in the amount of the taxes abated, with interest at six per
27 cent per annum or such rate as approved by the legislative body. Such
28 agreement shall contain a legal description of the real property with
29 respect to which such abatement is approved and shall be recorded in
30 the land records of such municipality. Such agreement shall constitute
31 a lien on such real property which shall remain valid until paid. Such
32 lien shall be due and payable in full upon the sale or transfer of such
33 real property or upon the death of the owner, or if owned by more
34 than one person at the time such lien is created, upon the death of the
35 last of such owners surviving. Such lien shall be released by the tax
36 collector in such municipality when the taxes secured thereby have
37 been paid. No lien recorded under the provisions of this subsection
38 shall take precedence over any mortgage recorded in the land records
39 prior to such certificate of lien.

40 (c) Any municipality that on January 1, 2006, collected municipal
41 property taxes and applied a property tax surcharge pursuant to the
42 provisions of section 12-62d, may, by a vote of its legislative body,
43 abate the property taxes due for any tax year with respect to any one,
44 two or three-family residential dwelling occupied by any or all owners
45 and for whom such dwelling is the primary place of residence, to the
46 extent that such property taxes exceed four per cent or more of the
47 total income from any source, adjusted for self-employed persons to
48 reflect the allowance for expenses in determining adjusted gross
49 income for federal income tax purposes, of such owner, owners,
50 spouse or domestic partner of such owner or owners, for the calendar
51 year immediately preceding the beginning of the tax year for which
52 such taxes are due. Application for such abatement shall be made not
53 later than forty-five days preceding the tax due date for such tax year,

54 provided if the amount of such taxes has not been determined on such
 55 date, not later than ten days following determination of the amount of
 56 such taxes. Any municipality that abates taxes pursuant to this
 57 subsection shall not apply the provisions of subsection (b) of this
 58 section if the legislative body of the municipality votes to repeal any
 59 surcharge and tax relief plan promulgated pursuant to section 12-62d.

60 (d) Any municipality adopting a tax abatement plan under
 61 subsection (c) of this section shall require each applicant for an
 62 abatement to sign a form truthfully attesting to the income of the
 63 owner, owners, spouse or domestic partner of such owner and owners.
 64 Making a false statement on such a form shall constitute a violation of
 65 section 53a-157b. The municipality shall reject any application for
 66 abatement of taxes for a period of seven years from a person found to
 67 have furnished false information on such form and taxes abated
 68 pursuant to the false statement on such form shall be considered
 69 delinquent.

70 (e) Any municipality adopting a tax abatement plan pursuant to
 71 subsection (c) of this section may adopt by ordinance of its legislative
 72 body a procedure for auditing and reviewing the abatement program
 73 to insure compliance with this section.

74 Sec. 2. Section 12-62d of the general statutes is repealed. (*Effective*
 75 *October 1, 2006, and applicable to assessment years commencing on or after*
 76 *October 1, 2006)*

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>	12-124a
Sec. 2	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	Repealer section

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Joint Favorable Subst. C/R

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