



General Assembly

Amendment

February Session, 2006

LCO No. 4499

SB0070204499SD0

Offered by:

SEN. WILLIAMS, 29th Dist.

REP. AMANN, 118th Dist.

SEN. LEBEAU, 3rd Dist.

To: Senate Bill No. 702

File No.

Cal. No.

"AN ACT CONCERNING JOBS FOR THE TWENTY-FIRST CENTURY."

1 Strike section 11 in its entirety and insert the following in lieu
2 thereof:

3 "Sec. 11. Section 12-63 of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective July 1, 2006*):

5 (a) The present true and actual value of land classified as farm land
6 pursuant to section 12-107c, as amended, as forest land pursuant to
7 section 12-107d, as amended, or as open space land pursuant to section
8 12-107e, as amended, shall be based upon its current use without
9 regard to neighborhood land use of a more intensive nature, provided
10 in no event shall the present true and actual value of open space land
11 be less than it would be if such open space land comprised a part of a
12 tract or tracts of land classified as farm land pursuant to section 12-
13 107c, as amended. The present true and actual value of all other

14 property shall be deemed by all assessors and boards of assessment
15 appeals to be the fair market value thereof and not its value at a forced
16 or auction sale.

17 (b) (1) For the purposes of this subsection, (A) "electronic data
18 processing equipment" means computers, printers, peripheral
19 computer equipment, bundled software and any computer-based
20 equipment acting as a computer, as defined in Section 168 of the
21 Internal Revenue Code of 1986, or any subsequent corresponding
22 internal revenue code of the United States, as from time to time
23 amended; (B) "leased personal property" means tangible personal
24 property which is the subject of a written or oral lease or loan on the
25 assessment date, or any such property which has been so leased or
26 loaned by the then current owner of such property for three or more of
27 the twelve months preceding such assessment date; and (C) "original
28 selling price" means the price at which tangible personal property is
29 most frequently sold in the year that it was manufactured.

30 (2) Any municipality may, by ordinance, adopt the provisions of
31 this subsection to be applicable for the assessment year commencing
32 October first of the assessment year in which a revaluation of all real
33 property required pursuant to section 12-62 is performed in such
34 municipality, and for each assessment year thereafter. If so adopted,
35 the present true and actual value of tangible personal property, other
36 than motor vehicles, shall be determined in accordance with the
37 provisions of this subsection. If such property is purchased, its true
38 and actual value shall be established in relation to the cost of its
39 acquisition, including transportation and installation, and shall reflect
40 depreciation in accordance with the schedules set forth in subdivisions
41 (3) to (6), inclusive, of this subsection. If such property is developed
42 and produced by the owner of such property for a purpose other than
43 wholesale or retail sale or lease, its true and actual value shall be
44 established in relation to its cost of development, production and
45 installation and shall reflect depreciation in accordance with the
46 schedules provided in subdivisions (3) to (6), inclusive, of this
47 subsection. The provisions of this subsection shall not apply to

48 property owned by a public service company, as defined in section 16-
49 1, as amended.

50 (3) The following schedule of depreciation shall be applicable with
51 respect to electronic data processing equipment:

52 (A) Group I: Computer and peripheral hardware, including, but not
53 limited to, personal computers, workstations, terminals, storage
54 devices, printers, scanners, computer peripherals and networking
55 equipment:

T1		Depreciated Value
T2	Assessment Year	As Percentage
T3	Following Acquisition	Of Acquisition Cost Basis
T4	First year	Seventy per cent
T5	Second year	Forty per cent
T6	Third year	Twenty per cent
T7	Fourth year and thereafter	Ten per cent

56 (B) Group II: Other hardware, including, but not limited to, mini-
57 frame and main-frame systems with an acquisition cost of more than
58 twenty-five thousand dollars.

T8		Depreciated Value
T9	Assessment Year	As Percentage
T10	Following Acquisition	Of Acquisition Cost Basis
T11	First year	Ninety per cent
T12	Second year	Sixty per cent
T13	Third year	Forty per cent
T14	Fourth year	Twenty per cent
T15	Fifth year and thereafter	Ten per cent

59 (4) The following schedule of depreciation shall be applicable with
 60 respect to copiers, facsimile machines, medical testing equipment, and
 61 any similar type of equipment that is not specifically defined as
 62 electronic data processing equipment, but is considered by the assessor
 63 to be technologically advanced:

T16		Depreciated Value
T17	Assessment Year	As Percentage
T18	Following Acquisition	Of Acquisition Cost Basis
T19	First year	Ninety-five per cent
T20	Second year	Eighty per cent
T21	Third year	Sixty per cent
T22	Fourth year	Forty per cent
T23	Fifth year and thereafter	Twenty per cent

64 (5) The following schedule of depreciation shall be applicable with
 65 respect to machinery and equipment used in the manufacturing
 66 process:

T24		Depreciated Value
T25	Assessment Year	As Percentage
T26	Following Acquisition	Of Acquisition Cost Basis
T27	First year	Ninety per cent
T28	Second year	Eighty per cent
T29	Third year	Seventy per cent
T30	Fourth year	Sixty per cent
T31	Fifth year	Fifty per cent
T32	Sixth year	Forty per cent
T33	Seventh year	Thirty per cent
T34	Eighth year and thereafter	Twenty per cent

67 (6) The following schedule of depreciation shall be applicable with
 68 respect to all tangible personal property other than that described in
 69 subdivisions (3) to (5), inclusive, of this subsection:

T35		Depreciated Value
T36	Assessment Year	As Percentage
T37	Following Acquisition	Of Acquisition Cost Basis
T38	First year	Ninety-five per cent
T39	Second year	Ninety per cent
T40	Third year	Eighty per cent
T41	Fourth year	Seventy per cent
T42	Fifth year	Sixty per cent
T43	Sixth year	Fifty per cent
T44	Seventh year	Forty per cent
T45	Eighth year and thereafter	Thirty per cent

70 (7) The present true and actual value of leased personal property
 71 shall be determined in accordance with the provisions of this
 72 subdivision. Such value for any assessment year shall be established in
 73 relation to the original selling price for self-manufactured property or
 74 acquisition cost for acquired property and shall reflect depreciation in
 75 accordance with the schedules provided in subdivisions (3) to (6),
 76 inclusive, of this subsection. If the assessor is unable to determine the
 77 original selling price of leased personal property, the present true and
 78 actual value thereof shall be its current selling price.

79 (8) With respect to any personal property which is prohibited by
 80 law from being sold, the present true and actual value of such property
 81 shall be established with respect to such property's original
 82 manufactured cost increased by a ratio the numerator of which is the
 83 total proceeds from the manufacturer's salable equipment sold and the
 84 denominator of which is the total cost of the manufacturer's salable
 85 equipment sold. Such value shall then be depreciated in accordance

86 with the appropriate schedule in this subsection.

87 (9) The schedules of depreciation set forth in subdivisions (3) to (6),
88 inclusive, of this subsection shall not be used with respect to
89 videotapes, horses or other taxable livestock or electric cogenerating
90 equipment.

91 (10) If the assessor determines that the value of any item of personal
92 property produced by the application of the schedules set forth in this
93 subsection does not accurately reflect the present true and actual value
94 of such item, the assessor shall adjust such value to reflect the present
95 true and actual value of such item.

96 (11) Nothing in this subsection shall prevent any taxpayer from
97 appealing any assessment made pursuant to this subsection if such
98 assessment does not accurately reflect the present true and actual
99 value of any item of such taxpayer's personal property.

100 (c) (1) For the assessment years commencing October 1, 2006,
101 October 1, 2007, October 1, 2008, October 1, 2009, October 1, 2010, and
102 October 1, 2011, the annual declaration of tangible personal property
103 that a taxpayer files with the assessor of the town, shall be
104 accompanied by a supplement to said declaration on which the
105 taxpayer shall provide the following information for machinery and
106 equipment eligible for a grant pursuant to section 12-946, as amended
107 by this act, or section 13 of this act: (A) The assessment year during
108 which such property was acquired and installed; (B) the original cost
109 of acquisition for such property, including charges for such property's
110 transportation and installation; (C) the value of such property
111 depreciated in accordance with the schedule provided by the assessor;
112 (D) the total of the original cost of acquisition for all such property;
113 and (E) the total depreciated value of such property for all such
114 property. The assessor shall provide a declaration of tangible personal
115 property declaration, together with such to supplement, to the owner
116 of each manufacturing facility, as defined in subparagraph (a) of
117 subdivision (72) of section 12-81 of the 2006 supplement to the general

118 statutes, and to the owner of each facility engaged in biotechnology, as
119 defined in said subparagraph.

120 (2) For the assessment years commencing October 1, 2006, October
121 1, 2007, October 1, 2008, October 1, 2009, October 1, 2010, and October
122 1, 2011, the assessor of each town shall determine the depreciated
123 value of machinery and equipment, for the purposes of this section,
124 section 12-94b, as amended by this act, and section 13 of this act, in
125 accordance with the method said assessor used to determine the
126 depreciated value of the same or similar machinery and equipment for
127 the assessment year commencing October 1, 2005. The supplement to
128 the declaration of tangible personal property the assessor provides,
129 pursuant to subdivision (1) of this subsection, for the assessment year
130 commencing October 1, 2006, shall not reflect an alteration of the
131 depreciation schedule that would result in an assessment increase for
132 any such property, over the assessment of such property for the
133 assessment year commencing October 1, 2005, and the supplement to
134 such declaration the assessor provides for the assessment years
135 commencing October 1, 2007, October 1, 2008, October 1, 2009,
136 October 1, 2010, and October 1, 2011, shall not reflect an alteration of
137 the depreciation schedule that would result in an assessment increase
138 for any such property, over the assessment of such property for the
139 preceding assessment year."