



General Assembly

February Session, 2006

**Amendment**

LCO No. 5468

\*SB0066805468SD0\*

Offered by:  
SEN. HARRIS, 5<sup>th</sup> Dist.

To: Subst. Senate Bill No. 668

File No. 527

Cal. No. 399

**"AN ACT CONCERNING PROPERTY REVALUATIONS."**

1 Strike lines 473 to 601, inclusive, in their entirety and insert the  
2 following in lieu thereof:

3 "Sec. 2. Section 12-62c of the general statutes is repealed and the  
4 following is substituted in lieu thereof (*Effective from passage and*  
5 *applicable to assessment years commencing on or after October 1, 2005*):

6 [(a) Any municipality may, with respect to the assessment list in  
7 such municipality in a year in which a revaluation becomes effective,  
8 as required under section 12-62, for the assessment years commencing  
9 on or after October 1, 1987, by vote of its legislative body provide for a  
10 gradual increase in assessed values of real property for purposes of  
11 property tax, commencing with the year in which such revaluation  
12 becomes effective and continuing for a certain number of years as  
13 elected by such municipality, not exceeding three years immediately  
14 following the year of such revaluation. Such gradual increase in  
15 assessed values shall be the result of incremental increases in the rate

16 of assessment of real property, to be added as provided in subsection  
17 (b) of this section to the assessment ratio determined under section 10-  
18 261a for the year immediately preceding revaluation in such  
19 municipality.

20 (b) Upon electing to increase assessed values in the manner allowed  
21 in this section, there shall be determined, with respect to said  
22 assessment ratio for the year immediately preceding such revaluation,  
23 the difference between the assessment rate at seventy per cent of  
24 present true and actual value, as required under subsection (b) of  
25 section 12-62a, and said ratio of assessed value of real property to fair  
26 market value in the year immediately preceding revaluation for such  
27 municipality. Such difference shall represent the portion of the  
28 assessment rate at seventy per cent to be added to said ratio for such  
29 municipality in attaining the required assessment rate of seventy per  
30 cent of present true and actual value. Such amount shall be added to  
31 said ratio in equal increments, as determined in accordance with this  
32 subsection, over the number of years elected by such municipality,  
33 provided the total number of years for such purpose may not exceed  
34 four years including the year of such revaluation. For the purposes of  
35 this subsection, increments shall be considered equal if such  
36 increments are equal (1) in terms of the absolute amount of the  
37 increase in the assessment ratio for each of the years of such gradual  
38 increase in assessed value or (2) in terms of the percentage of increase  
39 in the assessment ratio from year to year which is applicable to such  
40 gradual increase in assessed value, for each year of the term of such  
41 gradual increase in assessed value.

42 (c) In a municipality which has adopted the assessment procedure  
43 allowed in this section, new construction which is first assessed for  
44 purposes of property tax, after the assessment date on which such  
45 revaluation becomes effective but before the assessment rate has been  
46 increased to seventy per cent of present true and actual value, shall be  
47 assessed initially at the rate applicable in the procedure as adopted by  
48 such municipality at the time of such initial assessment, and thereafter  
49 at the rate of assessment applicable with respect to all real property on

50 the assessment list in such municipality.]

51 (a) (1) A town implementing a revaluation of all real property may  
52 phase in a real property assessment increase or a portion of such  
53 increase resulting from such revaluation, by requiring the assessor to  
54 gradually increase the assessment or the rate of assessment applicable  
55 to such property in the assessment year preceding that in which the  
56 revaluation is implemented, in accordance with one of the methods set  
57 forth in subsection (b) of this section. The legislative body of the town  
58 shall approve the decision to provide for such phase-in, the method by  
59 which it is accomplished and its term, provided the number of  
60 assessment years over which such gradual increases are reflected shall  
61 not exceed five assessment years, including the assessment year for  
62 which the revaluation is effective. If a town chooses to phase in a  
63 portion of the increase in the assessment of each parcel of real property  
64 resulting from said revaluation, said legislative body or board shall  
65 establish a factor, which shall be not less than twenty-five per cent, and  
66 shall apply such factor to such increases for all parcels of real property,  
67 regardless of property classification. A town choosing to phase in a  
68 portion of assessment increase shall multiply such factor by the total  
69 assessment increase for each such parcel to determine the amount of  
70 such increase that shall not be subject to the phase in. The assessment  
71 increase for each parcel that shall be subject to the gradual increases in  
72 amounts or rates of assessment, as provided in subsection (b) of this  
73 section, shall be (A) the difference between the result of said  
74 multiplication and the total assessment increase for any such parcel, or  
75 (B) the result derived when such factor is subtracted from the actual  
76 percentage by which the assessment of each such parcel increased as a  
77 result of such revaluation, over the assessment of such parcel in the  
78 preceding assessment year and said result is multiplied by such  
79 parcel's total assessment increase.

80 (2) The legislative body may approve the discontinuance of a phase-  
81 in of real property assessment increases resulting from the  
82 implementation of a revaluation, at any time prior to the completion of  
83 the phase-in term originally approved, provided such approval shall

84 be made on or before the assessment date that is the commencement of  
85 the assessment year in which such discontinuance is effective. In the  
86 assessment year following the completion or discontinuance of the  
87 phase-in, assessments shall reflect the valuation of real property  
88 established for such revaluation, subject to additions for new  
89 construction and reductions for demolitions occurring subsequent to  
90 the date of revaluation and on or prior to the date of its completion or  
91 discontinuance, and the rate of assessment applicable in such year, as  
92 required by section 12-62a, as amended by this act.

93 (b) A town shall use one of the following methods to determine the  
94 phase-in of real property assessment increases or the phase-in of a  
95 portion of such increases resulting from the implementation of a  
96 revaluation:

97 (1) The assessment of each parcel of real property for the assessment  
98 year preceding that in which such revaluation is effective shall be  
99 subtracted from the assessment of each such parcel in the effective year  
100 of said revaluation, and the annual amount of incremental assessment  
101 increase for each such parcel shall be the total of such subtraction  
102 divided by the number of years of the phase-in term, provided if a  
103 town chooses to phase in a portion of the assessment increase for each  
104 real property parcel, the amount of such increase that is not subject to  
105 the phase-in shall not be reflected in said calculation; or

106 (2) The ratio of the total assessed value of all taxable real property  
107 for the assessment year preceding that in which a revaluation is  
108 effective and the total fair market value of such property as  
109 determined from records of actual sales in said year, shall be  
110 subtracted from the rate of assessment set forth in section 12-62a, as  
111 amended by this act, and the annual incremental rate of assessment  
112 increase applicable to all parcels of real property shall be the result of  
113 such subtraction divided by the number of years of the phase-in term.  
114 Prior to determining such annual incremental rate of assessment  
115 increase, a town that chooses to phase in a portion of the assessment  
116 increase for each real property parcel shall multiply the result of said

117 subtraction by the factor established in accordance with subsection (a)  
118 of this section, to determine the rate of assessment that shall not be  
119 subject to such phase in.

120 (c) The assessment of any new construction that first becomes  
121 subject to taxation during an assessment year encompassed within the  
122 term of a phase-in shall be determined in the same manner as the  
123 assessment of all other comparable real property in said assessment  
124 year, such that the total of incremental increases applicable to such  
125 other comparable real property are reflected in the assessment of such  
126 new construction prior to the proration of such assessment pursuant to  
127 section 12-53a.

128 (d) Not later than thirty business days after the date a town's  
129 legislative body votes to phase in real property assessment increases  
130 resulting from such revaluation, or votes to discontinue such a phase-  
131 in, the chief executive officer of the town shall notify the Secretary of  
132 the Office of Policy and Management, in writing, of the action taken.  
133 Any chief executive officer failing to submit a notification to said  
134 secretary as required by this subsection, shall forfeit one hundred  
135 dollars to the state for each such failure."