



General Assembly

**Substitute Bill No. 5413**

January Session, 2007

\* \_\_\_\_\_ HB05413PD \_\_\_\_\_ 032207 \_\_\_\_\_ \*

**AN ACT CONCERNING TIMELY NOTICE OF BACK TAXES OWED ON MOTOR VEHICLES AND CONCERNING THE SITUS OF MOTOR VEHICLES FOR PURPOSES OF THE PROPERTY TAX.**

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

1 Section 1. Section 12-146 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2007, and*  
3 *applicable to assessment years commencing on or after October 1, 2007*):

4 (a) Unless the context otherwise requires, wherever used in this  
5 section, "tax" includes each property tax and each installment and part  
6 thereof due to a municipality as it may have been increased by interest,  
7 fees and charges. If any tax due in a single installment or if any  
8 installment of any tax due in two or more installments is not paid in  
9 full (1) on or before the first day of the month next succeeding the  
10 month in which it became due and payable, or if not due and payable  
11 on the first day of the month, (2) on or before the same date of the next  
12 succeeding month corresponding to that of the month on which it  
13 became due and payable, the whole or such part of such installment as  
14 is unpaid shall thereupon be delinquent and shall be subject to interest  
15 from the due date of such delinquent installment. Except for unpaid  
16 real estate taxes the collection of which was, or is, deferred under the  
17 provisions of section 12-174, and any predecessor and successor  
18 thereto, which unpaid real estate taxes continue to be subject to the

19 provisions of such deferred collection statutes, the delinquent portion  
20 of the principal of any tax shall be subject to interest at the rate of  
21 eighteen per cent per annum from the time when it became due and  
22 payable until the same is paid, subject to a minimum interest charge of  
23 two dollars which any municipality, by vote of its legislative body,  
24 may elect not to impose, and provided, in any computation of such  
25 interest, under any provision of this section, each fractional part of a  
26 month in which any portion of the principal of such tax remains  
27 unpaid shall be considered to be equivalent to a whole month. Each  
28 addition of interest shall become, and shall be collectible as, a part of  
29 such tax. Interest shall accrue at said rate until payment of such taxes  
30 due notwithstanding the entry of any judgment in favor of the  
31 municipality against the taxpayer or the property of the taxpayer.  
32 Except as hereinafter specified for taxes representing two or more  
33 items of property, the collector shall not receive any partial payment of  
34 a delinquent tax which is less than the total accrued interest on the  
35 principal of such tax up to the date of payment and shall apply each  
36 partial payment to the wiping out of such interest before making any  
37 application thereof to the reduction of such principal; provided,  
38 whenever the first partial payment is made after delinquency, interest  
39 from the due date of such delinquent tax to the date of such partial  
40 payment shall be figured on the whole or such part of the principal of  
41 such tax as is unpaid at the beginning of delinquency and provided,  
42 whenever a subsequent partial payment of such tax is made, interest  
43 shall be figured from the date of payment of the last-preceding, to the  
44 date of payment of such subsequent, partial payment on the whole or  
45 such balance of the principal of such tax as remains unpaid on the date  
46 of the last-preceding partial payment. If any tax, at the time of  
47 assessment or because of a subsequent division, represents two or  
48 more items of property, the collector may receive payment in full of  
49 such part of the principal and interest of such tax as represents one or  
50 more of such items, even though interest in full on the entire amount  
51 of the principal of such tax has not been received up to the date of such  
52 payment; in which event, interest on the remaining portion of the  
53 principal of any such tax shall be computed, as the case may be, from

54 the due date of such tax if no other payment after delinquency has  
55 been made or from the last date of payment of interest in full on the  
56 whole amount or unpaid balance of the principal of such delinquent  
57 tax if previous payment of interest has been made. Each collector shall  
58 keep a separate account of such interest and the time when the same  
59 has been received and shall pay over the same to the treasurer of the  
60 municipality of the collector as a part of such tax. No tax or installment  
61 thereof shall be construed to be delinquent under the provisions of this  
62 section if the envelope containing the amount due as such tax or  
63 installment, as received by the tax collector of the municipality to  
64 which such tax is payable, bears a postmark showing a date within the  
65 time allowed by statute for the payment of such tax or installment.  
66 [Any municipality may, by vote of its legislative body, require that any  
67 delinquent property taxes applicable with respect to a motor vehicle  
68 shall be paid only in cash or by certified check or money order. Any  
69 municipality adopting such requirement may provide that such  
70 requirement shall only be applicable to delinquency exceeding a  
71 certain period in duration as determined by such municipality.] Any  
72 municipality shall waive all or a portion of the interest due and  
73 payable under this section on a delinquent tax with respect to a  
74 taxpayer who has received compensation under chapter 968 as a crime  
75 victim.

76 (b) (1) Any municipality may, by vote of its legislative body, require  
77 that any delinquent property taxes applicable with respect to a motor  
78 vehicle shall be paid only in cash or by certified check or money order.  
79 Any municipality adopting such requirement may provide that such  
80 requirement shall only be applicable to delinquency exceeding a  
81 certain period in duration as determined by such municipality.

82 (2) No municipality shall impose interest on delinquent property  
83 taxes applicable with respect to a motor vehicle for a period of more  
84 than three years unless the municipality mails, by certified mail, return  
85 receipt requested, a notice to the taxpayer that such taxes are  
86 delinquent and the amount of the payment that is due.

87       Sec. 2. (NEW) (*Effective October 1, 2007, and applicable to assessment*  
 88 *years commencing on or after October 1, 2007*) When an assessor adds a  
 89 motor vehicle to a grand list for any assessment year commencing  
 90 prior to October 1, 2004, the addition of such motor vehicle shall be  
 91 deemed to be made in error if (1) such motor vehicle is assessed on the  
 92 grand list of another municipality in this state for the assessment year,  
 93 and (2) the property tax for such motor vehicle was paid to the  
 94 municipality that assessed such motor vehicle for said assessment  
 95 year. Upon receiving notice of the payment of the property tax to the  
 96 municipality that assessed the motor vehicle, the assessor who made  
 97 the error in adding such motor vehicle to a grand list for any  
 98 assessment year commencing prior to October 1, 2004, shall issue a  
 99 certificate of correction, pursuant to section 12-57 of the general  
 100 statutes, to remove such motor vehicle from any grand list.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007, and applicable to assessment years commencing on or after October 1, 2007</i>	12-146
Sec. 2	<i>October 1, 2007, and applicable to assessment years commencing on or after October 1, 2007</i>	New section

**PD**       *Joint Favorable Subst.*