



General Assembly

January Session, 2007

Proposed Bill No. 6912

LCO No. 1165

Referred to Committee on Planning and Development

Introduced by:

REP. O'NEILL, 69th Dist.

AN ACT LIMITING THE AMOUNT OF PROPERTY TAX LEVIED BY MUNICIPALITIES.

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

1 That the general statutes be amended to revise the local property tax
2 system by (1) limiting the amount of property taxes a city or town can
3 levy (A) to a levy ceiling of two and one-half per cent of the total full
4 cash value of all taxable property in the municipality, and (B) to a levy
5 limit of two and one-half per cent of the maximum allowable limit for
6 the prior fiscal year, plus allowable increases such as new growth from
7 property added to the grand list; (2) establishing two types of voter
8 approved increases in taxing authority, as follows, (A) a levy limit
9 override which increases the amount of property tax revenue a
10 municipality may raise in the year specified in the override question
11 and in future years, resulting in a permanent increase in taxing
12 authority and providing funding for municipal expenses likely to recur
13 or continue into the future, such as annual operating and fixed costs,
14 and (B) a levy limit exclusion which increases the amount of property
15 tax revenue a municipality may raise for a limited or temporary period
16 of time in order to fund specific projects and which (i) does not

17 increase the municipality's levy limit or become part of the base for
18 calculating future years' levy limits, and (ii) may be used to raise
19 additional funds only for capital purposes, such as public building,
20 public works projects, land and equipment acquisitions; and (3)
21 authorizing voters to mandate an override by decreasing the amount
22 of the amount of property tax revenue a municipality may raise in the
23 year specified in the override question and in future years, resulting
24 in a permanent decrease in taxing authority.

Statement of Purpose:

To limit the amount of revenue a city or town may raise or levy from local property taxes each year to fund municipal operations similar to Massachusetts law.