



**Substitute House Bill No. 6776**

**Public Act No. 07-127**

***AN ACT PRESERVING MARITIME HERITAGE LAND.***

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

Section 1. (NEW) (*Effective July 1, 2007*) (a) An owner of land may apply for its classification as maritime heritage land, as defined in section 12-107b of the general statutes, as amended by this act, on any grand list of a municipality by filing a written application for such classification with the assessor thereof not earlier than thirty days before or later than thirty days after the assessment date, provided in a year in which a revaluation of all real property in accordance with section 12-62 of the general statutes becomes effective such application may be filed not later than ninety days after such assessment date. The assessor shall determine whether such land is maritime heritage land and, if such assessor determines that it is maritime heritage land, he or she shall classify and include it as such on the grand list.

(b) An application for classification of land as maritime heritage land shall be made upon a form prescribed by the Secretary of the Office of Policy and Management and shall set forth a description of the land, a general description of the use to which it is being put, a statement of the potential liability for tax under the provisions of sections 12-504a to 12-504f, inclusive, of the general statutes, and such other information as the assessor may require to aid the assessor in

**Substitute House Bill No. 6776**

determining whether such land qualifies for such classification.

(c) Failure to file an application for classification of land as maritime heritage land within the time limit prescribed in subsection (a) of this section and in the manner and form prescribed in subsection (b) of this section shall be considered a waiver of the right to such classification on such assessment list.

(d) Any person aggrieved by the denial of any application for the classification of land as maritime heritage land shall have the same rights and remedies for appeal and relief as are provided in the general statutes for taxpayers claiming to be aggrieved by the doings of assessors or boards of assessment appeals.

Sec. 2. Subsection (a) of section 12-63 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

(a) The present true and actual value of land classified as farm land pursuant to section 12-107c, as forest land pursuant to section 12-107d, [or] as open space land pursuant to section 12-107e, or as maritime heritage land pursuant to section 1 of this act shall be based upon its current use without regard to neighborhood land use of a more intensive nature, provided in no event shall the present true and actual value of open space land be less than it would be if such open space land comprised a part of a tract or tracts of land classified as farm land pursuant to section 12-107c. The present true and actual value of all other property shall be deemed by all assessors and boards of assessment appeals to be the fair market value thereof and not its value at a forced or auction sale.

Sec. 3. Section 12-107a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

It is hereby declared (1) that it is in the public interest to encourage

**Substitute House Bill No. 6776**

the preservation of farm land, forest land, [and] open space land and maritime heritage land in order to maintain a readily available source of food and farm products close to the metropolitan areas of the state, to conserve the state's natural resources and to provide for the welfare and happiness of the inhabitants of the state, (2) that it is in the public interest to prevent the forced conversion of farm land, forest land, [and] open space land and maritime heritage land to more intensive uses as the result of economic pressures caused by the assessment thereof for purposes of property taxation at values incompatible with their preservation as such farm land, forest land, [and] open space land and maritime heritage land, and (3) that the necessity in the public interest of the enactment of the provisions of sections 12-107b to 12-107e, inclusive, [and] section 12-504f [,] and section 1 of this act is a matter of legislative determination.

Sec. 4. Section 12-107b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

When used in sections 12-107a to 12-107e, inclusive, and section 1 of this act:

(1) The term "farm land" means any tract or tracts of land, including woodland and wasteland, constituting a farm unit;

(2) The term "forest land" means any tract or tracts of land aggregating twenty-five acres or more in area bearing tree growth that conforms to the forest stocking, distribution and condition standards established by the State Forester pursuant to subsection (a) of section 12-107d, and consisting of (A) one tract of land of twenty-five or more contiguous acres, which acres may be in contiguous municipalities, (B) two or more tracts of land aggregating twenty-five acres or more in which no single component tract shall consist of less than ten acres, or (C) any tract of land which is contiguous to a tract owned by the same owner and has been classified as forest land pursuant to this section;

**Substitute House Bill No. 6776**

(3) The term "open space land" means any area of land, including forest land, land designated as wetland under section 22a-30 and not excluding farm land, the preservation or restriction of the use of which would (A) maintain and enhance the conservation of natural or scenic resources, (B) protect natural streams or water supply, (C) promote conservation of soils, wetlands, beaches or tidal marshes, (D) enhance the value to the public of abutting or neighboring parks, forests, wildlife preserves, nature reservations or sanctuaries or other open spaces, (E) enhance public recreation opportunities, (F) preserve historic sites, or (G) promote orderly urban or suburban development;

(4) The word "municipality" means any town, consolidated town and city, or consolidated town and borough;

(5) The term "planning commission" means a planning commission created pursuant to section 8-19;

(6) The term "plan of conservation and development" means a plan of development, including any amendment thereto, prepared or adopted pursuant to section 8-23;

(7) The term "certified forester" means a practitioner certified as a forester pursuant to section 23-65h; and

(8) The term "maritime heritage land" means that portion of waterfront real property owned by a commercial lobster fisherman licensed pursuant to title 26, when such portion of such property is used by such fisherman for commercial lobstering purposes, provided in the tax year of the owner ending immediately prior to any assessment date with respect to which application is submitted pursuant to section 1 of this act, not less than fifty per cent of the adjusted gross income of such fisherman, as determined for purposes of the federal income tax, is derived from commercial lobster fishing, subject to proof satisfactory to the assessor in the town in which such

**Substitute House Bill No. 6776**

application is submitted. "Maritime heritage land" does not include buildings not used exclusively by such fisherman for commercial lobstering purposes.

Sec. 5. Section 12-120a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

The Secretary of the Office of Policy and Management shall, annually, not later than the fifteenth day of March, submit to the chairpersons and ranking members of the joint standing committee of the General Assembly on finance, revenue and bonding, with copies for such other committee members and staff personnel as said chairpersons may designate, a report concerning certain data applicable with respect to real and personal property in each town in the state and such totals of data pertaining to all towns as may be deemed appropriate by said secretary. The submission of such report in 1997, and annually thereafter, shall include a summary of data as described in each of the subsections in this section. Each such report shall include categories of such data for purposes of property subject to taxation and separate categories for property exempt from taxation. Such report shall include state-wide trends covering a five-year period. Such report shall be organized, to the extent possible, in a manner consistent with the outline of information as described in each of the following [subsections] subdivisions.

[(a)] (1) For purposes of taxable residential, apartment, commercial, industrial and public utility real property, such report shall include the total number of properties and the total assessed value of such properties.

[(b)] (2) For purposes of taxable vacant land, such report shall include the total number of acres and the total assessed value of such acres. For purposes of taxable land subject to assessment related to certain use value classifications, such report shall include the total

**Substitute House Bill No. 6776**

number of such acres and the total assessed value of such acres for each of the following classifications related to use: (A) Farm, (B) forest, [and] (C) open space, and (D) maritime heritage.

[(c)] (3) For purposes of taxable land bearing timber and subject to tax at a rate not exceeding ten mills, such report shall include the total number of acres and the assessed value of the land.

[(d) (1)] (4) (A) For purposes of taxable registered motor vehicles, such report shall include the total number of motor vehicles and the total assessed value of such motor vehicles for each of the following classifications related to use: [(A)] (i) Passenger, [(B)] (ii) commercial, [(C)] (iii) combination, [(D)] (iv) farm, and [(E)] (v) any other classification; [(2)] (B) for purposes of taxable vehicles which are not registered and mobile manufactured homes, such report shall include the total number of such vehicles and mobile manufactured homes and the total assessed value for each such category; [(3)] (C) for purposes of all other taxable personal property, such report shall include the total value of each category of such property as contained in the tax list required pursuant to sections 12-42 and 12-43.

[(e)] (5) For purposes of exemptions from property tax with respect to which there is no state reimbursement, such report shall include the total number of such exempt properties by the exemption categories and property types deemed appropriate by the secretary, and the total assessed value of such exempt property.

[(f)] (6) For purposes of exemptions from property tax with respect to which annual reimbursement is provided by the state, such report shall include the total assessed value of such exempt property, by the exemption categories and property types deemed appropriate by the secretary.

[(g)] (7) For purposes of exemptions from or reductions in property

**Substitute House Bill No. 6776**

tax for certain individuals, with respect to which state reimbursement is applicable, such report shall include (A) the total number of individuals and the total amounts of each such exemption or reduction in the case of such benefits not subject to income requirements, and (B) in the case of such benefits subject to income requirements, such total number of individuals and total amounts of exemption or reduction the total assessed value of such exempt property, by the exemption categories and property types deemed appropriate by the secretary.

[(h)] (8) For purposes of exemption from property tax for certain individuals, with respect to which there is no state reimbursement, such report shall include the total number of individuals and the total value of each of the following exemptions: [(1)] (A) Exemptions related to veterans under subdivisions (19) to (26), inclusive, of section 12-81, and [(2)] (B) exemption for blind persons under subdivision (17) of said section.

Sec. 6. Section 12-504a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

(a) If at any time there is a change of ownership for any property that is classified as farm land pursuant to section 12-107c, forest land pursuant to section 12-107d, [or] open space land pursuant to section 12-107e or maritime heritage land pursuant to section 1 of this act, a revised application shall be filed with the assessor pursuant to said sections 12-107c, 12-107d, [and] 12-107e or section 1 of this act.

(b) Any land which has been classified by the record owner thereof as open space land pursuant to section 12-107e or as maritime heritage land pursuant to section 1 of this act, if sold or transferred by him within a period of ten years from the time he first caused such land to be so classified, shall be subject to a conveyance tax applicable to the total sales price of such land, which tax shall be in addition to the tax imposed under sections 12-494 to 12-504, inclusive. Said conveyance

**Substitute House Bill No. 6776**

tax shall be at the following rate: (1) Ten per cent of said total sales price if sold within the first year following the date of such classification; (2) nine per cent if sold within the second year following the date of such classification; (3) eight per cent if sold within the third year following the date of such classification; (4) seven per cent if sold within the fourth year following the date of such classification; (5) six per cent if sold within the fifth year following the date of such classification; (6) five per cent if sold within the sixth year following the date of such classification; (7) four per cent if sold within the seventh year following the date of such classification; (8) three per cent if sold within the eighth year following the date of such classification; (9) two per cent if sold within the ninth year following the date of such classification; and (10) one per cent if sold within the tenth year following the date of such classification. No conveyance tax shall be imposed on such record owner by the provisions of sections 12-504a to 12-504f, inclusive, following the end of the tenth year after the date of such classification by the record owner or person acquiring title to such land or causing such land to be so classified.

(c) Any land which has been classified by the record owner thereof as farm land pursuant to section 12-107c or as forest land pursuant to section 12-107d, if sold or transferred by him within a period of ten years from the time he acquired title to such land or from the time he first caused such land to be so classified, whichever is earlier, shall be subject to a conveyance tax applicable to the total sales price of such land, which tax shall be in addition to the tax imposed under sections 12-494 to 12-504, inclusive. Said conveyance tax shall be at the following rate: (1) Ten per cent of said total sales price if sold within the first year of ownership by such record owner; (2) nine per cent if sold within the second year of ownership by such record owner; (3) eight per cent if sold within the third year of ownership by such record owner; (4) seven per cent if sold within the fourth year of ownership by such record owner; (5) six per cent if sold within the fifth year of

**Substitute House Bill No. 6776**

ownership by such record owner; (6) five per cent if sold within the sixth year of ownership by such record owner; (7) four per cent if sold within the seventh year of ownership by such record owner; (8) three per cent if sold within the eighth year of ownership by such record owner; (9) two per cent if sold within the ninth year of ownership by such record owner; and (10) one per cent if sold within the tenth year of ownership by such record owner. No conveyance tax shall be imposed by the provisions of sections 12-504a to 12-504f, inclusive, following the end of the tenth year of ownership by the record owner or person acquiring title to such land or causing such land to be so classified.

Sec. 7. Section 12-504c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

The provisions of section 12-504a shall not be applicable to the following: (1) Transfers of land resulting from eminent domain proceedings; (2) mortgage deeds; (3) deeds to or by the United States of America, state of Connecticut or any political subdivision or agency thereof; (4) strawman deeds and deeds which correct, modify, supplement or confirm a deed previously recorded; (5) deeds between husband and wife and parent and child when no consideration is received, except that a subsequent nonexempt transfer by the grantee in such cases shall be subject to the provisions of said section 12-504a as it would be if the grantor were making such nonexempt transfer; (6) tax deeds; (7) deeds of foreclosure; (8) deeds of partition; (9) deeds made pursuant to a merger of a corporation; (10) deeds made by a subsidiary corporation to its parent corporation for no consideration other than the cancellation or surrender of the capital stock of such subsidiary; (11) property transferred as a result of death when no consideration is received and in such transfer the date of acquisition or classification of the land for purposes of sections 12-504a to 12-504f, inclusive, or section 1 of this act, whichever is earlier, shall be the date

**Substitute House Bill No. 6776**

of acquisition or classification by the decedent; (12) deeds to any corporation, trust or other entity, of land to be held in perpetuity for educational, scientific, aesthetic or other equivalent passive uses, provided such corporation, trust or other entity has received a determination from the Internal Revenue Service that contributions to it are deductible under applicable sections of the Internal Revenue Code; (13) land subject to a covenant specifically set forth in the deed transferring title to such land, which covenant is enforceable by the town in which such land is located, to refrain from selling, transferring or developing such land in a manner inconsistent with its classification as farm land pursuant to section 12-107c, forest land pursuant to section 12-107d, [or] open space land pursuant to section 12-107e or maritime heritage land pursuant to section 1 of this act, for a period of not less than eight years from the date of transfer, if such covenant is violated the conveyance tax set forth in this chapter shall be applicable at the rate multiplied by the market value as determined by the assessor which would have been applicable at the date the deed containing the covenant was delivered and, in addition, the town or any taxpayer therein may commence an action to enforce such covenant; (14) land the development rights to which have been sold to the state under chapter 422a; and (15) deeds to or from any limited liability company when the grantors or grantees are the same individuals as the principals or members of the limited liability company. If action is taken under subdivision (13) of this section by a taxpayer, such action shall commence prior to the ninth year following the date of the deed containing such covenant and the town shall be served as a necessary party.

Sec. 8. Section 12-504e of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

Any land which has been classified by the owner as farm land pursuant to section 12-107c, as forest land pursuant to section 12-107d,

**Substitute House Bill No. 6776**

[or as] open space land pursuant to section 12-107e or maritime heritage land pursuant to section 1 of this act, if changed by him, within a period of ten years of his acquisition of title, to use other than farm land, forest [or] land, open space land or maritime heritage land, shall be subject to said conveyance tax as if there had been an actual conveyance by him, as provided in sections 12-504a and 12-504b, at the time he makes such change in use. For the purposes of this section: (1) The value of any such property shall be the fair market value thereof as determined by the assessor in conjunction with the most recent revaluation, and (2) the date used for purposes of determining such tax shall be the date on which the use of such property is changed, or the date on which the assessor becomes aware of a change in use of such property, whichever occurs first.

Sec. 9. Section 12-504f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

The tax assessor shall file annually, not later than sixty days after the assessment date, with the town clerk a certificate for any land which has been classified as farm land pursuant to section 12-107c, as forest land pursuant to section 12-107d, [or] as open space land pursuant to section 12-107e or as maritime heritage land pursuant to section 1 of this act, which certificate shall set forth the date of the initial classification and the obligation to pay the conveyance tax imposed by this chapter. Said certificate shall be recorded in the land records of such town. Any such classification of land shall be deemed personal to the particular owner who requests such classification and shall not run with the land. The town clerk shall notify the tax assessor of the filing in the land records of the sale of any such land. Upon receipt of such notice the tax assessor shall inform the new owner of the tax benefits of classification of such land as farm land, forest land or open space land.

Sec. 10. Section 12-504h of the general statutes is repealed and the

**Substitute House Bill No. 6776**

following is substituted in lieu thereof (*Effective July 1, 2007*):

Any such classification of farm land pursuant to section 12-107c, forest land pursuant to section 12-107d, [or] open space land pursuant to section 12-107e or maritime heritage land pursuant to section 1 of this act, shall be deemed personal to the particular owner who requests and receives such classification and shall not run with the land. Any such land which has been classified by a record owner shall remain so classified without the filing of any new application subsequent to such classification, notwithstanding the provisions of [said] sections 12-107c, 12-107d, [and] 12-107e and section 1 of this act, until either of the following shall occur: (1) The use of such land is changed to a use other than that described in the application for the existing classification by said record owner, or (2) such land is sold or transferred by said record owner. Upon the sale or transfer of any such property, the classification of such land as farm land pursuant to section 12-107c, forest land pursuant to section 12-107d, [or] open space land pursuant to section 12-107e or maritime heritage land pursuant to section 1 of this act, shall cease as of the date of sale or transfer. In the event that a change in use of any such property occurs, the provisions of section 12-504e, shall apply in terms of determining the date of change and the classification of such land as farm land pursuant to section 12-107c, forest land pursuant to section 12-107d, [or] open space land pursuant to section 12-107e or maritime heritage land pursuant to section 1 of this act, shall cease as of such date.

Sec. 11. Section 12-638l of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

(a) Any land which has been classified by the record owner thereof as open space land pursuant to section 12-107e or as maritime heritage land pursuant to section 1 of this act, shall, if a controlling interest in the entity which possesses an interest in such land is sold within a period of ten years from the time the owner first caused such land to

**Substitute House Bill No. 6776**

be so classified, be subject to a tax applicable to the present true and actual value of such land, which tax shall be in addition to the tax imposed under this chapter. Said tax shall be at the following rate: (1) Ten per cent of said present true and actual value if sold within the first year following the date of such classification; (2) nine per cent if sold within the second year following the date of such classification; (3) eight per cent if sold within the third year following the date of such classification; (4) seven per cent if sold within the fourth year following the date of such classification; (5) six per cent if sold within the fifth year following the date of such classification; (6) five per cent if sold within the sixth year following the date of such classification; (7) four per cent if sold within the seventh year following the date of such classification; (8) three per cent if sold within the eighth year following the date of such classification; (9) two per cent if sold within the ninth year following the date of such classification; and (10) one per cent if sold within the tenth year following the date of such classification. No tax shall be imposed on such record owner by the provisions of this chapter following the end of the tenth year after the date of such classification by such record owner.

(b) Any land which has been classified by the record owner thereof as farm land pursuant to section 12-107c or as forest land pursuant to section 12-107d shall, if a controlling interest in the entity which possesses an interest in such land is sold within a period of ten years from the time the owner acquired title to such land or from the time he first caused such land to be so classified, whichever is earlier, be subject to a tax applicable to the present true and actual value of such land, which tax shall be in addition to the tax imposed under this chapter. Said conveyance tax shall be at the following rate: (1) Ten per cent of said present true and actual value if sold within the first year of ownership by such record owner; (2) nine per cent if sold within the second year of ownership by such record owner; (3) eight per cent if sold within the third year of ownership by such record owner; (4)

**Substitute House Bill No. 6776**

seven per cent if sold within the fourth year of ownership by such record owner; (5) six per cent if sold within the fifth year of ownership by such record owner; (6) five per cent if sold within the sixth year of ownership by such record owner; (7) four per cent if sold within the seventh year of ownership by such record owner; (8) three per cent if sold within the eighth year of ownership by such record owner; (9) two per cent if sold within the ninth year of ownership by such record owner; and (10) one per cent if sold within the tenth year of ownership by such record owner. No conveyance tax shall be imposed by the provisions of this chapter following the end of the tenth year of ownership by such record owner.

Sec. 12. Section 12-638n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

The provisions of section 12-638l shall not be applicable to any sale having any of the following underlying characteristics: [(a)] (1) Transfers of land resulting from eminent domain proceedings; [(b)] (2) mortgage deeds; [(c)] (3) deeds to or by the United States of America, state of Connecticut or any political subdivision or agency thereof; [(d)] (4) strawman deeds and deeds which correct, modify, supplement or confirm a deed previously recorded; [(e)] (5) deeds between husband and wife and parent and child when no consideration is received, except that a subsequent nonexempt transfer by the grantee in such cases shall be subject to the provisions of section 12-638l as it would be if the grantor were making such nonexempt transfer; [(f)] (6) tax deeds; [(g)] (7) deeds releasing any property which is a security for a debt or other obligation; [(h)] (8) deeds of partition; [(i)] (9) property transferred as a result of death by devise or otherwise and in such transfer the date of acquisition or classification of the land for purposes of this chapter, whichever is earlier, shall be the date of acquisition or classification by the decedent; [(j)] (10) deeds to any corporation, trust or other entity, of land to be held in perpetuity for educational,

**Substitute House Bill No. 6776**

scientific, aesthetic or other equivalent passive uses, provided such corporation, trust or other entity has received a determination from the Internal Revenue Service that contributions to it are deductible under applicable sections of the Internal Revenue Code; and [(k)] (11) land subject to a covenant specifically set forth in the deed transferring title to such land, which covenant is enforceable by the town in which such land is located, to refrain from selling or developing such land in a manner inconsistent with its classification as farm land pursuant to section 12-107c, forest land pursuant to section 12-107d, [or] open space land pursuant to section 12-107e or maritime heritage land pursuant to section 1 of this act, for a period of not less than eight years from the date of transfer, if such covenant is violated the tax set forth in this chapter shall be applicable at the rate which would have been applicable at the date the deed containing the covenant was delivered and, in addition, the town or any taxpayer therein may commence an action to enforce such covenant. If such action is taken by such a taxpayer, the town shall be served as a necessary party.

Sec. 13. Section 12-81m of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

A municipality may, by vote of its legislative body or, in a municipality where the legislative body is a town meeting, by vote of the board of selectmen, and by vote of its board of finance, abate up to fifty per cent of the property taxes of any of the following properties provided such property is maintained as a business: (1) Dairy farm, (2) fruit orchard, including a vineyard for the growing of grapes for wine, (3) vegetable farm, (4) nursery farm, (5) any farm which employs nontraditional farming methods, including, but not limited to, hydroponic farming, [or] (6) tobacco farms, or (7) commercial lobstering businesses operated on maritime heritage land, as defined in section 12-107b, as amended by this act. Such a municipality may also establish a recapture in the event of sale provided such recapture

***Substitute House Bill No. 6776***

shall not exceed the original amount of taxes abated and may not go back further than ten years. For purposes of this section, the municipality may include in the abatement for such fruit orchard any building for seasonal residential use by workers in such orchard which is adjacent to the fruit orchard itself, but shall not include any residence of the person receiving such abatement.

Approved June 25, 2007