



General Assembly

Amendment

January Session, 2007

LCO No. 9619

HB0732909619HDO

Offered by:

REP. ROLDAN, 4th Dist.
REP. KIRKLEY-BEY, 5th Dist.
REP. MCCRORY, 7th Dist.
REP. GONZALEZ, 3rd Dist.

To: Subst. House Bill No. 7329

File No. 572

Cal. No. 477

"AN ACT CONCERNING A UNIFORM MASTER CONTRACT FOR REVALUATION VENDORS AND A REGIONALLY-BASED REVALUATION SCHEDULE."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective from passage*) Notwithstanding the
4 provisions of subdivision (1) of subsection (b) of section 12-62 of the
5 general statutes, any municipality in which the provisions of section
6 12-62d of the general statutes, revision of 1958, revised to January 1,
7 2005, were effective on June 30, 2006, shall perform the next
8 revaluation of real property located within the municipality one year
9 after the time for revaluation determined under said subdivision (1) of
10 subsection (b) of section 12-62 of the general statutes. The grand list for
11 the assessment year commencing October 1, 2008, shall be based on the
12 taxable list for the assessment year commencing October 1, 1999.

13 Sec. 502. (NEW) (*Effective from passage and applicable to assessment*
14 *years commencing on and after October 1, 2007*) (a) Commencing October
15 1, 1989, any municipality which meets the criteria as set forth in this
16 subsection may, upon approval of its legislative body, provide for
17 residential property tax relief in accordance with the provisions of
18 subsection (d) of this section. Such property tax relief may be allowed
19 if the municipality has implemented in that year a revaluation of all
20 real property as required in section 12-62 of the general statutes and
21 the effective tax rate for residential property, as determined in
22 accordance with the provisions of this section, is one and one-half per
23 cent or more of the market value of residential property in such
24 municipality. Effective tax rate, as used in this section, means a ratio in
25 which the numerator shall be the total tax imposed on all residential
26 real property in the year of revaluation and the denominator of which
27 shall be the present true and actual value of such property in such
28 year, as determined in accordance with section 12-63 of the general
29 statutes. Not later than three days following final action with respect to
30 the adoption of a mill rate for the year of revaluation the chief
31 executive officer shall determine the effective tax rate as provided in
32 this subsection and shall give notice of his determination to the
33 Secretary of the Office of Policy and Management. Not later than five
34 business days after receipt of such notice, said secretary shall issue a
35 determination as to the validity of the effective tax rate so determined.
36 If the chief executive officer is aggrieved by the finding of the
37 secretary, he may, within thirty days, make application in the nature of
38 an appeal therefrom to the superior court of the judicial district in
39 which the municipality is located. Such citation shall be signed by the
40 chief executive officer, acting on behalf of the municipality, and such
41 appeal shall be returnable at the same time and in the same manner as
42 required in the case of a summons in a civil action and shall be served
43 upon the secretary. Such application shall be a preferred case, to be
44 heard, unless cause appears to the contrary, at the first session by the
45 court or by a committee appointed by the court. Within twenty days of
46 the secretary's notice confirming the validity of the effective tax rate
47 determination, or within ten days of a decision of the court upholding

48 the validity of the effective tax rate determination, the chief executive
49 officer shall submit to the legislative body his recommendation
50 concerning residential property tax relief, and the legislative body
51 shall act upon such recommendation within thirty days. Whenever
52 used in this section, "municipality" means any town, consolidated
53 town and city or consolidated town and borough.

54 (b) In any municipality in which the legislative body provides for
55 residential property tax relief pursuant to this section, a property tax
56 surcharge of no more than the lesser of (1) fifteen per cent of the
57 property tax payable for the assessment year in which such relief is
58 granted, or (2) the portion of the total tax credit which may be
59 provided under subsection (d) of this section allocable to the
60 surcharged property, shall be charged for all real and personal
61 property subject to property tax imposed by such municipality
62 classified, for purposes of assessment, as commercial, industrial or
63 public utility, or a combination thereof, excepting (A) motor vehicles,
64 (B) multiple-dwelling structures which are more than fifty per cent
65 residential in use and which contain more than three units, and (C)
66 lodging houses, provided the surcharge shall be calculated and
67 surcharged against each individual parcel or item of property on a
68 basis which includes multiple-dwelling structures which are more
69 than fifty per cent residential in use and which contain more than three
70 units and lodging houses as surcharged property. Such property tax
71 surcharge shall be payable and collectible as other property taxes and
72 subject to the same liens and processes of collection, provided such
73 surcharge shall be due and payable not sooner than thirty days after
74 the installment of the property tax for the assessment year on which
75 residential property tax credits are applied. The amount of property
76 tax surcharge made payable in the year in which revaluation becomes
77 effective in such municipality shall remain unchanged in each of the
78 four succeeding years. Any new construction in such municipality
79 which would have been subject to the property tax surcharge payable
80 under this subsection if completed in the year in which such surcharge
81 first becomes effective shall be subject to such surcharge for the year in

82 which such structure is approved for use and in each of the succeeding
83 years in which such surcharge is applicable.

84 (c) Property which shall be eligible for tax relief under the
85 provisions of this section shall be defined as any single parcel of
86 residential property used exclusively for residential purposes,
87 including a single-family residence and a multiple-dwelling structure
88 containing not more than three units, used by the occupants as a place
89 of permanent residence.

90 (d) The amount derived from the property tax surcharge allowed
91 under subsection (b) of this section, in any municipality eligible to
92 provide residential property tax relief under the provisions of this
93 section, may be used for purposes of granting property tax credits to
94 residential property eligible for such credits under subsection (c) of
95 this section, in accordance with either of the following alternative
96 plans for such relief, as decided by the legislative body of such
97 municipality:

98 (1) A plan in which the property tax credit applicable to each
99 eligible parcel of residential property shall be determined as follows:
100 The credit for each eligible parcel of residential property shall be the
101 amount derived from the property tax surcharge as provided by
102 subsection (b) of this section, divided by the number of such parcels of
103 residential property, except that the maximum credit for each such
104 parcel shall not exceed seven hundred fifty dollars. The amount of
105 property tax credit applicable to each eligible parcel of residential
106 property in the year such plan becomes effective shall remain
107 unchanged in each of the four succeeding years of such plan.

108 (2) A plan in which the property tax credit applicable to each
109 eligible parcel of residential property shall be determined as the
110 amount by which the property tax applicable to such parcel of
111 residential property exceeds one and one-half per cent of the present
112 true and actual value of such property, as determined in accordance
113 with section 12-63 of the general statutes, provided no such property

114 tax credit for any eligible parcel shall exceed two hundred fifty per
115 cent of mean property tax credit, as determined in accordance with this
116 subdivision, to the extent that revenue in accordance with subsection
117 (b) of this section will allow. The amount of property tax credit
118 applicable to each eligible parcel of residential property in the year
119 such plan becomes effective shall remain unchanged in each of the four
120 succeeding years of such plan.

121 (e) Any municipality which has elected to allow tax credits with
122 respect to certain residential property in accordance with subsection
123 (d) of this section (1) may not adopt a plan to be effective in the same
124 assessment year under section 12-62c of the general statutes, and (2)
125 shall establish, for purposes of the plan of tax credits adopted, a
126 dedicated fund which shall be subject to annual budget procedures
127 and be included as part of the annual audit of such municipality.

128 (f) Not later than thirty days preceding the date on which any
129 property tax credits allowed in accordance with this section are to be
130 applied, the assessor shall certify to the tax collector (1) a listing of all
131 properties eligible for such property tax credit, and (2) a listing of all
132 properties against which a fifteen per cent property tax surcharge is to
133 be charged. The tax collector shall cause the applicable property tax
134 credit or surcharge to be applied to the rate bill for each such parcel of
135 property. Residential property tax credits shall be credited not earlier
136 than the second installment of the tax for the assessment year in which
137 such relief is granted, and not later than the last installment of such
138 tax. In the event that a tax bill is paid in full prior to the application of
139 a property tax credit under the provisions of this section, the owner or
140 owners of such property shall be eligible for a refund of the amount of
141 the credit in a manner to be determined by the municipality. The
142 residential property tax relief allowed by this section shall be
143 applicable in the year in which revaluation becomes effective and in
144 each of the four succeeding assessment years.

145 (g) (1) Any municipality electing to provide residential property tax
146 relief in accordance with this section shall conduct a management

147 study of its municipal government within one year following
148 implementation of such program. Such study shall include, but not be
149 limited to, a program review of expenditure, organization,
150 management of finances and assessment practices. The study shall
151 include input from the local business community and residential
152 property taxpayers.

153 (2) The study results shall be reported to the legislative body of the
154 municipality for consideration. The legislative body shall hold at least
155 two public hearings and shall consider the recommendations of the
156 study and public input thereon. Following such public hearings, the
157 legislative body shall develop a plan of implementation and shall file
158 such plan with the Secretary of the Office of Policy and Management
159 and with the General Assembly.

160 Sec. 503. (*Effective from passage*) (a) There is established a task force to
161 study and make recommendations for the property tax system in the
162 city of Hartford. The study shall include an evaluation of methods for
163 apportionment of the tax burden in said city.

164 (b) The task force shall consist of the following members:

165 (1) Two appointed by the speaker of the House of Representatives,
166 one of whom shall be a resident of the city of Hartford selected from a
167 list submitted by the mayor of the city of Hartford;

168 (2) Two appointed by the president pro tempore of the Senate, one
169 of whom shall be a resident of the city of Hartford selected from a list
170 submitted by the mayor of the city of Hartford;

171 (3) One appointed by the majority leader of the House of
172 Representatives, who shall be the owner of a small business located in
173 the city of Hartford;

174 (4) One appointed by the majority leader of the Senate, who shall be
175 selected from a list of businesses located in the city of Hartford
176 submitted by the Metro Hartford Alliance;

177 (5) One appointed by the minority leader of the House of
178 Representatives, who shall be an assessor;

179 (6) One appointed by the minority leader of the Senate, who shall be
180 an economist;

181 (7) The Commissioner of Revenue Services, or the commissioner's
182 designee; and

183 (8) The Secretary of the Office of Policy and Management, or the
184 secretary's designee.

185 (c) Any member of the task force appointed under subdivision (1),
186 (2), (3), (4), (5) or (6) of subsection (b) of this section may be a member
187 of the General Assembly.

188 (d) All appointments to the task force shall be made no later than
189 thirty days after the effective date of this section. Any vacancy shall be
190 filled by the appointing authority.

191 (e) The speaker of the House of Representatives and the president
192 pro tempore of the Senate shall select the chairpersons of the task
193 force, from among the members of the task force. Such chairpersons
194 shall schedule the first meeting of the task force, which shall be held no
195 later than sixty days after the effective date of this section.

196 (f) The administrative staff of the joint standing committee of the
197 General Assembly having cognizance of matters relating to finance,
198 revenue and bonding shall serve as administrative staff of the task
199 force.

200 (g) Not later than February 1, 2008, the task force shall submit a
201 report on its findings and recommendations to the joint standing
202 committee of the General Assembly having cognizance of matters
203 relating to finance revenue and bonding, in accordance with the
204 provisions of section 11-4a of the general statutes. The task force shall
205 terminate on the date that it submits such report or February 1, 2008,
206 whichever is later.

207 Sec. 504. Section 12-62n of the general statutes and section 3 of
208 public act 06-183 are repealed. (*Effective from passage*)"