



Substitute House Bill No. 5599

Public Act No. 08-130

**AN ACT CONCERNING THE TAXATION OF
TELECOMMUNICATIONS COMPANY PROPERTY AND THE
TIMELY FILING OF DECLARATIONS.**

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

Section 1. Section 12-80a of the 2008 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2008*):

(a) Any (1) taxpayer which, prior to January 1, 1990, was subject to tax under chapter 211 with respect to the rendering of telecommunications service and which, on or after January 1, 1990, is subject to tax under chapter 219 for rendering telecommunications service and (2) other taxpayer that is subject to tax under chapter 219 for rendering telecommunications service and which has elected in the manner specified in this section to have personal property taxed as provided in this section, shall be required to submit to the Commissioner of Revenue Services and the Secretary of the Office of Policy and Management, not later than the thirtieth day of November of each year during which it is subject to tax under chapter 219, a list of all personal property on a town-by-town basis that is owned by such taxpayer in this state on the first day of October of such year and that is used solely and exclusively for rendering telecommunications

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service, as defined in said chapter 219, including the location of each item of such property and the fair market value thereof, recognizing depreciation of such property to the maximum extent allowed for purposes of the corporation business tax in this state, as certified by the Commissioner of Revenue Services. Each such taxpayer shall also submit said list to each municipality in which such taxpayer owns property, provided the list submitted to a municipality shall contain only the personal property owned by such taxpayer that is located in, or allocated pursuant to this subsection to, said municipality. If the records of a taxpayer subject to the requirements of this subsection do not contain the data necessary to develop the list as required without undue cost, the taxpayer may, for purposes of requirements under this subsection, petition the Commissioner of Revenue Services for approval of an alternate method of determining the value of the plant used solely and exclusively to render telecommunications services, but not including central office or switching equipment of that taxpayer, located in each town in the state. If the commissioner finds that the alternative method proposed results in a reasonable approximation of the value of the property of the taxpayer located in each town and used solely and exclusively for rendering telecommunications service, the commissioner shall notify the taxpayer that the proposed alternate method is acceptable and the taxpayer shall be permitted to use the alternate method in developing the list required under this subsection.

(b) (1) Not later than the first day of February immediately following the end of such tax year, the Secretary of the Office of Policy and Management shall determine, with respect to such company, a value for personal property equivalent to seventy per cent of the value of personal property included in the list of such property prepared and certified in accordance with subsection (a) of this section. The amount of tax applicable with respect to such personal property of any taxpayer subject to the tax imposed under this section shall be determined by multiplying the value of personal property of such

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company, as determined under this subsection, by a mill rate of forty-seven mills. Said secretary shall, not later than the first day of March immediately following the end of such tax year, submit a tax bill to each company stating the amount of tax payable to each town in relation to the personal property of such taxpayer located in such town. Such tax shall be due and payable to the town in which such personal property is located not later than the first day of April immediately following. Any city or borough not consolidated with the town in which it is located and any town containing such a city or borough shall receive a portion of the tax due and payable to such town on the basis of the following ratio: The total taxes levied in the previous fiscal year by such town, city or borough shall be the numerator of the fraction. The total taxes levied by the town and all cities or boroughs located within such town shall be added together, and the sum shall be the denominator of the fraction. Any such city or borough may, by vote of its legislative body, direct the Secretary of the Office of Policy and Management to reallocate all or a portion of the share of such city or borough to the town in which it is located.

(2) The person responsible for the collection of taxes for each town, city or borough owed taxes under this subsection may, at such time as such tax becomes delinquent as provided in sections 12-146 and 12-169, subject such tax to interest at the rate of one and one-half per cent of such tax for each month or fraction thereof which elapses from the time when such tax becomes due and payable until the same is paid.

(c) With respect to tangible personal property included in the list of such property submitted to the Secretary of the Office of Policy and Management as provided in subsection (a) of this section, any taxpayer subject to the tax imposed under this section for any tax year shall not be subject to property tax in any town applicable to such personal property for the assessment year in such town commencing on the first day of October immediately preceding the date on which the tax

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determined with respect to such property in accordance with this section becomes due and payable.

(d) Any taxpayer that, on or after January 1, 1990, is subject to tax under chapter 219 for rendering telecommunications service but that, prior to January 1, 1990, was not subject to tax under chapter 211 for rendering telecommunications service may elect to have personal property taxed in the manner specified in this section. Such election shall be made in writing and filed with the Secretary of the Office of Policy and Management and a copy thereof shall be filed with the assessor of each town in which personal property affected by such election is located. Such election, once filed with the secretary, shall be irrevocable and shall, if filed on or before the date that is two months prior to the start of the assessment year, be effective for such assessment year and for all succeeding assessment years, otherwise to be effective for the next succeeding assessment year and all succeeding assessment years.

(e) For assessment years commencing on or after October 1, 1997, the provisions of this section, including informational reporting requirements imposed on owners, shall also apply, to the extent provided in section 12-80b of the 2008 supplement to the general statutes, to property that is used both to render telecommunications service subject to tax under chapter 219 and to render community antenna television service subject to tax under chapter 219 and that is required, under subsection (a) of section 12-80b of the 2008 supplement to the general statutes, to be taxed as provided in this section.

(f) Any municipality may examine the Office of Policy and Management's or the Department of Revenue Services' audit of a taxpayer's submission pursuant to subsection (a) of this section.

Sec. 2. Section 12-41 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage and*

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applicable to annual declarations due on or after November 1, 2008):

(a) "Municipality", whenever used in this section, includes each town, consolidated town and city, and consolidated town and borough.

(b) No person required by law to file an annual declaration of personal property shall include in such declaration motor vehicles which are registered in the office of the state Commissioner of Motor Vehicles. With respect to any vehicle subject to taxation in a town other than the town in which such vehicle is registered, pursuant to section 12-71, information concerning such vehicle may be included in a declaration filed pursuant to this section or section 12-43, or on a report filed pursuant to section 12-57a.

(c) The annual declaration of the tangible personal property owned by such person on the assessment date, shall include, but is not limited to, the following property: Machinery used in mills and factories, cables, wires, poles, underground mains, conduits, pipes and other fixtures of water, gas, electric and heating companies, leasehold improvements classified as other than real property and furniture and fixtures of stores, offices, hotels, restaurants, taverns, halls, factories and manufacturers. Commercial or financial information in any declaration filed under this section shall not be open for public inspection.

(d) (1) Any person who fails to file a declaration of personal property on or before the first day of November, or on or before the extended filing date as granted by the assessor pursuant to section 12-42 shall be subject to a penalty equal to twenty-five per cent of the assessment of such property; (2) any person who files a declaration of personal property in a timely manner, but has omitted property, as defined in section 12-53, shall be subject to a penalty equal to twenty-five per cent of the assessment of such omitted property. The penalty

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shall be added to the grand list by the assessor of the town in which such property is taxable; and (3) any declaration received by the municipality to which it is due that is in an envelope bearing a postmark, as defined in section 1-2a, showing a date within the allowed filing period shall not be deemed to be delinquent.

Approved June 5, 2008