



General Assembly

February Session, 2008

Committee Bill No. 5293

LCO No. 3135

03135HB05293PD_

Referred to Committee on Planning and Development

Introduced by:
(PD)

**AN ACT CONCERNING PAYMENTS IN LIEU OF TAXES FOR
PROPERTY OF NONPROFIT ORGANIZATIONS.**

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

1 Section 1. (NEW) (*Effective July 1, 2008*) (a) For the fiscal year ending
2 June 30, 2009, and each fiscal year thereafter, the Secretary of the Office
3 of Policy and Management shall determine the amount due, as a state
4 grant in lieu of taxes, to each town in this state in which at least
5 twenty-five per cent of the land is owned by an organization or legal
6 entity exempt from taxation pursuant to Section 501(c)(3) of the
7 Internal Revenue Code of 1986, or any subsequent corresponding
8 internal revenue code of the United States, as from time to time
9 amended. The grant payable to any town under the provisions of this
10 section in the state fiscal year commencing July 1, 2008, and each fiscal
11 year thereafter, shall be equal to the total of fifty per cent of the
12 property taxes which would have been paid with respect to such
13 property, except for the exemption applicable to such property, on the
14 assessment list in such town for the assessment date two years prior to
15 the commencement of the state fiscal year in which such grant is
16 payable.

17 (b) (1) As used in this section "total tax levied" means the total real
18 property tax levy in such town for the fiscal year preceding the fiscal
19 year in which a grant in lieu of taxes under this section is made,
20 reduced by the Secretary of the Office of Policy and Management in an
21 amount equal to all reimbursements certified as payable to such town
22 by the secretary for real property exemptions and credits on the
23 taxable grand list or rate bill of such town for the assessment year that
24 corresponds to that for which the assessed valuation of the regional
25 wastewater treatment facility with a sewage sludge incinerator has
26 been provided.

27 (2) As used in this section and section 12-19b of the general statutes,
28 as amended by this act, "town" includes borough.

29 Sec. 2. Section 12-19b of the general statutes is repealed and the
30 following is substituted in lieu thereof (*Effective July 1, 2008*):

31 (a) Not later than April first in any assessment year, any town or
32 borough to which a grant is payable under the provisions of section 12-
33 19a or section 1 of this act shall provide the Secretary of the Office of
34 Policy and Management with the assessed valuation of the real
35 property eligible therefor as of the first day of October immediately
36 preceding, adjusted in accordance with any gradual increase in or
37 deferment of assessed values of real property implemented in
38 accordance with section 12-62c, which is required for computation of
39 such grant. Any town which neglects to transmit to the secretary the
40 assessed valuation as required by this section shall forfeit two hundred
41 fifty dollars to the state, provided the secretary may waive such
42 forfeiture in accordance with procedures and standards adopted by
43 regulation in accordance with chapter 54. Said secretary may on or
44 before the first day of August of the state fiscal year in which such
45 grant is payable, reevaluate any such property when, in the secretary's
46 judgment, the valuation is inaccurate and shall notify such town of
47 such reevaluation by certified or registered mail. Any town or borough
48 aggrieved by the action of the secretary under the provisions of this

49 section may, not later than ten business days following receipt of such
50 notice, appeal to the secretary for a hearing concerning such
51 reevaluation. Such appeal shall be in writing and shall include a
52 statement as to the reasons for such appeal. The secretary shall, not
53 later than ten business days following receipt of such appeal, grant or
54 deny such hearing by notification in writing, including in the event of
55 a denial, a statement as to the reasons for such denial. Such notification
56 shall be sent by certified or registered mail. If any town or borough is
57 aggrieved by the action of the secretary following such hearing or in
58 denying any such hearing, the town or borough may not later than ten
59 business days after receiving such notice, appeal to the superior court
60 for the judicial district wherein such town is located. Any such appeal
61 shall be privileged.

62 (b) Notwithstanding the provisions of section 12-19a or subsection
63 (a) of this section, there shall be an amount due the municipality of
64 Voluntown, on or before the thirtieth day of September, annually, with
65 respect to any state-owned forest, of an additional sixty thousand
66 dollars, which amount shall be paid from the annual appropriation,
67 from the General Fund, for reimbursement to towns for loss of taxes on
68 private tax-exempt property.

69 Sec. 3. Section 12-19c of the general statutes is repealed and the
70 following is substituted in lieu thereof (*Effective July 1, 2008*):

71 The Secretary of the Office of Policy and Management shall, not
72 later than September fifteenth, certify to the Comptroller the amount
73 due each town or borough under the provisions of section 12-19a or
74 section 1 of this act, or under any recomputation occurring prior to
75 said September fifteenth which may be effected as the result of the
76 provisions of section 12-19b, as amended by this act, or section 1 of this
77 act, and the Comptroller shall draw an order on the Treasurer on or
78 before the fifth business day following September fifteenth and the
79 Treasurer shall pay the amount thereof to such town on or before the
80 thirtieth day of September following. If any recomputation is effected

81 as the result of the provisions of section 12-19b, as amended by this act,
82 on or after the August first following the date on which the town has
83 provided the assessed valuation in question, any adjustments to the
84 amount due to any town for the period for which such adjustments
85 were made shall be made in the next payment the Treasurer shall
86 make to such town pursuant to this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	New section
Sec. 2	<i>July 1, 2008</i>	12-19b
Sec. 3	<i>July 1, 2008</i>	12-19c

Statement of Purpose:

To provide a payment in lieu of taxes to municipalities where more than twenty-five per cent of the land is held by tax-exempt organizations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. AYALA, 128th Dist.

H.B. 5293