



General Assembly

February Session, 2008

Raised Bill No. 5573

LCO No. 2035

* HB05573AGEPD_030408 *

Referred to Committee on Select Committee on Aging

Introduced by:
(AGE)

***AN ACT CONCERNING THE EXCLUSION OF MEDICAL EXPENSES
FROM INCOME CALCULATIONS FOR PURPOSES OF PROPERTY
TAX PROGRAMS FOR SENIOR CITIZENS.***

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

1 Section 1. Subsection (a) of section 12-170v of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2008, and applicable to assessment years commencing on or after*
4 *said date*):

5 (a) Any municipality, upon approval of its legislative body may
6 provide that an owner of real property or any tenant for life or for a
7 term of years liable for property taxes under section 12-48 who meets
8 the qualifications stated in this subsection shall be entitled to pay the
9 tax levied on such property, calculated in accordance with the
10 provisions of subsection (b) of this section for the first year the claim
11 for such tax relief is filed and approved in accordance with the
12 provisions of section 12-170w, and such person shall be entitled to
13 continue to pay the amount of such tax or such lesser amount as may
14 be levied in any year, during each subsequent year that such person
15 meets such qualifications, and the surviving spouse of such owner or

16 tenant, qualified in accordance with the requirements pertaining to a
17 surviving spouse in this subsection, or any owner or tenant possessing
18 a joint interest in such property with such owner at the time of such
19 owner's death and qualified at such time in accordance with the
20 requirements in this subsection, shall be entitled to continue to pay the
21 amount of such tax or such lesser amount as may be levied in any year,
22 as it becomes due each year following the death of such owner for as
23 long as such surviving spouse or joint owner or joint tenant is qualified
24 in accordance with the requirements in this subsection. After the first
25 year a claim for such tax relief is filed and approved, application for
26 such tax relief shall be filed biennially on a form prepared for such
27 purpose by the assessor of such municipality. Any such owner or
28 tenant who is qualified in accordance with this section and any such
29 surviving spouse or joint owner or joint tenant surviving upon the
30 death of such owner or tenant, shall be entitled to pay such tax in the
31 amount as provided in this section for so long as such owner or tenant
32 or such surviving spouse or joint owner or joint tenant continues to be
33 so qualified. To qualify for the tax relief provided in this section a
34 taxpayer shall meet all the following requirements: (1) On December
35 thirty-first of the calendar year preceding the year in which a claim is
36 filed, be (A) seventy years of age or over, (B) the spouse of a person,
37 seventy years of age or over, provided such spouse is domiciled with
38 such person, or (C) sixty-two years of age or over and the surviving
39 spouse of a taxpayer who at the time of such taxpayer's death had
40 qualified and was entitled to tax relief under this section, provided
41 such surviving spouse was domiciled with such taxpayer at the time of
42 the taxpayer's death, (2) occupy such real property as his or her home,
43 (3) either spouse shall have resided within this state for at least one
44 year before filing the claim under this section and section 12-170w, (4)
45 the taxable and nontaxable income of such taxpayer, the total of which
46 shall hereinafter be called "qualifying income", in the tax year of such
47 homeowner ending immediately preceding the date of application for
48 benefits under the program in this section, was not in excess of limits
49 set forth in section 12-170aa, as adjusted annually, evidence of which
50 income shall be submitted to the assessor in the municipality in which

51 application for benefits under this section is filed in such form and
52 manner as the assessor may prescribe. The amount of any Medicaid
53 payments made on behalf of such homeowner or the spouse of such
54 homeowner, or any unreimbursable medical or dental expenses
55 incurred by such homeowner or the spouse of such homeowner, shall
56 not constitute income. The income of the spouse of such homeowner
57 shall not be included in the qualifying income of such homeowner for
58 purposes of determining eligibility for tax relief under this section, if
59 such spouse is a resident of a health care or nursing home facility in
60 this state, and such facility receives payment related to such spouse
61 under the Title XIX Medicaid program. In addition to the eligibility
62 requirements prescribed in this subsection, any municipality that
63 provides tax relief in accordance with the provisions of this section
64 may impose asset limits as a condition of eligibility for such tax relief.

65 Sec. 2. Subsection (b) of section 12-170aa of the general statutes is
66 repealed and the following is substituted in lieu thereof (*Effective*
67 *October 1, 2008, and applicable to assessment years commencing on or after*
68 *said date*):

69 (b) (1) The program established by this section shall provide for a
70 reduction in property tax, except in the case of benefits payable as a
71 grant under certain circumstances in accordance with provisions in
72 subsection (j) of this section, applicable to the assessed value of certain
73 real property, determined in accordance with subsection (c) of this
74 section, for any owner of real property, or any tenant for life or tenant
75 for a term of years liable for property tax under section 12-48, or any
76 resident of a multiple-dwelling complex under certain contractual
77 conditions as provided in said subsection (j) of this section, who (A) at
78 the close of the preceding calendar year has attained age sixty-five or
79 over, or whose spouse domiciled with such homeowner, has attained
80 age sixty-five or over at the close of the preceding calendar year, or is
81 fifty years of age or over and the surviving spouse of a homeowner
82 who at the time of his death had qualified and was entitled to tax relief
83 under this section, provided such spouse was domiciled with such

84 homeowner at the time of his death, or (B) at the close of the preceding
85 calendar year has not attained age sixty-five and is eligible in
86 accordance with applicable federal regulations to receive permanent
87 total disability benefits under Social Security, or has not been engaged
88 in employment covered by Social Security and accordingly has not
89 qualified for benefits thereunder but who has become qualified for
90 permanent total disability benefits under any federal, state or local
91 government retirement or disability plan, including the Railroad
92 Retirement Act and any government-related teacher's retirement plan,
93 determined by the Secretary of the Office of Policy and Management to
94 contain requirements in respect to qualification for such permanent
95 total disability benefits which are comparable to such requirements
96 under Social Security; and in addition to qualification under (A) or (B)
97 above, whose taxable and nontaxable income, the total of which shall
98 hereinafter be called "qualifying income", in the tax year of such
99 homeowner ending immediately preceding the date of application for
100 benefits under the program in this section, was not in excess of sixteen
101 thousand two hundred dollars, if unmarried, or twenty thousand
102 dollars, jointly with spouse if married, subject to adjustments in
103 accordance with subdivision (2) of this subsection, evidence of which
104 income shall be required in the form of a signed affidavit to be
105 submitted to the assessor in the municipality in which application for
106 benefits under this section is filed. The amount of any Medicaid
107 payments made on behalf of such homeowner or the spouse of such
108 homeowner, or the amount of any unreimbursable medical or dental
109 expenses incurred by such homeowner or the spouse of such
110 homeowner, shall not constitute income. The amount of tax reduction
111 provided under this section, determined in accordance with and
112 subject to the variable factors in the schedule of amounts of tax
113 reduction in subsection (c) of this section, shall be allowed only with
114 respect to a residential dwelling owned by such qualified homeowner
115 and used as such homeowner's primary place of residence. If title to
116 real property or a tenancy interest liable for real property taxes is
117 recorded in the name of such qualified homeowner or his spouse
118 making a claim and qualifying under this section and any other person

119 or persons, the claimant hereunder shall be entitled to pay his
120 fractional share of the tax on such property calculated in accordance
121 with the provisions of this section, and such other person or persons
122 shall pay his or their fractional share of the tax without regard for the
123 provisions of this section, unless also qualified hereunder. For the
124 purposes of this section, a "mobile manufactured home", as defined in
125 section 12-63a, or a dwelling on leased land, including but not limited
126 to a modular home, shall be deemed to be real property and the word
127 "taxes" shall not include special assessments, interest and lien fees.

128 (2) The amounts of qualifying income as provided in this section
129 shall be adjusted annually in a uniform manner to reflect the annual
130 inflation adjustment in Social Security income, with each such
131 adjustment of qualifying income determined to the nearest one
132 hundred dollars. Each such adjustment of qualifying income shall be
133 prepared by the Secretary of the Office of Policy and Management in
134 relation to the annual inflation adjustment in Social Security, if any,
135 becoming effective at any time during the twelve-month period
136 immediately preceding the first day of October each year and the
137 amount of such adjustment shall be distributed to the assessors in each
138 municipality not later than the thirty-first day of December next
139 following.

140 (3) For purposes of determining qualifying income under
141 subdivision (1) of this subsection with respect to a married homeowner
142 who submits an application for tax reduction in accordance with this
143 section, the Social Security income of the spouse of such homeowner
144 shall not be included in the qualifying income of such homeowner, for
145 purposes of determining eligibility for benefits under this section, if
146 such spouse is a resident of a health care or nursing home facility in
147 this state receiving payment related to such spouse under the Title XIX
148 Medicaid program. An applicant who is legally separated pursuant to
149 the provisions of section 46b-40, as of the thirty-first day of December
150 preceding the date on which such person files an application for a
151 grant in accordance with subsection (a) of this section, may apply as an

