



General Assembly

Substitute Bill No. 493

February Session, 2008

* SB00493PD_FIN031008 *

AN ACT CONCERNING REAL PROPERTY TAX BENEFITS AND ABATEMENTS.

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

1 Section 1. Section 12-129s of the 2008 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective October 1, 2008, and applicable to assessment years commencing on*
4 *or after October 1, 2008*):

5 Any municipality may, by vote of its legislative body or, in a
6 municipality where the legislative body is a town meeting, by vote of
7 the board of selectmen, provide [a property tax] an exemption for all or
8 a part of the property tax due with respect to motor vehicles that are
9 exempt from sales and use taxes under subdivision (110) or (115) of
10 section 12-412 of the 2008 supplement to the general statutes.

11 Sec. 2. Section 12-502b of the general statutes is repealed and the
12 following is substituted in lieu thereof (*Effective October 1, 2008, and*
13 *applicable to assessment years commencing on or after October 1, 2008*):

14 When the Commissioner of Revenue Services makes a deficiency
15 assessment for any taxes payable under this chapter to the state, the
16 commissioner is authorized to make a deficiency assessment for any
17 taxes payable under this chapter to a municipality and to hold a
18 hearing, when requested in writing by any person aggrieved by the

19 action of the commissioner or his authorized agent in fixing the
20 amount of any tax, penalty or interest provided for by this chapter on
21 or before the sixtieth day after notice of such action is delivered or
22 mailed to such person. The deficiency assessment for any taxes
23 payable under this chapter to a municipality shall bear interest at the
24 rate of one per cent per month or fraction thereof from the date when
25 the original tax was due and payable. When it appears that any part of
26 the deficiency for which a deficiency assessment is made is due to
27 negligence or intentional disregard of the provisions of this chapter or
28 regulations adopted under this chapter, there shall be imposed a
29 penalty equal to ten per cent of the amount of such deficiency
30 assessment, or fifty dollars, whichever is greater. When it appears that
31 any part of the deficiency for which a deficiency assessment is made is
32 due to fraud or intent to evade the provisions of this chapter or
33 regulations adopted under this chapter, there shall be imposed a
34 penalty equal to twenty-five per cent of the amount of such deficiency
35 assessment. No taxpayer shall be subject to more than one penalty
36 under this section in relation to the same tax period. Once a deficiency
37 assessment for any taxes payable under this chapter to a municipality
38 is no longer the subject of a timely filed administrative appeal to the
39 commissioner or of a timely filed appeal pending before any court of
40 competent jurisdiction, the commissioner may collect, on behalf of
41 such municipality, such taxes, and all interest and penalties added
42 thereto by law, under the provisions of section 12-35 as if such taxes,
43 penalties or interest due such municipality were "tax due the state", as
44 such term is defined in said section 12-35, and as if such term expressly
45 included taxes, penalties or interest due to such municipality. Such
46 taxes, and all interest and penalties added thereto by law, shall be
47 treated, for purposes of subsection (a) of section 12-39g and for
48 purposes of subsection (a) of section 12-739 as if they were taxes due to
49 the state. If such taxes, penalties or interest are collected by the state,
50 the state shall remit to the municipality in which the real property or
51 interest conveyed is located the amount from any deficiency
52 assessment that is equal to the deficiency in payment of taxes to the
53 municipality under subdivision (2) of section 12-494 of the 2008

54 supplement to the general statutes.

55 Sec. 3. Section 12-170v of the general statutes is repealed and the
56 following is substituted in lieu thereof (*Effective October 1, 2008, and*
57 *applicable to assessment years commencing on or after October 1, 2008*):

58 (a) Any municipality, upon approval of its legislative body may
59 provide that an owner of real property or any tenant for life or for a
60 term of years liable for property taxes under section 12-48 who meets
61 the qualifications stated in this subsection shall be entitled to pay the
62 tax levied on such property, calculated in accordance with the
63 provisions of subsection (b) of this section for the first year the claim
64 for such tax relief is filed and approved in accordance with the
65 provisions of section 12-170w, and such person shall be entitled to
66 continue to pay the amount of such tax or such lesser amount as may
67 be levied in any year, during each subsequent year that such person
68 meets such qualifications, and the surviving spouse of such owner or
69 tenant, qualified in accordance with the requirements pertaining to a
70 surviving spouse in this subsection, or any owner or tenant possessing
71 a joint interest in such property with such owner at the time of such
72 owner's death and qualified at such time in accordance with the
73 requirements in this subsection, shall be entitled to continue to pay the
74 amount of such tax or such lesser amount as may be levied in any year,
75 as it becomes due each year following the death of such owner for as
76 long as such surviving spouse or joint owner or joint tenant is qualified
77 in accordance with the requirements in this subsection. After the first
78 year a claim for such tax relief is filed and approved, application for
79 such tax relief shall be filed biennially on a form prepared for such
80 purpose by the assessor of such municipality. Any such owner or
81 tenant who is qualified in accordance with this section and any such
82 surviving spouse or joint owner or joint tenant surviving upon the
83 death of such owner or tenant, shall be entitled to pay such tax in the
84 amount as provided in this section for so long as such owner or tenant
85 or such surviving spouse or joint owner or joint tenant continues to be
86 so qualified. To qualify for the tax relief provided in this section a

87 taxpayer shall meet all the following requirements: (1) On December
88 thirty-first of the calendar year preceding the year in which a claim is
89 filed, be (A) seventy years of age or over, (B) the spouse of a person,
90 seventy years of age or over, provided such spouse is domiciled with
91 such person, or (C) sixty-two years of age or over and the surviving
92 spouse of a taxpayer who at the time of such taxpayer's death had
93 qualified and was entitled to tax relief under this section, provided
94 such surviving spouse was domiciled with such taxpayer at the time of
95 the taxpayer's death, (2) occupy such real property as his or her home,
96 (3) either spouse shall have resided within this state for at least one
97 year before filing the claim under this section and section 12-170w, (4)
98 the taxable and nontaxable income of such taxpayer, the total of which
99 shall hereinafter be called "qualifying income", in the tax year of such
100 homeowner ending immediately preceding the date of application for
101 benefits under the program in this section, [was not in excess of] did
102 not exceed the limits set forth in section 12-170aa by more than ninety
103 per cent, as adjusted annually, evidence of which income shall be
104 submitted to the assessor in the municipality in which application for
105 benefits under this section is filed in such form and manner as the
106 assessor may prescribe. The amount of any Medicaid payments made
107 on behalf of such homeowner or the spouse of such homeowner shall
108 not constitute income. The income of the spouse of such homeowner
109 shall not be included in the qualifying income of such homeowner for
110 purposes of determining eligibility for tax relief under this section, if
111 such spouse is a resident of a health care or nursing home facility in
112 this state, and such facility receives payment related to such spouse
113 under the Title XIX Medicaid program. In addition to the eligibility
114 requirements prescribed in this subsection, any municipality that
115 provides tax relief in accordance with the provisions of this section
116 may impose asset limits as a condition of eligibility for such tax relief.

117 (b) The tax on the real property for which the benefits under this
118 section are claimed shall be the lower of: The tax due with respect to
119 the homeowner's residence for the assessment year commencing
120 October first of the year immediately preceding the year in which the

121 initial claim for tax relief is made, or the tax due for any subsequent
122 assessment year. If title to real property is recorded in the name of the
123 person or the spouse making a claim and qualifying under this section
124 and any other person or persons, the claimant hereunder shall be
125 entitled to pay the claimant's fractional share of the tax on such
126 property calculated in accordance with the provisions of this section,
127 and such other person or persons shall pay the person's or persons'
128 fractional share of the tax without regard for the provisions of this
129 section. For the purposes of this section, a "mobile manufactured
130 home", as defined in section 12-63a, shall be deemed to be real
131 property.

132 (c) If any person with respect to whom a claim for tax relief in
133 accordance with this section and section 12-170w has been approved
134 for any assessment year transfers, assigns, grants or otherwise conveys
135 subsequent to the first day of October, but prior to the first day of
136 August in such assessment year the interest in real property to which
137 such claim for tax relief is related, regardless of whether such transfer,
138 assignment, grant or conveyance is voluntary or involuntary, the
139 amount of such tax relief benefit, determined as the amount by which
140 the tax payable without benefit of this section exceeds the tax payable
141 under the provisions of this section, shall be a pro rata portion of the
142 amount otherwise applicable in such assessment year to be determined
143 by a fraction the numerator of which shall be the number of full
144 months from the first day of October in such assessment year to the
145 date of such conveyance and the denominator of which shall be
146 twelve. If such conveyance occurs in the month of October the grantor
147 shall be disqualified for such tax relief in such assessment year. The
148 grantee shall be required within a period not exceeding ten days
149 immediately following the date of such conveyance to notify the
150 assessor thereof, or in the absence of such notice, upon determination
151 by the assessor that such transfer, assignment, grant or conveyance has
152 occurred, the assessor shall determine the amount of tax relief benefit
153 to which the grantor is entitled for such assessment year with respect
154 to the interest in real property conveyed and notify the tax collector of

155 the reduced amount of such benefit. Upon receipt of such notice from
156 the assessor, the tax collector shall, if such notice is received after the
157 tax due date in the municipality, no later than ten days thereafter mail
158 or hand a bill to the grantee stating the additional amount of tax due as
159 determined by the assessor. Such tax shall be due and payable and
160 collectible as other property taxes and subject to the same liens and
161 processes of collection, provided such tax shall be due and payable in
162 an initial or single installment not sooner than thirty days after the
163 date such bill is mailed or handed to the grantee and in equal amounts
164 in any remaining, regular installments as the same are due and
165 payable.

166 Sec. 4. (NEW) (*Effective October 1, 2008, and applicable to assessment*
167 *years commencing on or after October 1, 2008*) Any municipality, by
168 ordinance adopted by its legislative body, may establish a program to
169 provide property tax relief for taxes due with respect to residential
170 structures that are (1) occupied by persons sixty-five years of age and
171 older or who are physically disabled, and (2) have been improved after
172 issuance of a certificate of occupancy to accommodate the needs of
173 such persons. The amount of such property tax relief shall not be more
174 than the cost of the improvements. The ordinance shall further define
175 the improvements necessary to qualify for tax relief and prescribe
176 documentation required by the municipality to claim the property tax
177 relief.

178 Sec. 5. (NEW) (*Effective October 1, 2008, and applicable to assessment*
179 *years commencing on or after October 1, 2008*) (a) The legislative body of
180 any municipality may establish, by ordinance adopted by its legislative
181 body, a program to provide property tax relief to persons aged sixty-
182 five or older who volunteer their services in the municipality. Such
183 ordinance shall include a list of activities, programs and organizations
184 with which an applicant could volunteer to qualify for the program.

185 (b) Any property tax relief under this section for any taxpayer shall
186 not exceed seven hundred fifty dollars in any assessment year. The
187 amount of such relief shall be determined based on the number of

188 hours volunteered multiplied by the state minimum fair wage, as
 189 defined in subsection (j) of section 31-58 of the general statutes.

190 (c) The amount of the property tax relief shall be applied to the taxes
 191 due to the municipality and shall not be paid to the taxpayer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2008, and applicable to assessment years commencing on or after October 1, 2008</i>	12-129s
Sec. 2	<i>October 1, 2008, and applicable to assessment years commencing on or after October 1, 2008</i>	12-502b
Sec. 3	<i>October 1, 2008, and applicable to assessment years commencing on or after October 1, 2008</i>	12-170v
Sec. 4	<i>October 1, 2008, and applicable to assessment years commencing on or after October 1, 2008</i>	New section
Sec. 5	<i>October 1, 2008, and applicable to assessment years commencing on or after October 1, 2008</i>	New section

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Joint Favorable Subst. C/R

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