



General Assembly

Amendment

June 11 Special Session, 2008

LCO No. 6781

SB0100106781SR0

Offered by:

SEN. MCKINNEY, 28th Dist.

REP. CAFERO, 142nd Dist.

To: Senate Bill No. 1001

File No.

Cal. No.

"AN ACT CONCERNING THE MUNICIPAL SHARE OF THE REAL ESTATE CONVEYANCE TAX."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 12-494 of the 2008 supplement to the general
4 statutes is repealed and the following is substituted in lieu thereof
5 (*Effective from passage*):

6 (a) There is imposed a tax on each deed, instrument or writing,
7 whereby any lands, tenements or other realty is granted, assigned,
8 transferred or otherwise conveyed to, or vested in, the purchaser, or
9 any other person by his direction, when the consideration for the
10 interest or property conveyed equals or exceeds two thousand dollars,
11 (1) subject to the provisions of subsection (b) of this section, at the rate
12 of five-tenths of one per cent of the consideration for the interest in real
13 property conveyed by such deed, instrument or writing, provided for
14 the fiscal years beginning July 1, 2008, and July 1, 2009, such rate shall

15 be at thirty-five one-hundredths of one per cent, the revenue from
16 which shall be remitted by the town clerk of the municipality in which
17 such tax is paid, not later than ten days following receipt thereof, to the
18 Commissioner of Revenue Services for deposit to the credit of the state
19 General Fund, and (2) at the rate of one-fourth of one per cent of the
20 consideration for the interest in real property conveyed by such deed,
21 instrument or writing, and on and after July 1, [2008] 2010, at the rate
22 of eleven one-hundredths of one per cent of the consideration for the
23 interest in real property conveyed by such deed, instrument or writing,
24 provided the amount imposed under this subdivision shall become
25 part of the general revenue of the municipality in accordance with
26 section 12-499.

27 (b) [The] (1) Except as provided in subdivision (2) of this subsection,
28 the rate of tax imposed under subdivision (1) of subsection (a) of this
29 section shall, in lieu of the rate under said subdivision (1), be imposed
30 on certain conveyances as follows: [(1)] (A) In the case of any
31 conveyance of real property which at the time of such conveyance is
32 used for any purpose other than residential use, except unimproved
33 land, the tax under said subdivision (1) shall be imposed at the rate of
34 one per cent of the consideration for the interest in real property
35 conveyed; [(2)] (B) in the case of any conveyance in which the real
36 property conveyed is a residential estate, including a primary dwelling
37 and any auxiliary housing or structures, regardless of the number of
38 deeds, instruments or writings used to convey such residential real
39 estate, for which the consideration or aggregate consideration, as the
40 case may be, in such conveyance is eight hundred thousand dollars or
41 more, the tax under said subdivision (1) shall be imposed [(A)] (i) at
42 the rate of one-half of one per cent on that portion of such
43 consideration up to and including the amount of eight hundred
44 thousand dollars, and [(B)] (ii) at the rate of one per cent on that
45 portion of such consideration in excess of eight hundred thousand
46 dollars; and [(3)] (C) in the case of any conveyance in which real
47 property on which mortgage payments have been delinquent for not
48 less than six months is conveyed to a financial institution or its

49 subsidiary which holds such a delinquent mortgage on such property,
50 the tax under said subdivision (1) shall be imposed at the rate of one-
51 half of one per cent of the consideration for the interest in real property
52 conveyed. For the purposes of [subdivision (1) of this subsection]
53 subparagraph (A) of this subdivision and subparagraph (A) of
54 subdivision (2) of this subsection, "unimproved land" includes land
55 designated as farm, forest or open space land.

56 (2) For the fiscal years beginning July 1, 2008, and July 1, 2009, the
57 rate of tax imposed under subdivision (1) of subsection (a) of this
58 section shall, in lieu of the rate under said subdivision (1), be imposed
59 on certain conveyances as follows: (A) In the case of any conveyance of
60 real property which at the time of such conveyance is used for any
61 purpose other than residential use, except unimproved land, the tax
62 under said subdivision (1) shall be imposed at the rate of eighty-five
63 one-hundredths of one per cent of the consideration for the interest in
64 real property conveyed; (B) in the case of any conveyance in which the
65 real property conveyed is a residential estate, including a primary
66 dwelling and any auxiliary housing or structures, regardless of the
67 number of deeds, instruments or writings used to convey such
68 residential real estate, for which the consideration or aggregate
69 consideration, as the case may be, in such conveyance is eight hundred
70 thousand dollars or more, the tax under said subdivision (1) shall be
71 imposed (i) at the rate of thirty-five one-hundredths of one per cent on
72 that portion of such consideration up to and including the amount of
73 eight hundred thousand dollars, and (ii) at the rate of eighty-five one-
74 hundredths of one per cent on that portion of such consideration in
75 excess of eight hundred thousand dollars; and (C) in the case of any
76 conveyance in which real property on which mortgage payments have
77 been delinquent for not less than six months is conveyed to a financial
78 institution or its subsidiary which holds such a delinquent mortgage
79 on such property, the tax under said subdivision (1) shall be imposed
80 at the rate of thirty-five one-hundredths of one per cent of the
81 consideration for the interest in real property conveyed.

82 (c) In addition to the tax imposed under subsection (a) of this

83 section, any targeted investment community, as defined in section 32-
84 222, as amended by section 2 of public act 08-34, or any municipality in
85 which properties designated as manufacturing plants under section 32-
86 75c are located, may, on or after March 15, 2003, impose an additional
87 tax on each deed, instrument or writing, whereby any lands, tenements
88 or other realty is granted, assigned, transferred or otherwise conveyed
89 to, or vested in, the purchaser, or any other person by his direction,
90 when the consideration for the interest or property conveyed equals or
91 exceeds two thousand dollars, which additional tax shall be at a rate of
92 up to one-fourth of one per cent of the consideration for the interest in
93 real property conveyed by such deed, instrument or writing. The
94 revenue from such additional tax shall become part of the general
95 revenue of the municipality in accordance with section 12-499.

96 Sec. 2. Subsection (a) of section 12-638b of the general statutes is
97 repealed and the following is substituted in lieu thereof (*Effective from*
98 *passage*):

99 (a) (1) There is hereby imposed a tax on the sale or transfer of a
100 controlling interest in any entity which possesses, directly or
101 indirectly, an interest in real property in this state when the present
102 true and actual value of the interest in real property equals or exceeds
103 two thousand dollars, payable by the person selling or transferring
104 such controlling interest, at the rate of one and eleven one-hundredths
105 of one per cent of the present true and actual value of the interest in
106 real property possessed, directly or indirectly, by such entity, provided
107 for the fiscal years commencing July 1, 2008, and July 1, 2009, said rate
108 shall be ninety-five one-hundredths of one per cent of the present true
109 and actual value of the interest in real property possessed, directly or
110 indirectly, by such entity.

111 (2) A taxable sale or transfer of a controlling interest may occur in
112 one transaction or in a series of transactions. Transactions which occur
113 within six months of each other are presumed, unless shown to the
114 contrary, to be a series of transactions.

115 (3) A taxable sale or transfer of a controlling interest may be made
116 by one seller or transferor or may be made by a group of sellers or
117 transferors acting in concert. Sellers or transferors who are related to
118 each other by blood or marriage are presumed, unless shown to the
119 contrary, to be acting in concert."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	12-494
Sec. 2	<i>from passage</i>	12-638b(a)