



General Assembly

January Session, 2009

Committee Bill No. 5676

LCO No. 3396

03396HB05676AGE

Referred to Committee on Select Committee on Aging

Introduced by:
(AGE)

AN ACT CONCERNING STATE PAYMENT OF SENIOR PROPERTY TAXES.

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

1 Section 1. (NEW) (*Effective October 1, 2009, and applicable to assessment*
2 *years commencing on or after October 1, 2009*) (a) Any owner of real
3 property or any tenant for life or for a term of years liable for property
4 taxes under section 12-48 of the general statutes who meets the
5 qualifications stated in this subsection shall be entitled to request the
6 state to pay the tax levied on such owner's or tenant's property to the
7 municipality to which such tax is due. To qualify for the tax relief
8 provided in this section, a taxpayer shall meet all of the following
9 requirements: (1) On December thirty-first of the calendar year
10 preceding the year in which a claim is filed, be (A) sixty-five years of
11 age or over, (B) the spouse of a person, sixty-five years of age or over,
12 provided such spouse is domiciled with such person, or (C) sixty-two
13 years of age or over and the surviving spouse of a taxpayer who at the
14 time of such taxpayer's death had qualified and was entitled to tax
15 relief under this section, provided such surviving spouse was
16 domiciled with such taxpayer at the time of the taxpayer's death; (2)

17 occupy such real property as his or her home; (3) either spouse shall
18 have resided within this state for at least one year before filing the
19 claim under this section; and (4) the taxable and nontaxable income of
20 such taxpayer, the total of which shall hereinafter be called "qualifying
21 income", in the tax year of such homeowner ending immediately
22 preceding the date of application for benefits under the program in
23 this section, was not in excess of limits set forth in section 12-170aa of
24 the general statutes, as adjusted annually. The amount of any Medicaid
25 payments made on behalf of such homeowner or the spouse of such
26 homeowner shall not constitute income. The income of the spouse of
27 such homeowner shall not be included in the qualifying income of
28 such homeowner for purposes of determining eligibility for tax relief
29 under this section, if such spouse is a resident of a health care or
30 nursing home facility in this state and such facility receives payment
31 related to such spouse under the Title XIX Medicaid program.

32 (b) (1) Any claim for tax relief under this section shall be submitted
33 for approval, on the application form prepared for such purpose by the
34 Secretary of the Office of Policy and Management, in the first year
35 claim for such tax relief is filed and biennially thereafter. In respect to
36 such application required biennially after the filing and approval for
37 the first year, the tax assessor in each municipality shall notify each
38 such homeowner concerning application requirements by regular mail
39 not later than February first, annually enclosing a copy of the required
40 application form. In the year immediately following any year in which
41 such homeowner has submitted application and qualified for tax relief
42 in accordance with this section, such homeowner shall be presumed,
43 without filing application therefor, to be qualified for tax relief in
44 accordance with this section. If any homeowner has qualified and
45 received tax relief under this section and subsequently in any calendar
46 year has qualifying income in excess of the maximum described in this
47 section, he shall notify the tax assessor on or before the next filing date
48 and shall be denied tax relief under this section for the assessment year
49 and any subsequent year or until he has reapplied and again qualifies
50 for benefits under this section. Any such person who fails to so notify

51 the tax assessor of his disqualification shall refund all amounts of tax
52 relief improperly taken and be fined not more than five hundred
53 dollars.

54 (2) Any homeowner, believing such homeowner is entitled to tax
55 relief under this section for any assessment year, shall make
56 application as required in subdivision (1) of this subsection, to the
57 assessor of the municipality in which the homeowner resides, for such
58 tax relief at any time from February first to, May fifteenth, inclusive, of
59 the year in which tax relief is claimed. In making an application, the
60 homeowner shall present to such assessor, in substantiation of such
61 homeowner's application, a copy of such homeowner's federal income
62 tax return, including a copy of the Social Security statement of
63 earnings for such homeowner, and that of such homeowner's spouse, if
64 filed separately, for such homeowner's taxable year ending
65 immediately prior to the submission of such application, or if not
66 required to file a return, such other evidence of qualifying income in
67 respect to such taxable year as may be required by the assessor. When
68 the assessor is satisfied that the applying homeowner is entitled to tax
69 relief in accordance with this section, such assessor shall issue a
70 statement of property tax along with a copy of the application and
71 supporting materials to the secretary, in such form as the secretary
72 may prescribe and supply showing the amount of property tax due for
73 such homeowner. The assessor shall submit such statement to the
74 secretary no later than July first, annually, in relation to the assessment
75 list of October first immediately preceding. A duplicate of such
76 statement shall be delivered to the applicant and the tax collector of the
77 municipality and the assessor shall keep the fourth copy of such
78 statement and a copy of the application. Any homeowner who, for the
79 purpose of obtaining tax relief under this section, wilfully fails to
80 disclose all matters related thereto or with intent to defraud or makes a
81 false statement shall refund to the state all property taxes paid by the
82 state on behalf of such homeowner and shall be fined not more than
83 five hundred dollars. Applications filed under this section shall not be
84 open for public inspection.

85 (3) Any municipality which neglects to transmit to the secretary the
86 statement as required by subdivision (2) of this subsection shall forfeit
87 two hundred fifty dollars to the state provided the secretary may
88 waive such forfeiture in accordance with standards and procedures
89 established in regulations adopted in accordance with the provisions
90 of chapter 54 of the general statutes. Subject to procedures for review
91 and approval of such data pursuant to section 12-120b of the general
92 statutes, said secretary shall, on or before July fifteenth next following,
93 certify to the Comptroller the amount due each municipality as
94 payment for property tax due on behalf of homeowners who meet the
95 qualifications stated in this section. The Comptroller shall draw an
96 order on the Treasurer on or before the fifth business day following
97 July fifteenth and the Treasurer shall pay the amount due each
98 municipality not later than the thirty-first day of July. Any claimant
99 aggrieved by the results of the secretary's review shall have the rights
100 of appeal as set forth in said section 12-120b. The amount payable to
101 each municipality in any year in accordance with this section shall be
102 reduced proportionately in the event that the total of such amount in
103 such year exceeds the amount appropriated for the purposes of this
104 section with respect to such year.

105 (c) The state may establish a lien on such property in the amount of
106 the property tax paid by the state on behalf of such homeowner, plus
107 interest applicable to the total amount of property taxes paid by the
108 state on behalf of such homeowner, at a rate not exceeding six per cent
109 per annum. Any such lien shall have a priority in the settlement of
110 such person's estate.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2009, and applicable to assessment years commencing on or after October 1, 2009</i>	New section

Statement of Purpose:

To allow elderly residents of the state with limited income to elect to have the state pay their property taxes in exchange for a lien on the property in favor of the state.

[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. DAVIS, 117th Dist.; REP. SERRA, 33rd Dist.

H.B. 5676