



General Assembly

January Session, 2009

Raised Bill No. 6431

LCO No. 3436

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Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

**AN ACT CONCERNING THE ALLOCATION OF CERTAIN TAX AND
GRANT PAYMENTS TO LESSER TAXING DISTRICTS.**

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

1 Section 1. Subsection (b) of section 12-80a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective from*
3 *passage and applicable to fiscal years commencing on and after July 1, 2008*):

4 (b) (1) Not later than the first day of February immediately
5 following the end of such tax year, the Secretary of the Office of Policy
6 and Management shall determine, with respect to such company, a
7 value for personal property equivalent to seventy per cent of the value
8 of personal property included in the list of such property prepared and
9 certified in accordance with subsection (a) of this section. The amount
10 of tax applicable with respect to such personal property of any
11 taxpayer subject to the tax imposed under this section shall be
12 determined by multiplying the value of personal property of such
13 company, as determined under this subsection, by a mill rate of forty-
14 seven mills. Said secretary shall, not later than the first day of March
15 immediately following the end of such tax year, submit a tax bill to
16 each company stating the amount of tax payable to each town in

17 relation to the personal property of such taxpayer located in such
18 town. Such tax shall be due and payable to the town in which such
19 personal property is located not later than the first day of April
20 immediately following. Any city or borough not consolidated with the
21 town in which it is located and any town containing such a city or
22 borough shall receive a portion of the tax due and payable to such
23 town on the basis of the following ratio: The total taxes levied in the
24 previous fiscal year by such town, city or borough shall be the
25 numerator of the fraction. The total taxes levied by the town and all
26 cities or boroughs located within such town shall be added together,
27 and the sum shall be the denominator of the fraction. The town in
28 which a city or borough is located shall be entitled to retain the
29 amount otherwise allocable to a city or borough under the provisions
30 of this subsection if the application of such ratio results in an allocation
31 of less than five dollars to such city or borough. Any such city or
32 borough may, by vote of its legislative body, direct the Secretary of the
33 Office of Policy and Management to reallocate all or a portion of the
34 share of such city or borough to the town in which it is located.

35 (2) The person responsible for the collection of taxes for each town,
36 city or borough owed taxes under this subsection may, at such time as
37 such tax becomes delinquent as provided in sections 12-146 and 12-
38 169, subject such tax to interest at the rate of one and one-half per cent
39 of such tax for each month or fraction thereof which elapses from the
40 time when such tax becomes due and payable until the same is paid.

41 Sec. 2. Section 16-331bb of the general statutes is repealed and the
42 following is substituted in lieu thereof (*Effective from passage*):

43 (a) There is established an account to be known as the "municipal
44 video competition trust account", which shall be a separate, nonlapsing
45 account within the General Fund. The account shall contain any
46 moneys required by this section to be deposited in the account. [and]
47 In the fiscal year commencing July 1, 2008, and in each fiscal year
48 thereafter, the amount in said account at the end of the preceding fiscal

49 year shall be distributed as property tax relief to the towns, cities and
50 boroughs of this state pursuant to subsection (c) of this section.

51 (b) The Comptroller shall deposit into the municipal video
52 competition trust account, established pursuant to this section, a sum
53 not to exceed five million dollars per fiscal year from the gross
54 earnings tax imposed on certified competitive video service providers
55 pursuant to section 12-256.

56 (c) (1) The amount to be distributed to each town from said account
57 shall be a proportional part of the total amount of such distribution
58 determined with respect to each town by the following ratio: The total
59 number of subscribers to certified competitive video service located in
60 such town at the end of [such fiscal year] the fiscal year preceding the
61 fiscal year during which the distribution to municipalities under this
62 section occurs shall be the numerator of the fraction, and the total
63 number of subscribers to certified competitive video service located in
64 all towns in this state at the end of such fiscal year shall be added
65 together, and the sum shall be the denominator of the fraction.

66 (2) Any city or borough not consolidated with the town in which it
67 is located and any town containing such a city or borough shall receive
68 a portion of the amount allocated to such town under subdivision (1)
69 of this subsection on the basis of the following ratio: The total property
70 taxes levied [in such fiscal year] by such town, city or borough in the
71 most recent fiscal year for which a certified copy of an audit report is
72 received by the Secretary of the Office of Policy and Management, in
73 accordance with section 7-393, shall be the numerator of the fraction,
74 and the total property taxes levied in such fiscal year by the town and
75 all cities or boroughs located within such town shall be added
76 together, and the sum shall be the denominator of the fraction. The
77 town in which a city or borough is located shall be entitled to retain the
78 amount otherwise allocable to a city or borough under the provisions
79 of this subsection if the application of such ratio results in an allocation
80 of less than five dollars to such city or borough. Any such city or

81 borough may, by vote of its legislative body, direct the Secretary of the
 82 Office of Policy and Management to reallocate all or a portion of the
 83 share of such city or borough to the town in which it is located.

84 (d) Not later than September 15, 2008, and annually thereafter, the
 85 Secretary of the Office of Policy and Management shall certify to the
 86 Comptroller the [percentage of the amount in said account] amount to
 87 be paid to each municipality from said account in accordance with this
 88 section and the Comptroller shall draw the Comptroller's order on the
 89 Treasurer not later than the twenty-fifth day of September in the same
 90 year. The Treasurer shall pay the respective amount to each
 91 municipality in accordance with this section on or before the thirtieth
 92 day of September in the same year.

93 (e) Not later than July 30, 2008, and annually thereafter, each
 94 certified competitive video service provider shall file with the Office of
 95 Policy and Management the total number of subscribers to certified
 96 competitive video service in each town and the total subscribers to
 97 certified competitive video service in all towns in this state as of the
 98 last day of the immediately preceding fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to fiscal years commencing on and after July 1, 2008</i>	12-80a(b)
Sec. 2	<i>from passage</i>	16-331bb

Statement of Purpose:

To provide that a town retains any amount of less than five dollars otherwise allocable to a city or borough under the formulas governing telecommunications personal property tax payments and grants payable from the municipal video competition trust account grants, and to clarify administrative procedures regarding said grant program.

[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.]