



General Assembly

February Session, 2010

Raised Bill No. 5269

LCO No. 1245

01245_____PD_

Referred to Committee on Planning and Development

Introduced by:
(PD)

AN ACT CONCERNING DELINQUENT PROPERTY TAXES.

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

1 Section 1. Section 12-146 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2010, and*
3 *applicable to assessment years commencing on or after October 1, 2010*):

4 Unless the context otherwise requires, wherever used in this section,
5 "tax" includes each property tax and each installment and part thereof
6 due to a municipality as it may have been increased by interest, fees
7 and charges. If any tax due in a single installment or if any installment
8 of any tax due in two or more installments is not paid in full (1) on or
9 before the first day of the month next succeeding the month in which it
10 became due and payable, or if not due and payable on the first day of
11 the month, (2) on or before the same date of the next succeeding month
12 corresponding to that of the month on which it became due and
13 payable, the whole or such part of such installment as is unpaid shall
14 thereupon be delinquent and [shall] may be subject to interest from the
15 due date of such delinquent installment. Except for unpaid real estate
16 taxes the collection of which was, or is, deferred under the provisions

17 of section 12-174, and any predecessor and successor thereto, which
18 unpaid real estate taxes continue to be subject to the provisions of such
19 deferred collection statutes, any municipality, by a vote of its
20 legislative body, may elect that the delinquent portion of the principal
21 of any tax shall be subject to interest at [the rate of] a rate not to exceed
22 eighteen per cent per annum from the time when it became due and
23 payable until the same is paid, subject to a minimum interest charge of
24 two dollars which any municipality, by vote of its legislative body,
25 may elect not to impose, and provided, in any computation of such
26 interest, under any provision of this section, each fractional part of a
27 month in which any portion of the principal of such tax remains
28 unpaid shall be considered to be equivalent to a whole month. Each
29 addition of interest shall become, and shall be collectible as, a part of
30 such tax. Interest shall accrue at [said rate] the rate set by the
31 legislative body of such municipality until payment of such taxes due
32 notwithstanding the entry of any judgment in favor of the
33 municipality against the taxpayer or the property of the taxpayer.
34 Except as hereinafter specified for taxes representing two or more
35 items of property, the collector for any municipality electing to charge
36 interest on delinquent taxes shall not receive any partial payment of a
37 delinquent tax which is less than the total accrued interest on the
38 principal of such tax up to the date of payment and shall apply each
39 partial payment to the wiping out of such interest before making any
40 application thereof to the reduction of such principal; provided,
41 whenever the first partial payment is made after delinquency, interest
42 from the due date of such delinquent tax to the date of such partial
43 payment shall be figured on the whole or such part of the principal of
44 such tax as is unpaid at the beginning of delinquency and provided,
45 whenever a subsequent partial payment of such tax is made, interest
46 shall be figured from the date of payment of the last-preceding, to the
47 date of payment of such subsequent, partial payment on the whole or
48 such balance of the principal of such tax as remains unpaid on the date
49 of the last-preceding partial payment. If any tax, at the time of
50 assessment or because of a subsequent division, represents two or

51 more items of property, the collector for any municipality electing to
52 charge interest on delinquent taxes may receive payment in full of
53 such part of the principal and interest of such tax as represents one or
54 more of such items, even though interest in full on the entire amount
55 of the principal of such tax has not been received up to the date of such
56 payment; in which event, interest on the remaining portion of the
57 principal of any such tax shall be computed, as the case may be, from
58 the due date of such tax if no other payment after delinquency has
59 been made or from the last date of payment of interest in full on the
60 whole amount or unpaid balance of the principal of such delinquent
61 tax if previous payment of interest has been made. Each collector for
62 any municipality electing to charge interest on delinquent taxes shall
63 keep a separate account of such interest and the time when the same
64 has been received and shall pay over the same to the treasurer of the
65 municipality of the collector as a part of such tax. No tax or installment
66 thereof shall be construed to be delinquent under the provisions of this
67 section if the envelope containing the amount due as such tax or
68 installment, as received by the tax collector of the municipality to
69 which such tax is payable, bears a postmark showing a date within the
70 time allowed by statute for the payment of such tax or installment.
71 Any municipality may, by vote of its legislative body, require that any
72 delinquent property taxes applicable with respect to a motor vehicle
73 shall be paid only in cash or by certified check or money order. Any
74 municipality adopting such requirement may provide that such
75 requirement shall only be applicable to delinquency exceeding a
76 certain period in duration as determined by such municipality. Any
77 municipality shall waive all or a portion of the interest due and
78 payable under this section on a delinquent tax with respect to a
79 taxpayer who has received compensation under chapter 968 as a crime
80 victim.

81 Sec. 2. Subsection (d) of section 12-120b of the general statutes is
82 repealed and the following is substituted in lieu thereof (*Effective*
83 *October 1, 2010, and applicable to assessment years commencing on or after*
84 *October 1, 2010*):

85 (d) (1) If the secretary modifies the amount of financial assistance
86 approved by an assessor or municipal official under a program, or
87 makes a preliminary determination that the claimant who filed written
88 application for such financial assistance is ineligible therefor, the
89 secretary shall send a written notice of preliminary modification or
90 denial to said claimant and shall concurrently forward a copy to the
91 office of the assessor or municipal official who approved said financial
92 assistance. The notice shall include plain language setting forth the
93 reason for the preliminary modification or denial, the name and
94 telephone number of a member of the secretary's staff to whom
95 questions regarding the notice may be addressed, a request for any
96 additional information or documentation that the secretary believes is
97 needed in order to justify the approval of such financial assistance, the
98 manner by which the claimant may request reconsideration of the
99 secretary's preliminary determination and the timeframe for doing so.
100 Not later than ninety days after the date an assessor receives a copy of
101 such preliminary notice, the assessor shall determine whether an
102 increase to the taxable grand list of the town is required to be made as
103 a result of such modification or denial, unless, in the interim, the
104 assessor has received written notification from the secretary that a
105 request for a hearing with respect to such financial assistance has been
106 approved pursuant to subparagraph (B) of subdivision (2) of this
107 subsection. If an assessment increase is warranted, the assessor shall
108 promptly issue a certificate of correction adding the value of such
109 property to the taxable grand list for the appropriate assessment year
110 and shall forward a copy thereof to the tax collector, who shall, not
111 later than thirty days following, issue a bill for the amount of the
112 additional tax due as a result of such increase. Such additional tax shall
113 become due and payable not later than thirty days from the date such
114 bill is sent and [shall] may be subject to interest for delinquent taxes as
115 provided in section 12-146, as amended by this act. With respect to the
116 preliminary modification or denial of financial assistance for which a
117 hearing is held, the assessor shall not issue a certificate of correction
118 until the assessor receives written notice of the secretary's final

119 determination following such hearing.

120 (2) (A) Any claimant aggrieved by the secretary's notice of
121 preliminary modification or denial of financial assistance under a
122 program may, not later than thirty business days after receiving said
123 notice, request a reconsideration of the secretary's decision for any
124 factual reason, provided the claimant states the reason for the
125 reconsideration request in writing and concurrently provides any
126 additional information or documentation that the secretary may have
127 requested in the preliminary notice of modification or denial. The
128 secretary may grant an extension of the date by which a claimant's
129 additional information or documentation must be submitted, upon
130 receipt of proof that the claimant has requested such data from another
131 governmental agency or if the secretary determines there is good cause
132 for doing so.

133 (B) Not later than thirty business days after receiving a claimant's
134 request for reconsideration and any additional information or
135 documentation the claimant has provided, the secretary shall
136 reconsider the preliminary decision to modify or deny said financial
137 assistance and shall send the claimant a written notice of the
138 secretary's determination regarding such reconsideration. If aggrieved
139 by the secretary's notice of determination with respect to the
140 reconsideration of said financial assistance, the claimant may, not later
141 than thirty business days after receiving said notice, make application
142 for a hearing before said secretary, or the secretary's designee. Such
143 application shall be in writing and shall set forth the reason why the
144 financial assistance in question should not be modified or denied. Not
145 later than thirty business days after receiving an application for a
146 hearing, the secretary shall grant or deny such hearing request by
147 written notice to the claimant. If the secretary denies the claimant's
148 request for a hearing, such notice shall state the reason for said denial.
149 If the secretary grants the claimant's request for a hearing, the secretary
150 shall send written notice of the date, time and place of the hearing,
151 which shall be held not later than thirty business days after the date of

152 the secretary's notice granting the claimant a hearing. Such hearing
153 may, at the secretary's discretion, be held in the judicial district in
154 which the claimant or the claimant's property is located. Not later than
155 thirty business days after the date on which a hearing is held, a written
156 notice of the secretary's determination with respect to such hearing
157 shall be sent to the claimant and a copy thereof shall be concurrently
158 sent to the assessor or municipal official who approved the financial
159 assistance in question.

160 (3) If any claimant is aggrieved by the secretary's determination
161 concerning the hearing regarding the claimant's financial assistance or
162 the secretary's decision not to hold a hearing, such claimant may, not
163 later than thirty business days after receiving the secretary's notice
164 related thereto, appeal to the superior court of the judicial district in
165 which the claimant resides or in which the claimant's property that is
166 the subject of the appeal is located. Such appeal shall be accompanied
167 by a citation to the secretary to appear before said court, and shall be
168 served and returned in the same manner as is required in the case of a
169 summons in a civil action. The pendency of such appeal shall not
170 suspend any action by a municipality to collect property taxes from the
171 applicant on the property that is the subject of the appeal. The
172 authority issuing the citation shall take from the applicant a bond or
173 recognizance to the state of Connecticut, with surety, to prosecute the
174 application in effect and to comply with the orders and decrees of the
175 court in the premises. Such applications shall be preferred cases, to be
176 heard, unless cause appears to the contrary, at the first session, by the
177 court or by a committee appointed by the court. Said court may grant
178 such relief as may be equitable and, if the application is without
179 probable cause, may tax double or triple costs, as the case demands;
180 and, upon all applications which are denied, costs may be taxed
181 against the applicant at the discretion of the court, but no costs shall be
182 taxed against the state.

183 (4) The secretary shall notify each claimant of the final modification
184 or denial of financial assistance as claimed, in accordance with the

185 procedure set forth in this subsection. A copy of the notice of final
186 modification or denial shall be sent concurrently to the assessor or
187 municipal official who approved such financial assistance. With
188 respect to property tax exemptions under section 12-81g or subdivision
189 (55), (59), (60) or (70) of section 12-81, and tax relief pursuant to section
190 12-129d or 12-170aa, the notice pursuant to this subdivision shall be
191 sent not later than one year after the date claims for financial assistance
192 for each such program are filed with the secretary. For property tax
193 exemptions under subdivision (72) or (74) of section 12-81, such notice
194 shall be sent not later than the date by which a final modification to the
195 payment for such program must be reflected in the certification of the
196 secretary to the Comptroller. For the program of rebates under section
197 12-170d, such notice shall be sent not later than the date by which the
198 secretary certifies the amounts of payment to the Comptroller.

199 Sec. 3. Section 12-169b of the general statutes is repealed and the
200 following is substituted in lieu thereof (*Effective October 1, 2010, and*
201 *applicable to assessment years commencing on or after October 1, 2010*):

202 If a municipality does not file a lien under any provisions of the
203 general statutes to recover costs for the inspection, repair, demolition,
204 removal or other disposition of any real estate in order to secure such
205 real estate or to make it safe and sanitary, pursuant to any provision of
206 the general statutes or municipal building, health, housing or safety
207 codes or regulations, then such municipality may assess the amount of
208 such costs against the real estate upon which such cost was incurred.
209 Upon certification by the municipal agency incurring such cost of the
210 assessment amount due and owing reasonably related to the
211 municipality's actual cost, the tax collector shall add the amount of
212 such assessment to the extent unpaid to the taxes due on such real
213 estate and such amount shall become a part of the taxes to be collected
214 at the same time and [shall] may bear interest at such rates and in such
215 manner as provided for delinquent taxes in accordance with section
216 12-146, as amended by this act. Any amount added to the assessment
217 under this section shall constitute a lien upon the real estate against for

218 which the amount was imposed from the date such amount was due.
 219 Each such lien may be continued, recorded and released in the manner
 220 provided by the general statutes for continuing, recording and
 221 releasing property tax liens. Each such lien may be enforced in the
 222 same manner as property tax liens. Any agency of a municipality that
 223 incurs costs that have been assessed against real estate under this
 224 section shall maintain a current record of all real estate with respect to
 225 which such costs remain unpaid in the office of such municipal agency.
 226 Such record shall be available for inspection by the public.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010, and applicable to assessment years commencing on or after October 1, 2010</i>	12-146
Sec. 2	<i>October 1, 2010, and applicable to assessment years commencing on or after October 1, 2010</i>	12-120b(d)
Sec. 3	<i>October 1, 2010, and applicable to assessment years commencing on or after October 1, 2010</i>	12-169b

Statement of Purpose:

To give municipalities the option to charge interest at a rate not to exceed eighteen per cent per annum on delinquent property taxes.

[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.]