



General Assembly

Amendment

February Session, 2012

LCO No. 5115

SB0039905115SD0

Offered by:

SEN. LOONEY, 11th Dist.

SEN. HARP, 10th Dist.

SEN. GERRATANA, 6th Dist.

To: Subst. Senate Bill No. 399

File No. 578

Cal. No. 415

"AN ACT CONCERNING ANNUAL ADJUSTMENTS TO ASSESSMENT RATES ADOPTED FOR APARTMENT AND RESIDENTIAL PROPERTIES."

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

3 "Section 1. (NEW) (*Effective from passage and applicable to assessment*
4 *years commencing on and after October 1, 2011*) (a) For the purposes of
5 this section:

6 (1) "Residential property" means a building containing four or fewer
7 dwelling units used for human habitation, the parcel of land on which
8 such building is situated and any accessory buildings or other
9 improvements located on such parcel; and

10 (2) "Base amount" means the assessment amount for a residential
11 property for a rate bill issued on July 1, 2011, in a municipality that has
12 suspended the phase in of a real property assessment increase
13 pursuant to subsection (b) of section 12-62p of the general statutes.

14 (b) Notwithstanding any provision of the general statutes, any
15 municipal charter, any special act, any home rule ordinance or any
16 other local law, any municipality that suspended the phase in of a real
17 property assessment increase pursuant to subsection (b) of section 12-
18 62p of the general statutes for the assessment year commencing
19 October 1, 2010, may, by ordinance, adopt the property tax system
20 described in this section, provided the assessor of such municipality
21 determines that without the adoption of such property tax system, the
22 implementation of a revaluation for the assessment year commencing
23 October 1, 2011, will result in an assessment increase for some
24 residential properties of more than fifty per cent.

25 (c) (1) A municipality that adopts the property tax system described
26 in this section may phase in a real property assessment increase for
27 residential properties by requiring the assessor to gradually increase
28 the assessment applicable to such properties in the assessment year
29 preceding that in which the revaluation is implemented. In any such
30 municipality, the assessor shall calculate the rate of assessment by
31 subtracting, for each residential property, the base amount from the
32 assessment of such residential property in the assessment year in
33 which the revaluation is implemented. The amount of the annual
34 incremental assessment increase for each such residential property
35 shall be the result of such subtraction divided by the number of
36 assessment years for the phase in.

37 (2) The legislative body of any municipality adopting the property
38 tax system described in this section shall determine the number of
39 years of the phase in, provided no such phase in shall exceed five
40 assessment years, including the assessment year in which the
41 revaluation is implemented.

42 (3) The legislative body of any municipality adopting the property
43 tax system described in this section may approve the discontinuance of
44 a phase in implemented pursuant to this section at any time prior to
45 the completion of the term originally approved for the phase in,
46 provided such approval shall be made on or before October first of the

47 assessment year in which such discontinuance is effective. In the
48 assessment year following the completion or discontinuance of the
49 phase in, assessments shall reflect (1) the valuation of real property
50 established for the revaluation scheduled prior to such phase-in,
51 subject to additions for new construction and reductions for
52 demolitions occurring after the date of such revaluation and on or
53 prior to the date of its completion or discontinuance, and (2) the rate of
54 assessment applicable in such year, as required by section 12-62a of the
55 general statutes.

56 (d) New construction that first becomes subject to taxation during
57 an assessment year that is within the term of a phase in shall be
58 assessed in the same manner as all other comparable real property in
59 such assessment year, so that the total of incremental increases
60 applicable to such other comparable real property are reflected in the
61 assessment of such new construction prior to the proration of such
62 assessment pursuant to section 12-53a of the general statutes.

63 (e) Not later than thirty business days after the date a municipality's
64 legislative body votes to phase in real property assessment increases
65 pursuant to this section, or votes to discontinue such a phase in, the
66 chief executive officer of the municipality shall notify the Secretary of
67 the Office of Policy and Management, in writing, of such action. Any
68 chief executive officer that fails to submit a written notice to said
69 secretary as required by this subsection shall forfeit one hundred
70 dollars to the state for each such failure.

71 Sec. 2. (NEW) (*Effective from passage and applicable to assessment years*
72 *commencing on and after October 1, 2012*) (a) For the purposes of this
73 section:

74 (1) "Base amount" means the assessment amount for a parcel of real
75 property for a rate bill issued on July 1, 2012, in an eligible
76 municipality;

77 (2) "Eligible municipality" means any municipality with a
78 population of more than seventy-three thousand and less than

79 seventy-three thousand five hundred, according to the most recent
80 federal census; and

81 (3) "Revaluation amount" means the assessment amount for a parcel
82 of real property for a rate bill issued on July 1, 2013, prior to
83 implementing a phase in pursuant to this section.

84 (b) Notwithstanding any provision of the general statutes, any
85 municipal charter, any special act, any home rule ordinance or any
86 other local law, for the assessment year commencing October 1, 2012,
87 any eligible municipality implementing a revaluation of all real
88 property may phase in a portion of a change to a real property
89 assessment in accordance with the provisions of subsection (c) of this
90 section. The legislative body of the municipality shall approve the
91 decision to provide for such phase in, the method to determine the
92 phase in and the phase in term, provided no phase in term shall be
93 longer than five assessment years, including the assessment year in
94 which the revaluation is implemented.

95 (c) A municipality shall phase in real property assessment increases
96 or decreases by establishing an exemption rate approved by the
97 legislative body, provided such exemption rate shall not be less than
98 twenty-five per cent. The amount of the increase or decrease in the
99 assessment for each parcel of real property shall be determined by
100 subtracting the base amount for each parcel from the revaluation
101 amount. The amount of the increase or decrease shall be multiplied by
102 the exemption rate to determine the amount that shall be exempt from
103 payment by or credit to the property owner during the phase in term.
104 The amount of the assessment for each property owner during the
105 phase in term shall be determined by (1) subtracting the amount
106 exempt from payment or credit from the revaluation assessment, or (2)
107 subtracting the exemption rate from the percentage of the difference
108 between the base amount and the revaluation amount, and
109 multiplying the result by the revaluation assessment.

110 (d) The legislative body of any municipality adopting the property

111 tax system described in this section may approve the discontinuance of
112 a phase in implemented pursuant to this section at any time prior to
113 the completion of the phase in term originally approved, provided
114 such approval shall be made on or before the assessment date that is
115 the commencement of the assessment year in which such
116 discontinuance is effective. In the assessment year following the
117 completion or discontinuance of the phase in, assessments shall reflect
118 the valuation of real property established for such revaluation, subject
119 to additions for new construction and reductions for demolitions
120 occurring subsequent to the date of revaluation and on or prior to the
121 date of its completion or discontinuance, and the rate of assessment
122 applicable in such year, as required by section 12-62a of the general
123 statutes.

124 (e) The assessment of any new construction that first becomes
125 subject to taxation during an assessment year encompassed within the
126 term of a phase-in shall be determined in the same manner as the
127 assessment of all other comparable real property in such assessment
128 year, such that the total of the increases applicable to such other
129 comparable real property are reflected in the assessment of such new
130 construction prior to the proration of such assessment pursuant to
131 section 12-53a of the general statutes.

132 (f) Not later than thirty business days after the date a municipality's
133 legislative body votes to phase in real property assessment increases
134 pursuant to this section, or votes to discontinue such a phase in, the
135 chief executive officer of the municipality shall notify the Secretary of
136 the Office of Policy and Management, in writing, of such action. Any
137 chief executive officer that fails to submit a written notice to said
138 secretary as required by this subsection shall forfeit one hundred
139 dollars to the state for each such failure."

This act shall take effect as follows and shall amend the following sections:

| | | |
|-----------|--|-------------|
| Section 1 | <i>from passage and applicable to assessment years commencing on and after October 1, 2011</i> | New section |
| Sec. 2 | <i>from passage and applicable to assessment years commencing on and after October 1, 2012</i> | New section |