



OLR RESEARCH REPORT

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LIABILITY FOR BUSINESS PERSONAL PROPERTY TAXES

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You asked if municipalities can require business tenants to pay the previous tenant's delinquent personal property taxes. The answer to this question requires a legal opinion, which the Office of Legislative Research cannot give. Consequently you should not regard this report as one.

We found no law under which municipalities can require a business property's new tenant to pay the prior tenant's delinquent personal property taxes. The new tenant, like other businesses, is liable for taxes on the taxable business personal property the tenant owns.

This requirement is specified in the property tax assessment statutes, which specify how and when municipalities must assess real and personal property for taxation. In doing so, they specify a taxpayer's liability for personal property.

[CGS § 12-71\(a\)](#) requires taxpayers to list the personal property they own for taxation as other statutes require. [CGS § 12-41](#) requires them to list this property in a "declaration" and submit it to the municipality where the property is located by November 1 annually. It imposes penalties on those that fail to do so ([CGS § 12-41\(d\)](#)), but [CGS § 12-42](#) allows tax assessors to extend the November 1 deadline. [CGS § 12-49](#) requires taxpayers to sign, date, and deliver the declarations under the penalty of false statement.

The taxable properties listed in the declarations constitute the taxpayers' liability. [CGS §12-62a](#) requires municipalities to assess that property (and all other taxable real and personal property) at 70% of its fair market value as of the October 1 preceding the November 1 submission deadline. (October 1 is the annual assessment date for all taxable real and personal property.)

Taxpayers may also be liable for taxes on property they did not list in the declarations if the assessors believe it belong to them. [CGS § 12-53](#) allows assessors to add property to a declaration they believes the taxpayer owns but did not include in the declaration. Further, if a taxpayer fails to submit a declaration, [CGS § 12-42](#) allows the assessor to fill one out, listing the property he or she believes the taxpayer owns.

Taxpayers aggrieved by the assessors' decisions can appeal them to the municipality's board of assessment appeals. Attachment 1 is an OLR report outlining the appeals process ([2009-R-0335](#)).

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