



General Assembly

January Session, 2013

**Committee Bill No. 5102**

LCO No. 3535



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:  
(PD)

***AN ACT ESTABLISHING A STATE-WIDE MILL RATE FOR MOTOR VEHICLES AND AMENDING THE DEFINITION OF ANTIQUE, RARE OR SPECIAL INTEREST MOTOR VEHICLE.***

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

1 Section 1. (NEW) (*Effective July 1, 2013, and applicable to assessment*  
2 *years commencing on or after October 1, 2013*) (a) For purposes of this  
3 section:

4 (1) "Discrepancy amount" means the amount that is equal to the  
5 difference of (A) the amount of tax revenue actually collected under  
6 the state-wide mill rate by a municipality with a local mill rate that is  
7 higher than the state-wide mill rate, as certified to the Secretary of the  
8 Office of Policy and Management pursuant to subsection (c) of this  
9 section, and (B) the amount of tax revenue such municipality would  
10 have collected under the local mill rate, assuming the same collection  
11 rate as the actual collection rate, as certified to the Secretary of the  
12 Office of Policy and Management pursuant to subsection (c) of this  
13 section;

14 (2) "State-wide mill rate" means the median of the local mill rates in

15 all municipalities of the state for the assessment year in which such  
16 state-wide mill rate is calculated; and

17 (3) "Excess collection amount" means an amount that is equal to the  
18 difference of (A) the amount of tax revenue actually collected under  
19 the state-wide mill rate by a municipality with a local mill rate that is  
20 lower than the state-wide mill rate, as certified to the Secretary of the  
21 Office of Policy and Management pursuant to subsection (c) of this  
22 section, and (B) the amount of tax revenue such municipality would  
23 have collected under the local mill rate, assuming the same collection  
24 rate as the actual collection rate, as certified to the Secretary of the  
25 Office of Policy and Management pursuant to subsection (c) of this  
26 section.

27 (b) On or before September 1, 2013, and each September first  
28 thereafter, the Secretary of the Office of Policy and Management shall  
29 calculate the state-wide mill rate for the purpose of levying property  
30 tax on motor vehicles subject to taxation under chapter 203 of the  
31 general statutes. The secretary shall notify the assessors of each  
32 municipality of the state-wide mill rate. For assessment years  
33 commencing on or after October 1, 2013, the assessor of each  
34 municipality shall calculate the amount of motor vehicle property tax  
35 due from each taxpayer based on the state-wide mill rate determined  
36 by said secretary.

37 (c) Effective for fiscal years commencing on or after July 1, 2014, the  
38 tax collector of each municipality shall collect the property tax on  
39 motor vehicles and, not later than the fifteenth day of October,  
40 January, April and July, (1) remit any excess collection amount realized  
41 in the preceding calendar quarter to the Commissioner of Revenue  
42 Services for deposit into the motor vehicle property tax account  
43 established under section 2 of this act, and (2) certify to the Secretary of  
44 the Office of Policy and Management, on a form prescribed by said  
45 secretary, the amount of tax revenue that such municipality (A) would  
46 have collected in the preceding calendar quarter with respect to the  
47 property tax on motor vehicles under sections 12-71 and 12-71b of the

48 general statutes, as amended by this act, except for the application of  
49 the state-wide mill rate calculated by said secretary pursuant to this  
50 section, and (B) actually collected with respect to such property tax in  
51 the preceding calendar quarter under the state-wide mill rate, together  
52 with such supporting information as said secretary shall require. For  
53 the purposes of calculating the amount a municipality would have  
54 collected except for the application of the state-wide mill rate, the tax  
55 collector shall assume that the municipality would have realized the  
56 same tax collection rate as the actual tax collection rate in the  
57 preceding calendar quarter. Such remittance and certification shall be  
58 made in each calendar quarter commencing on October 1, 2014, except  
59 that no such remittance or certification shall be made for any calendar  
60 quarter after July 15, 2019.

61 (d) (1) Effective for fiscal years commencing on or after July 1, 2014,  
62 the secretary shall, not later than the first day of November, February,  
63 May and August, calculate: (A) For each municipality with a mill rate  
64 that is higher than the state-wide mill rate, the discrepancy amount for  
65 such municipality in the preceding calendar quarter; and (B) for each  
66 municipality with a mill rate that is lower than the state-wide mill rate,  
67 the amount equal to five per cent of the tax revenue such municipality  
68 would have collected in the preceding calendar quarter except for the  
69 application of the state-wide mill rate. Such calculations shall be based  
70 on the amounts certified and any supporting information provided to  
71 said secretary pursuant to subsection (c) of this section. Such  
72 calculations shall be made in each calendar quarter commencing on  
73 November 1, 2014, except that no such calculations shall be made after  
74 the calendar quarter preceding August 1, 2019.

75 (2) Effective for fiscal years commencing on or after July 1, 2014, the  
76 secretary shall, not later than the first day of November, February, May  
77 and August, certify to the Comptroller the motor vehicle property tax  
78 payment due to each municipality as follows:

79 (A) For any municipality with a mill rate that is higher than the  
80 state-wide mill rate: (i) For the period of time beginning November 1,

81 2014, and ending October 31, 2015, such municipality shall receive a  
82 quarterly motor vehicle property tax payment equal to the discrepancy  
83 amount calculated by the secretary pursuant to subparagraph (A) of  
84 subdivision (1) of this subsection for any tax revenue due under the  
85 assessment year commencing October 1, 2013; (ii) for the period of  
86 time beginning November 1, 2015, and ending October 31, 2016, such  
87 municipality shall receive a quarterly motor vehicle property tax  
88 payment equal to eighty per cent of the discrepancy amount calculated  
89 by the secretary pursuant to subparagraph (A) of subdivision (1) of  
90 this subsection for any tax revenue due under the assessment year  
91 commencing October 1, 2014; (iii) for the period of time beginning  
92 November 1, 2016, and ending October 31, 2017, such municipality  
93 shall receive a quarterly motor vehicle property tax payment equal to  
94 sixty per cent of the discrepancy amount calculated by the secretary  
95 pursuant to subparagraph (A) of subdivision (1) of this subsection for  
96 any tax revenue due under the assessment year commencing October  
97 1, 2015; (iv) for the period of time beginning November 1, 2017, and  
98 ending October 31, 2018, such municipality shall receive a quarterly  
99 motor vehicle property tax payment equal to forty per cent of the  
100 discrepancy amount calculated by the secretary pursuant to  
101 subparagraph (A) of subdivision (1) of this subsection for any tax  
102 revenue due under the assessment year commencing October 1, 2016;  
103 and (v) for the period of time beginning November 1, 2018, and ending  
104 October 31, 2019, such municipality shall receive a quarterly motor  
105 vehicle property tax payment equal to twenty per cent of the  
106 discrepancy amount calculated by the secretary pursuant to  
107 subparagraph (A) of subdivision (1) of this subsection for any tax  
108 revenue due under the assessment year commencing October 1, 2017.

109 (B) For any municipality with a mill rate that is lower than the state-  
110 wide mill rate, for the period of time beginning November 1, 2014, and  
111 ending October 31, 2019, any such municipality shall receive a  
112 quarterly motor vehicle property tax payment equal to the amount  
113 calculated by the secretary pursuant to subparagraph (B) of  
114 subdivision (1) of this subsection.

115 (3) Effective for fiscal years commencing on or after July 1, 2014, the  
116 Comptroller shall draw an order on the Treasurer on or before the  
117 fifteenth calendar day following November first, February first, May  
118 first and August first, and the Treasurer shall pay the amount thereof  
119 from the motor vehicle property tax account to such municipality on or  
120 before the fifteenth calendar day following said dates.

121 (e) If there are any remaining funds in the motor vehicle property  
122 tax account after the amount of the payments described in subsection  
123 (d) of this section are calculated, such funds shall be carried over into  
124 the following fiscal year. If there are any remaining funds in said  
125 account on December 1, 2019, the secretary shall transfer such funds to  
126 the General Fund.

127 Sec. 2. (NEW) (*Effective October 1, 2013, and applicable to assessment*  
128 *years commencing on or after said date*) There is established an account to  
129 be known as the "motor vehicle property tax account" which shall be a  
130 separate, nonlapsing account within the General Fund. The account  
131 shall contain any moneys required by law to be deposited in the  
132 account. Moneys in the account shall be expended by the State  
133 Treasurer for the purposes of section 1 of this act.

134 Sec. 3. Subsection (b) of section 12-71 of the general statutes is  
135 repealed and the following is substituted in lieu thereof (*Effective*  
136 *October 1, 2013, and applicable to assessment years commencing on and after*  
137 *said date*):

138 (b) Except as otherwise provided by the general statutes, property  
139 subject to this section shall be valued at the same percentage of its then  
140 actual valuation as the assessors have determined with respect to the  
141 listing of real estate for the same year, except that any antique, rare or  
142 special interest motor vehicle, as defined in section 14-1, as amended  
143 by this act, shall be assessed at a value of not more than two thousand  
144 five hundred dollars. The owner of such antique, rare or special  
145 interest motor vehicle may be required by the assessors to provide  
146 reasonable documentation that such motor vehicle is an antique, rare

147 or special interest motor vehicle, provided any motor vehicle for which  
148 special number plates have been issued pursuant to section 14-20 shall  
149 not be required to provide any such documentation. The provisions of  
150 this section shall not include money or property actually invested in  
151 merchandise or manufacturing carried on out of this state or  
152 machinery or equipment which would be eligible for exemption under  
153 subdivision (72) of section 12-81 once installed and which cannot begin  
154 or which has not begun manufacturing, processing or fabricating; or  
155 which is being used for research and development, including  
156 experimental or laboratory research and development, design or  
157 engineering directly related to manufacturing or being used for the  
158 significant servicing, overhauling or rebuilding of machinery and  
159 equipment for industrial use or the significant overhauling or  
160 rebuilding of other products on a factory basis or being used for  
161 measuring or testing or metal finishing or in the production of motion  
162 pictures, video and sound recordings.

163 Sec. 4. Section 12-71d of the general statutes is repealed and the  
164 following is substituted in lieu thereof (*Effective July 1, 2013*):

165 On or before the first day of October each year, the Secretary of the  
166 Office of Policy and Management shall recommend a schedule of  
167 motor vehicle values [which] that shall be used by assessors in each  
168 municipality in determining the assessed value of motor vehicles for  
169 purposes of property taxation. Such schedule shall include motor  
170 vehicle values for motor vehicles up to thirty years old. For every  
171 vehicle not listed in the schedule the determination of the assessed  
172 value of any motor vehicle for purposes of the property tax assessment  
173 list in any municipality shall continue to be the responsibility of the  
174 assessor in such municipality, provided the legislative body of the  
175 municipality may, by resolution, approve any change in the assessor's  
176 method of valuing motor vehicles. Any appeal from the findings of  
177 assessors concerning motor vehicle values shall be made in accordance  
178 with provisions related to such appeals under this chapter. Such  
179 schedule of values shall include, to the extent that information for such

180 purpose is available, the value for assessment purposes of any motor  
181 vehicle currently in use. [The value for each motor vehicle as listed  
182 shall represent one hundred per cent of the average retail price  
183 applicable to such motor vehicle in this state as of the first day of  
184 October in such year as determined by said secretary in cooperation  
185 with the Connecticut Association of Assessing Officers.] Said secretary  
186 shall determine the value for each motor vehicle as listed, provided no  
187 motor vehicle shall be assessed based on the fair market value  
188 applicable to such motor vehicle.

189 Sec. 5. Subdivision (3) of section 14-1 of the general statutes is  
190 repealed and the following is substituted in lieu thereof (*Effective*  
191 *October 1, 2013*):

192 (3) "Antique, rare or special interest motor vehicle" means a motor  
193 vehicle [twenty] thirty years old or older which is being preserved  
194 because of historic interest and which is not altered or modified from  
195 the original manufacturer's specifications;

196 Sec. 6. Subdivision (49) of section 14-1 of the general statutes is  
197 repealed and the following is substituted in lieu thereof (*Effective*  
198 *October 1, 2013*):

199 (49) "Modified antique motor vehicle" means a motor vehicle  
200 [twenty] thirty years old or older which has been modified for safe  
201 road use, including, but not limited to, modifications to the drive train,  
202 suspension, braking system and safety or comfort apparatus;

203 Sec. 7. Section 12-122a of the general statutes is repealed. (*Effective*  
204 *October 1, 2013*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013, and applicable to assessment years commencing on or after October 1, 2013</i>	New section

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Sec. 2	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	New section
Sec. 3	<i>October 1, 2013, and applicable to assessment years commencing on and after said date</i>	12-71(b)
Sec. 4	<i>July 1, 2013</i>	12-71d
Sec. 5	<i>October 1, 2013</i>	14-1(3)
Sec. 6	<i>October 1, 2013</i>	14-1(49)
Sec. 7	<i>October 1, 2013</i>	Repealer section

**PD**      *Joint Favorable*