



General Assembly

Raised Bill No. 961

January Session, 2013

LCO No. 3329



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT CONCERNING THE ASSESSMENT OF LIVESTOCK AND FARM MACHINERY AND THE TRANSFER OF LAND CLASSIFIED AS FARM LAND, OPEN SPACE LAND, FOREST LAND AND MARITIME HERITAGE LAND.

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

1 Section 1. (NEW) (*Effective October 1, 2013, and applicable to assessment*
2 *years commencing on or after said date*) Notwithstanding the provisions
3 of subdivision (68) of section 12-81 of the general statutes and section
4 12-91 of the general statutes, as amended by this act, any municipality
5 may, by vote of its legislative body, or in a municipality where the
6 legislative body is a town meeting, by vote of the board of selectmen,
7 exempt from property taxation horses or ponies of any value.

8 Sec. 2. Section 12-91 of the general statutes is repealed and the
9 following is substituted in lieu thereof (*Effective October 1, 2013, and*
10 *applicable to assessment years commencing on or after said date*):

11 (a) All farm machinery, except motor vehicles, as defined in section
12 14-1, to the assessed value of one hundred thousand dollars, any horse
13 or pony which is actually and exclusively used in farming, as defined

14 in section 1-1, when owned and kept in this state by, or when held in
15 trust for, any farmer or group of farmers operating as a unit, a
16 partnership or a corporation, a majority of the stock of which
17 corporation is held by members of a family actively engaged in farm
18 operations, shall be exempt from local property taxation; provided
19 each such farmer, whether operating individually or as one of a group,
20 partnership or corporation, shall qualify for such exemption in
21 accordance with the standards set forth in subsection (d) of this section
22 for the assessment year for which such exemption is sought. Only one
23 such exemption shall be allowed to each such farmer, group of
24 farmers, partnership or corporation. Subdivision (38) of section 12-81
25 shall not apply to any person, group, partnership or corporation
26 receiving the exemption provided for in this subsection.

27 (b) Any municipality, upon approval by its legislative body, may
28 provide an additional exemption from property tax for such
29 machinery to the extent of an additional assessed value of one hundred
30 thousand dollars. Any such exemption shall be subject to the same
31 limitations as the exemption provided under subsection (a) of this
32 section and the application and qualification process provided in
33 subsection (d) of this section.

34 (c) Any municipality, upon approval by its legislative body, may
35 provide an exemption from property tax for any building used actually
36 and exclusively in farming, as defined in section 1-1, or for any
37 building used to provide housing for seasonal employees of such
38 farmer. The municipality shall establish the amount of such exemption
39 from the assessed value, provided such amount may not exceed one
40 hundred thousand dollars with respect to each eligible building. Such
41 exemption shall not apply to the residence of such farmer and shall be
42 subject to the application and qualification process provided in
43 subsection (d) of this section.

44 (d) Annually, on or before the first day of November or the
45 extended filing date granted by the assessor pursuant to section 12-42,
46 each such individual farmer, group of farmers, partnership or

47 corporation shall make written application for the exemption provided
48 for in subsection (a) of this section to the assessor or board of assessors
49 in the town in which such farm is located, including therewith a
50 notarized affidavit certifying that such farmer, individually or as part
51 of a group, partnership or corporation, derived at least fifteen
52 thousand dollars in gross sales from such farming operation, or
53 incurred at least fifteen thousand dollars in expenses related to such
54 farming operation, with respect to the most recently completed taxable
55 year of such farmer prior to the commencement of the assessment year
56 for which such application is made, on forms to be prescribed by the
57 Commissioner of Agriculture. Failure to file such application in said
58 manner and form on or before the first day of November shall be
59 considered a waiver of the right to such exemption for the assessment
60 year. Any person aggrieved by any action of the assessors shall have
61 the same rights and remedies for appeal and relief as are provided in
62 the general statutes for taxpayers claiming to be aggrieved by the
63 doings of the assessors or board of assessment appeals.

64 Sec. 3. Subsection (g) of section 12-107d of the general statutes is
65 repealed and the following is substituted in lieu thereof (*Effective*
66 *October 1, 2013, and applicable to assessment years commencing on or after*
67 *said date*):

68 (g) A report issued by a certified forester pursuant to subsection (c)
69 of this section shall be on a form prescribed by the State Forester and
70 shall set forth a description of the land, a description of the forest
71 growth upon the land, a description of forest management activities
72 recommended to be undertaken to maintain the land in a state of
73 proper forest condition and such other information as the State
74 Forester may require as measures of forest stocking, distribution and
75 condition and shall include the name, address and certificate number
76 of the certified forester and a signed, sworn statement that the certified
77 forester has determined that the land proposed for classification
78 conforms to the standards of forest stocking, distribution and
79 condition established by the State Forester. An application to an

80 assessor for classification of land as forest land shall be made upon a
81 form prescribed by such assessor and approved by the Commissioner
82 of Energy and Environmental Protection and shall set forth a
83 description of the land and the date of the issuance of the certified
84 forester's report and a statement of the potential liability for tax under
85 the provisions of sections 12-504a to 12-504e, inclusive. The certified
86 forester's report shall be signed and dated by the certified forester not
87 later than October first and shall be attached to and made a part of
88 such application. [No later than October first, such application shall be
89 submitted to the assessor.]

90 Sec. 4. Subsection (a) of section 12-504a of the general statutes is
91 repealed and the following is substituted in lieu thereof (*Effective*
92 *October 1, 2013, and applicable to assessment years commencing on or after*
93 *said date*):

94 (a) If at any time there is a change of ownership for any property
95 that is classified as farm land pursuant to section 12-107c, forest land
96 pursuant to section 12-107d, as amended by this act, open space land
97 pursuant to section 12-107e or maritime heritage land pursuant to
98 section 12-107g, a [revised] new application shall be filed with the
99 assessor pursuant to said section 12-107c, 12-107d, 12-107e or [section]
100 12-107g, provided such change of ownership is not an excepted
101 transfer pursuant to section 12-504c, as amended by this act.

102 Sec. 5. Section 12-504c of the general statutes is repealed and the
103 following is substituted in lieu thereof (*Effective October 1, 2013, and*
104 *applicable to assessment years commencing on or after said date*):

105 (a) The provisions of section 12-504a shall not be applicable to the
106 following: (1) Transfers of land resulting from eminent domain
107 proceedings; (2) mortgage deeds; (3) deeds to or by the United States
108 of America, state of Connecticut or any political subdivision or agency
109 thereof; (4) strawman deeds and deeds which correct, modify,
110 supplement or confirm a deed previously recorded; (5) deeds between
111 [husband and wife] spouses and parent and child when no

112 consideration is received, except that a subsequent nonexempt transfer
113 by the grantee in such cases shall be subject to the provisions of said
114 section 12-504a as it would be if the grantor were making such
115 nonexempt transfer; (6) tax deeds; (7) deeds of foreclosure; (8) deeds of
116 partition; (9) deeds made pursuant to a merger of a corporation; (10)
117 deeds made by a subsidiary corporation to its parent corporation for
118 no consideration other than the cancellation or surrender of the capital
119 stock of such subsidiary; (11) property transferred as a result of death
120 when no consideration is received and in such transfer the date of
121 acquisition or classification of the land for purposes of sections 12-504a
122 to 12-504f, inclusive, or section 12-107g, whichever is earlier, shall be
123 the date of acquisition or classification by the decedent; (12) deeds to
124 any corporation, trust or other entity, of land to be held in perpetuity
125 for educational, scientific, aesthetic or other equivalent passive uses,
126 provided such corporation, trust or other entity has received a
127 determination from the Internal Revenue Service that contributions to
128 it are deductible under applicable sections of the Internal Revenue
129 Code; (13) land subject to a covenant specifically set forth in the deed
130 transferring title to such land, which covenant is enforceable by the
131 town in which such land is located, to refrain from selling, transferring
132 or developing such land in a manner inconsistent with its classification
133 as farm land pursuant to section 12-107c, forest land pursuant to
134 section 12-107d, open space land pursuant to section 12-107e or
135 maritime heritage land pursuant to section 12-107g, for a period of not
136 less than eight years from the date of transfer, if such covenant is
137 violated the conveyance tax set forth in this chapter shall be applicable
138 at the rate multiplied by the market value as determined by the
139 assessor which would have been applicable at the date the deed
140 containing the covenant was delivered and, in addition, the town or
141 any taxpayer therein may commence an action to enforce such
142 covenant; (14) land the development rights to which have been sold to
143 the state under chapter 422a; and (15) deeds to or from any limited
144 liability company when the grantors or grantees are the same
145 individuals as the principals or members of the limited liability
146 company. If action is taken under subdivision (13) of this [section]

147 subsection by a taxpayer, such action shall commence prior to the
148 ninth year following the date of the deed containing such covenant
149 and the town shall be served as a necessary party.

150 (b) Any person who obtains title to land as a result of a change of
151 ownership enumerated in subsection (a) of this section shall provide
152 notice of such change of ownership to the assessor by completing a
153 form prescribed by (1) the Commissioner of Agriculture if such land is
154 classified as farm land pursuant to section 12-107c or open space land
155 pursuant to section 12-107e; (2) the State Forester if such land is
156 classified as forest land pursuant to section 12-107d, as amended by
157 this act; or (3) the Secretary of the Office of Policy and Management if
158 such land is classified as maritime heritage land pursuant to section 12-
159 107g. In addition to the notice required under this subsection, any
160 person who obtains title to land classified as forest land shall submit a
161 report issued by a certified forester in accordance with section 12-107d,
162 as amended by this act, if such a report has not been submitted prior to
163 the change of ownership.

164 (c) For any change of ownership enumerated in subsection (a) of
165 this section except subdivision (7), the ten-year period provided under
166 section 12-504a, as amended by this act, shall be measured from the
167 date on which the land was classified as farm land pursuant to section
168 12-107c, forest land pursuant to section 12-107d, as amended by this
169 act, open space land pursuant to section 12-107e or maritime heritage
170 land pursuant to section 12-107g and shall not be affected by the date
171 of such change of ownership.

172 Sec. 6. Section 12-504f of the general statutes is repealed and the
173 following is substituted in lieu thereof (*Effective October 1, 2013, and*
174 *applicable to assessment years commencing on or after said date*):

175 The tax assessor shall file annually [, not later than sixty days after
176 the assessment date,] with the town clerk a certificate for any land
177 [which] that has been classified as farm land pursuant to section 12-
178 107c, as forest land pursuant to section 12-107d, as amended by this

179 act, as open space land pursuant to section 12-107e or as maritime
 180 heritage land pursuant to section 12-107g, which certificate shall set
 181 forth the date of the initial classification and the obligation to pay the
 182 conveyance tax imposed by this chapter. [Said] Such certificate shall be
 183 filed not later than sixty days after the assessment date, except that in a
 184 year in which revaluation required under section 12-62 becomes
 185 effective, such certificate shall be filed not later than January thirty-first
 186 following the assessment date. Such certificate shall be recorded in the
 187 land records of such town. Any such classification of land shall be
 188 deemed personal to the particular owner who requests such
 189 classification and shall not run with the land. The town clerk shall
 190 notify the tax assessor of the filing in the land records of the sale of any
 191 such land. Upon receipt of such notice the tax assessor shall inform the
 192 new owner of the tax benefits of classification of such land as farm
 193 land, forest land, [or] open space land or maritime heritage land.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	New section
Sec. 2	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	12-91
Sec. 3	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	12-107d(g)
Sec. 4	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	12-504a(a)
Sec. 5	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	12-504c

Sec. 6	<i>October 1, 2013, and applicable to assessment years commencing on or after said date</i>	12-504f
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PD *Joint Favorable*

FIN *Joint Favorable*