



General Assembly

February Session, 2014

Raised Bill No. 5351

LCO No. 1691



Referred to Committee on AGING

Introduced by:
(AGE)

AN ACT ESTABLISHING A REVOLVING LOAN FUND FOR PAYMENT OF PROPERTY TAXES FOR ELDERLY HOMEOWNERS.

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

1 Section 1. (NEW) (*Effective July 1, 2014*) (a) For purposes of this
2 section, "elderly homeowner" means any owner of real property liable
3 for property taxes under section 12-48 of the general statutes who (1) is
4 sixty-five years of age or older on the date of application for a loan
5 under this section, (2) has resided in the municipality levying such
6 property taxes for at least ten years before applying for a loan under
7 this section, and (3) has qualifying income in the tax year ending
8 immediately preceding the date of application for a loan under this
9 section not in excess of the limits set forth in section 12-170aa of the
10 general statutes, as adjusted annually.

11 (b) There is established a revolving loan fund to be known as the
12 "Elderly Homeowner Property Tax Revolving Loan Fund". Investment
13 earnings credited to the fund shall become part of the assets of the
14 fund. Any balance remaining in the fund at the end of any fiscal year
15 shall be carried forward in the fund for the next fiscal year. Payments

16 of principal or interest on a low interest loan made pursuant to this
17 section shall be paid to the State Treasurer for deposit in the Elderly
18 Homeowner Property Tax Revolving Loan Fund. The fund shall be
19 used to make loans at the prevailing rate of interest pursuant to
20 subsection (c) of this section and to pay reasonable and necessary
21 expenses incurred in administering loans under this section.

22 (c) (1) Notwithstanding section 12-172 of the general statutes, the
23 state, acting by and in the discretion of the Commissioner of Economic
24 and Community Development, may provide financial assistance in the
25 form of loans at the prevailing rate of interest to elderly homeowners,
26 provided (A) such elderly homeowner has failed to pay taxes levied
27 against such elderly homeowner's property under section 12-48 of the
28 general statutes for at least the two assessment years preceding the
29 date of application for a loan under this section, (B) the property
30 subject to tax is not otherwise encumbered, and (C) the principal
31 amount of such loan does not exceed the amount of taxes levied
32 against the real property. The commissioner may impose asset limits as
33 a condition of eligibility for loans provided pursuant to this section.

34 (2) If the state provides such financial assistance, the commissioner
35 shall have a lien on the real property subject to taxes in the amount of
36 such financial assistance, plus interest at the prevailing rate of interest
37 as determined by the commissioner. Such lien shall have priority over
38 all other liens on such property except a municipal property tax lien.

39 (3) Any financial assistance provided under this section shall not
40 disqualify the elderly homeowner with respect to any benefits for
41 which such elderly homeowner shall be eligible under the provisions
42 of sections 12-129b to 12-129d, inclusive, of the general statutes, section
43 12-129n of the general statutes or section 12-170aa of the general
44 statutes.

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

Section 1	July 1, 2014	New section
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Statement of Purpose:

To provide relief to elderly homeowners struggling to pay their taxes and to municipalities facing revenue losses from delinquent 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.]