



**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 Secretary of the Office of  
24 Policy and Management, may provide financial assistance in the form  
25 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 secretary may impose asset limits as a  
33 condition of eligibility for loans provided pursuant to this section.

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

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

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| This act shall take effect as follows and shall amend the following sections: |              |             |
| Section 1   | July 1, 2014 | New section |

**AGE**      *Joint Favorable Subst.*