



General Assembly

Substitute Bill No. 5394

February Session, 2014



AN ACT CONCERNING PROPERTY TAX RELIEF FOR VETERANS.

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

1 Section 1. Subdivisions (19) to (21), inclusive, of section 12-81 of the
2 2014 supplement to the general statutes are repealed and the following
3 is substituted in lieu thereof (*Effective October 1, 2014, and applicable to*
4 *assessment years commencing on and after said date*):

5 (19) Subject to the provisions of sections 12-89, 12-90 and 12-95,
6 property to the [amount of one thousand dollars belonging] extent of
7 ten per cent of its assessed value that belongs to, or is held in trust for,
8 (A) any resident of this state who [(a)] is a veteran of the armed forces
9 in service in time of war, [(b)] (B) any resident of this state who was a
10 citizen of the United States at the time of his or her enlistment and who
11 was in the military or naval service of a government allied or
12 associated with that of the United States during the Second World War
13 and received an honorable discharge therefrom, [(c)] (C) any resident
14 of this state who served during the Second World War as a member of
15 any armed force of any government signatory to the United Nations
16 Declaration of January 1, 1942, and participated in armed conflict with
17 an enemy of the United States and who has been a citizen of the United
18 States for at least ten years and presents satisfactory evidence of such
19 service, [(d)] (D) any resident of this state who served as a member of
20 the crew of a merchant vessel during the Second World War and is

21 qualified with respect to such service as a member of the group known
22 as the "American Merchant Marine in ocean-going service during the
23 period of armed conflict, December 7, 1941, to August 15, 1945",
24 members of which are deemed to be eligible for certain veterans
25 benefits under a determination in the United States Department of
26 Defense, as recorded in the Federal Register of February 1, 1988,
27 provided such resident has received an armed forces discharge
28 certificate from the Department of Defense on the basis of such service,
29 [(e)] (E) any member of the armed forces who was in service in time of
30 war and is still in the service and by reason of continuous service has
31 not as yet received a discharge, [(f)] (F) any person who is retired from
32 the armed forces after thirty years of service because [he] such person
33 has reached the age limit prescribed by law or because [he] such
34 person suffers from mental or physical disability, or [(g)] (G) any
35 person who is serving in the armed services in time of war; or lacking
36 said [amount of] property in his or her own name, so much of the
37 property belonging to, or held in trust for, his or her spouse, who is
38 domiciled with him [, as is necessary to equal said amount] or her. For
39 the purposes of this subdivision, "veteran", "armed forces" and "service
40 in time of war" have the same meaning as in section 27-103;

41 (20) Subject to the provisions hereinafter stated, property [not
42 exceeding three thousand dollars in amount shall be exempt from
43 taxation, which property belongs to, or is] belonging to, or held in trust
44 for, any resident of this state who has served, or is serving, in the
45 Army, Navy, Marine Corps, Coast Guard or Air Force of the United
46 States and [(1)] has a disability rating by the Veterans' Administration
47 of the United States amounting to ten per cent or more [of total
48 disability, provided such exemption shall be fifteen hundred dollars in
49 any case in which such rating is between ten per cent and twenty-five
50 per cent; two thousand dollars in any case in which such rating is more
51 than twenty-five per cent but not more than fifty per cent; twenty-five
52 hundred dollars in any case in which such rating is more than fifty per
53 cent but not more than seventy-five per cent; and three thousand
54 dollars in any case in which such person has attained sixty-five years

55 of age or such rating is more than seventy-five per cent; or (2)] shall be
56 exempt from taxation as follows: (A) Fifteen per cent of the assessed
57 value of such property if such disability rating is at least ten per cent
58 but not more than twenty-five per cent; (B) twenty per cent of the
59 assessed value of such property if such disability rating is more than
60 twenty-five per cent but not more than fifty per cent; (C) twenty-five
61 per cent of the assessed value of such property if such disability rating
62 is more than fifty per cent but not more than seventy-five per cent; and
63 (D) thirty per cent of the assessed value of such property if (i) such
64 disability rating is more than seventy-five per cent, (ii) such veteran
65 has attained sixty-five years of age, or (iii) such veteran is receiving a
66 pension, annuity or compensation from the United States because of
67 the loss in service of a leg or arm or that which is considered by the
68 rules of the United States Pension Office or the Bureau of War Risk
69 Insurance the equivalent of such loss. If such veteran lacks such
70 [amount of] property in his or her name, so much of the property
71 belonging to, or held in trust for, his or her spouse, who is domiciled
72 with him or her, [as is necessary to equal such amount] shall also be so
73 exempt. When any veteran entitled to an exemption under the
74 provisions of this section has died, property belonging to, or held in
75 trust for, his or her surviving spouse, while such spouse remains a
76 widow or widower, or belonging to or held in trust for his or her
77 minor children during their minority, or both, while they are residents
78 of this state, shall be exempt in the same [aggregate amount]
79 percentage as that to which the disabled veteran was or would have
80 been entitled at the time of his or her death. No individual entitled to
81 exemption under this subdivision and under one or more of
82 subdivisions (19), (22), (23), (25) and (26) of this section shall receive
83 more than one exemption. No individual shall receive any exemption
84 to which he or she is entitled under this subdivision until he or she has
85 complied with section 12-95 and has submitted proof of his or her
86 disability rating, as determined by the Veterans' Administration of the
87 United States, to the assessor of the town in which the exemption is
88 sought. If there is no change to an individual's disability rating, such
89 proof shall not be required for any assessment year following that for

90 which the exemption under this subdivision is granted initially. If the
91 Veterans' Administration of the United States modifies a veteran's
92 disability rating, such modification shall be deemed a waiver of the
93 right to such exemption until proof of disability rating is submitted to
94 the assessor and the right to such exemption is established as required
95 initially. Any person who has been unable to submit evidence of
96 disability rating in the manner required by this subdivision, or who
97 has failed to submit such evidence as provided in section 12-95, may,
98 when he or she obtains such evidence, make application to the
99 collector of taxes within one year after he or she obtains such proof or
100 within one year after the expiration of the time limited in section 12-95,
101 as the case may be, for abatement in case the tax has not been paid, or
102 for refund in case the whole tax has been paid, of such part or the
103 whole of such tax as represents the service exemption. Such abatement
104 or refund may be granted retroactively to include the assessment day
105 next succeeding the date as of which such person was entitled to such
106 disability rating as determined by the Veterans' Administration of the
107 United States, but in no case shall any abatement or refund be made
108 for a period greater than three years. The collector shall, after
109 examination of such application, refer the same, with his or her
110 recommendations thereon, to the board of selectmen of a town or to
111 the corresponding authority of any other municipality, and shall
112 certify to the amount of abatement or refund to which the applicant is
113 entitled. Upon receipt of such application and certification, the
114 selectmen or other duly constituted authority shall, in case the tax has
115 not been paid, issue a certificate of abatement or, in case the whole tax
116 has been paid, draw an order upon the treasurer in favor of such
117 applicant for the amount without interest which represents the service
118 exemption. Any action so taken by such selectmen or other authority
119 shall be a matter of record and the tax collector shall be notified in
120 writing of such action;

121 (21) (A) The dwelling house, and the lot whereupon the same is
122 erected, belonging to or held in trust for any person who is a citizen
123 and resident of this state, occupied as such person's domicile, shall be

124 exempt from local property taxation to the extent of [ten thousand
125 dollars] thirty per cent of its assessed valuation or, lacking [said
126 amount in] such property in such person's own name, so much of the
127 property belonging to, or held in trust for, such person's spouse, who
128 is domiciled with such person, as is necessary to equal said amount, if
129 such person is a veteran who served in the Army, Navy, Marine Corps,
130 Coast Guard or Air Force of the United States and has been declared
131 by the United States Veterans' Administration or its successors to have
132 a service-connected disability from paraplegia or osteochondritis
133 resulting in permanent loss of the use of both legs or permanent
134 paralysis of both legs and lower parts of the body; or from hemiplegia
135 and has permanent paralysis of one leg and one arm or either side of
136 the body resulting from injury to the spinal cord, skeletal structure or
137 brain or from disease of the spinal cord not resulting from any form of
138 syphilis; or from total blindness as defined in section 12-92; or from the
139 amputation of both arms, both legs, both hands or both feet, or the
140 combination of a hand and a foot; sustained through enemy action, or
141 resulting from accident occurring or disease contracted in such active
142 service. Nothing in this subdivision shall be construed to include
143 paraplegia or hemiplegia resulting from locomotor ataxia or other
144 forms of syphilis of the central nervous system, or from chronic
145 alcoholism, or to include other forms of disease resulting from the
146 veteran's own misconduct which may produce signs and symptoms
147 similar to those resulting from paraplegia, osteochondritis or
148 hemiplegia. The loss of the use of one arm or one leg because of service
149 related injuries specified in this subdivision shall qualify a veteran for
150 a property tax exemption in the same manner as hereinabove,
151 provided such exemption shall be [for five thousand dollars] fifteen
152 per cent of the assessed valuation of such dwelling house and lot;

153 (B) The exemption provided for in this subdivision shall be in
154 addition to any other exemption of such person's real and personal
155 property allowed by law, but no taxpayer shall be allowed more than
156 one exemption under this subdivision. No person shall be entitled to
157 receive any exemption under this subdivision until such person has

158 satisfied the requirements of subdivision (20) of this section. The
159 surviving spouse of any such person who at the time of such person's
160 death was entitled to and had the exemption provided under this
161 subdivision shall be entitled to the same exemption, (i) while such
162 spouse remains a widow or widower, or (ii) upon the termination of
163 any subsequent marriage of such spouse by dissolution, annulment or
164 death and while a resident of this state, for the time that such person is
165 the legal owner of and actually occupies a dwelling house and
166 premises intended to be exempted hereunder. When the property
167 which is the subject of the claim for exemption provided for in this
168 subdivision is greater than a single family house, the assessor shall
169 aggregate the assessment on the lot and building and allow an
170 exemption of that percentage of the aggregate assessment which the
171 value of the portion of the building occupied by the claimant bears to
172 the value of the entire building;

173 (C) Subject to the approval of the legislative body of the
174 municipality, the dwelling house and the lot whereupon the same is
175 erected, belonging to or held in trust for any citizen and resident of this
176 state, occupied as such person's domicile shall be fully exempt from
177 local property taxation, if such person is a veteran who served in the
178 Army, Navy, Marine Corps, Coast Guard or Air Force of the United
179 States and has received financial assistance for specially adapted
180 housing under the provisions of Section 801 of Title 38 of the United
181 States Code and has applied such assistance toward the acquisition or
182 modification of such dwelling house. The same exemption may also be
183 allowed on such housing units owned by the surviving spouse of such
184 veteran (i) while such spouse remains a widow or widower, or (ii)
185 upon the termination of any subsequent marriage of such spouse by
186 dissolution, annulment or death, or by such veteran and spouse while
187 occupying such premises as a residence;

188 Sec. 2. Section 12-128 of the 2014 supplement to the general statutes
189 is repealed and the following is substituted in lieu thereof (*Effective*
190 *from passage*):

191 The amount of any tax which has been collected erroneously from
 192 any person who has served in the Army, Navy, Marine Corps, Coast
 193 Guard or Air Force of the United States, or from his or her relative, as
 194 specified in section 12-81, may be recovered from the municipality to
 195 which the same has been paid at any time within six years from the
 196 date of such payment upon presentation of a claim therefor to the
 197 collector of taxes. The tax collector shall examine such claim and, upon
 198 finding the claimant entitled thereto, shall certify to that effect to the
 199 selectmen of such town or other proper official of such municipality.
 200 Upon receipt of such certification, the selectmen or other proper
 201 official shall draw an order upon the treasurer in favor of such
 202 claimant for the amount, without interest, to which such claimant is
 203 entitled. Any payment for which no timely application is made or
 204 granted under this section shall be the property of the municipality,
 205 except the six-year period shall be waived if the tax collector and the
 206 assessor, jointly, determine that such erroneous tax collection is
 207 attributable to an error by a municipal employee and is not the result
 208 of any action or failure on the part of the taxpayer.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014, and applicable to assessment years commencing on and after said date</i>	12-81(19) to (21)
Sec. 2	<i>from passage</i>	12-128

VA

Joint Favorable Subst. C/R

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