



General Assembly

Substitute Bill No. 5510

February Session, 2014



AN ACT PROVIDING A LIMITED PROPERTY TAX EXEMPTION FOR HOMES UNDER CONSTRUCTION.

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

1 Section 1. Section 12-53a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2014, and*
3 *applicable to assessment years commencing on and after said date*):

4 (a) (1) [Completed] Except as provided in subdivision (3) of this
5 subsection, completed new construction of real estate completed after
6 any assessment date shall be liable for the payment of municipal taxes
7 based on the assessed value of such completed new construction from
8 the date the certificate of occupancy is issued or the date on which
9 such new construction is first used for the purpose for which same was
10 constructed, whichever is the earlier, prorated for the assessment year
11 in which the new construction is completed. Said prorated tax shall be
12 computed on the basis of the rate of tax applicable with respect to such
13 property, including the applicable rate of tax in any tax district in
14 which such property is subject to tax following completion of such
15 new construction, on the date such property becomes liable for such
16 prorated tax in accordance with this section.

17 (2) [Partially] Except as provided in subdivision (3) of this
18 subsection, partially completed new construction of real estate shall be

19 liable for the payment of municipal taxes based on the assessed value
20 of such partially completed new construction as of October first of the
21 assessment year.

22 (3) Notwithstanding the provisions of sections 12-63 and 12-64,
23 completed or partially completed new construction of any one-to-four-
24 family residential real estate shall not be liable for the payment of
25 municipal taxes until the earlier of (A) the date one year after the date
26 on which a building permit is issued, or (B) the date on which a
27 certificate of occupancy is issued. Any such liability shall be prorated
28 for the assessment year in which such new construction becomes liable
29 for such payment. Real estate shall be assessed exclusive of such new
30 construction until such new construction is liable for such payment.

31 (b) The building inspector issuing the certificate shall, within ten
32 days after issuing the same, notify, in writing, the assessor of the town
33 in which the property is situated.

34 (c) Not later than ninety days after receipt by the assessor of such
35 notice from the building inspector or from a determination by the
36 assessor that such new construction is being used for the purpose for
37 which same was constructed or that such new construction is
38 otherwise liable for the payment of municipal taxes pursuant to
39 subdivision (3) of subsection (a) of this section, the assessor shall
40 determine the increment by which assessment for the completed
41 construction exceeds the assessment on the taxable grand list for the
42 immediately preceding assessment date. [He] The assessor shall
43 prorate such amount from the date of issuance of the certificate of
44 occupancy, [or] the date on which such new construction was first
45 used for the purpose for which same was constructed or the date on
46 which such new construction otherwise became liable for the payment
47 of municipal taxes pursuant to subdivision (3) of subsection (a) of this
48 section, as the case may be, to the assessment date immediately
49 following and shall add said increment as so prorated to the taxable
50 grand list for the immediately preceding assessment date. [and] The
51 assessor shall within five days notify the record owner as appearing on

52 such grand list and the tax collector of the municipality of such
53 additional assessment. Such notice shall include information
54 describing the manner in which an appeal may be filed with the board
55 of assessment appeals. Notwithstanding the provisions of this
56 subsection, for new construction completed after October first but
57 before February first in any assessment year, the assessor shall, not
58 later than ninety days after completion of the duties of the board of
59 assessment appeals, determine the increment in accordance with this
60 subsection.

61 (d) Any person claiming to be aggrieved by the action of the
62 assessor hereunder may appeal the doings of the assessor to the board
63 of assessment appeals and the Superior Court as otherwise provided in
64 this chapter; provided such appeal shall be extended in time to the
65 next succeeding board of assessment appeals, if the statutory period
66 for the meeting of such board has passed. Any person, intending to so
67 appeal, may indicate that taxes paid by [him] such person upon the
68 prorated increment herein specified during the pendency of such
69 appeal are paid "Under Protest" and thereupon [he] such person shall
70 not be liable for any interest on the taxes based upon such prorated
71 increment, provided [he] such person shall have paid not less than
72 seventy-five per cent of the amount of such taxes within the time
73 specified.

74 (e) Upon receipt of such notice from the assessor, the tax collector of
75 the town shall, if such notice is received after the normal billing date,
76 within thirty days thereafter mail or hand a bill to the owner based
77 upon an amount prorated by the assessor. Such tax shall be due and
78 payable and collectible as other municipal taxes and subject to the
79 same liens and processes of collection; provided such tax shall be due
80 and payable in an initial or single installment due and payable not
81 sooner than thirty days after the date such bill is mailed or handed to
82 the owner, and in any remaining, regular installments, as the same are
83 due and payable, and the several installments of a tax so due and
84 payable shall be equal.

85 (f) Nothing herein shall be deemed to authorize the collection of
86 taxes twice in respect of the land upon which the new construction is
87 located.

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>	12-53a

PD *Joint Favorable Subst.*