



General Assembly

Amendment

February Session, 2014

LCO No. 5225

HB0558305225HDO

Offered by:
REP. SHARKEY, 88th Dist.

To: Subst. House Bill No. 5583

File No. 510

Cal. No. 303

"AN ACT CONCERNING THE PAYMENT OF REAL PROPERTY TAXES BY CERTAIN INSTITUTIONS OF HIGHER LEARNING AND HOSPITAL FACILITIES."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective October 1, 2014, and applicable to*
4 *assessment years commencing on and after said date*) (a) Notwithstanding
5 the provisions of subdivisions (7), (8) and (16) of section 12-81 of the
6 general statutes, as amended by this act, and except as provided in
7 subsection (b) of this section, any property on the taxable grand list for
8 the assessment year commencing October 1, 2013, that is acquired on
9 or after July 1, 2014, by an institution, facility or hospital owning
10 property for which a state grant in lieu of taxes has been made in the
11 prior fiscal year pursuant to section 12-20a of the general statutes, as
12 amended by this act, and any structures, buildings or other
13 improvements existing or subsequently constructed on such property,
14 shall be subject to taxation without regard to said subdivisions. Any
15 such property subject to taxation shall not be included in the grant

16 provided pursuant to the provisions of section 12-20a of the general
17 statutes, as amended by this act.

18 (b) Any municipality may, by ordinance, exempt all property from
19 the provisions of subsection (a) of this section.

20 Sec. 2. Subsection (a) of section 12-20a of the general statutes is
21 repealed and the following is substituted in lieu thereof (*Effective*
22 *October 1, 2014*):

23 (a) On or before January first, annually, the Secretary of the Office of
24 Policy and Management shall determine the amount due to each
25 municipality in the state, in accordance with this section, as a state
26 grant in lieu of taxes with respect to real property owned by any
27 private nonprofit institution of higher learning or any nonprofit
28 general hospital facility or freestanding chronic disease hospital or an
29 urgent care facility that operates for at least twelve hours a day and
30 that had been the location of a nonprofit general hospital for at least a
31 portion of calendar year 1996 to receive payments in lieu of taxes for
32 such property, exclusive of any such facility operated by the federal
33 government, except a campus of the United States Department of
34 Veterans Affairs Connecticut Healthcare Systems, or the state of
35 Connecticut or any subdivision thereof. Nothing in this section shall
36 apply to any property subject to taxation pursuant to section 1 of this
37 act. As used in this section "private nonprofit institution of higher
38 learning" means any such institution, as defined in subsection (a) of
39 section 10a-34, or any independent college or university, as defined in
40 section 10a-37, that is engaged primarily in education beyond the high
41 school level, and offers courses of instruction for which college or
42 university-level credit may be given or may be received by transfer,
43 the property of which is exempt from property tax under any of the
44 subdivisions of section 12-81, as amended by this act; "nonprofit
45 general hospital facility" means any such facility which is used
46 primarily for the purpose of general medical care and treatment,
47 exclusive of any hospital facility used primarily for the care and
48 treatment of special types of disease or physical or mental conditions;

49 and "freestanding chronic disease hospital" means a facility which
50 provides for the care and treatment of chronic diseases, excluding any
51 such facility having an ownership affiliation with and operated in the
52 same location as a chronic and convalescent nursing home.

53 Sec. 3. Subdivision (7) of section 12-81 of the 2014 supplement to the
54 general statutes is repealed and the following is substituted in lieu
55 thereof (*Effective October 1, 2014*):

56 (7) (A) Subject to the provisions of sections 12-87, [and] 12-88 and
57 section 1 of this act, the real property of, or held in trust for, a
58 corporation organized exclusively for scientific, educational, literary,
59 historical or charitable purposes or for two or more such purposes and
60 used exclusively for carrying out one or more of such purposes or for
61 the purpose of preserving open space land, as defined in section 12-
62 107b, for any of the uses specified in said section, that is owned by any
63 such corporation, and the personal property of, or held in trust for, any
64 such corporation, provided (i) any officer, member or employee
65 thereof does not receive or at any future time shall not receive any
66 pecuniary profit from the operations thereof, except reasonable
67 compensation for services in effecting one or more of such purposes or
68 as proper beneficiary of its strictly charitable purposes, and (ii) in 1965,
69 and quadrennially thereafter, a statement shall be filed on or before the
70 first day of November with the assessor or board of assessors of any
71 town, consolidated town and city or consolidated town and borough,
72 in which any of its property claimed to be exempt is situated. Such
73 statement shall be filed on a form provided by such assessor or board
74 of assessors. The real property shall be eligible for the exemption
75 regardless of whether it is used by another corporation organized
76 exclusively for scientific, educational, literary, historical or charitable
77 purposes or for two or more such purposes;

78 (B) On and after July 1, 1967, housing subsidized, in whole or in
79 part, by federal, state or local government and housing for persons or
80 families of low and moderate income shall not constitute a charitable
81 purpose under this section. As used in this subdivision, "housing" shall

82 not include real property used for temporary housing belonging to, or
83 held in trust for, any corporation organized exclusively for charitable
84 purposes and exempt from taxation for federal income tax purposes,
85 the primary use of which property is one or more of the following: (i)
86 An orphanage; (ii) a drug or alcohol treatment or rehabilitation facility;
87 (iii) housing for homeless individuals, mentally or physically
88 handicapped individuals or persons with intellectual disability, or for
89 victims of domestic violence; (iv) housing for ex-offenders or for
90 individuals participating in a program sponsored by the state
91 Department of Correction or Judicial Branch; and (v) short-term
92 housing operated by a charitable organization where the average
93 length of stay is less than six months. The operation of such housing,
94 including the receipt of any rental payments, by such charitable
95 organization shall be deemed to be an exclusively charitable purpose;

96 Sec. 4. Subdivision (8) of section 12-81 of the 2014 supplement to the
97 general statutes is repealed and the following is substituted in lieu
98 thereof (*Effective October 1, 2014*):

99 (8) [The] Subject to the provisions of section 1 of this act, the funds
100 and estate which have been or may be granted, provided by the state,
101 or given by any person or persons to the Trustees of the Berkeley
102 Divinity School, the board of trustees of Connecticut College for
103 Women, the Hartford Seminary Foundation, Sheffield Scientific
104 School, Trinity College, Wesleyan University or The President and
105 Fellows of Yale College in New Haven, and by them respectively
106 invested and held for the use of such institutions, with the income
107 thereof; provided none of said corporations shall hold in this state real
108 estate free from taxation affording an annual income of more than six
109 thousand dollars. Such exemption shall not apply to any real estate
110 which said Trustees of the Berkeley Divinity School own, control or
111 hold in trust, and which is situated in the city of Middletown. No other
112 provision of this section concerning exemption of property used for
113 educational purposes shall be construed to affect any provision of this
114 subdivision;

115 Sec. 5. Subdivision (16) of section 12-81 of the 2014 supplement to
 116 the general statutes is repealed and the following is substituted in lieu
 117 thereof (*Effective October 1, 2014*):

118 (16) Subject to the provisions of section 12-88 and section 1 of this
 119 act, all property of, or held in trust for, any Connecticut hospital
 120 society or corporation or sanatorium, provided (A) no officer, member
 121 or employee thereof receives or, at any future time, shall receive any
 122 pecuniary profit from the operations thereof, except reasonable
 123 compensation for services in the conduct of its affairs, and (B) in 1967,
 124 and quadrennially thereafter, a statement shall be filed by such
 125 hospital society, corporation or sanatorium on or before the first day of
 126 November with the assessor or board of assessors of any town,
 127 consolidated town and city or consolidated town and borough, in
 128 which any of its property claimed to be exempt is situated. Such
 129 statement shall be filed on a form provided by such assessor or board
 130 of assessors;"

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>	New section
Sec. 2	<i>October 1, 2014</i>	12-20a(a)
Sec. 3	<i>October 1, 2014</i>	12-81(7)
Sec. 4	<i>October 1, 2014</i>	12-81(8)
Sec. 5	<i>October 1, 2014</i>	12-81(16)