



General Assembly

Amendment

February Session, 2014

LCO No. 5646

SB0047005646HDO

Offered by:

REP. SHARKEY, 88th Dist.
REP. ARESIMOWICZ, 30th Dist.
REP. CAFERO, 142nd Dist.

To: Subst. Senate Bill No. 470

File No. 462

Cal. No. 524

"AN ACT CONCERNING A STUDY OF THE ADMINISTRATIVE COSTS TO COLLECT TAXES AND FEES."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective July 1, 2014*) (a) For purposes of this
4 section, "residential property" means any real property that is acquired
5 on or after July 1, 2015, by a private nonprofit institution of higher
6 learning owning property for which a state grant in lieu of taxes has
7 been made in the prior fiscal year pursuant to section 12-20a of the
8 general statutes, as amended by this act, and upon which exists a one-
9 to-four family residential structure that is used, at the time of such sale,
10 for residential purposes.

11 (b) Notwithstanding the provisions of subdivisions (7) and (8) of
12 section 12-81 of the general statutes, as amended by this act, or the
13 provisions of any special act, and subject to the provisions of
14 subsection (c) of this section, any municipality may, by ordinance,

15 provide that any residential property that continues to be used for
16 residential purposes after such sale, shall be subject to taxation without
17 regard to said subdivisions or any such special act if any such
18 residential structure was on the taxable grand list for the assessment
19 year commencing October 1, 2014.

20 (c) The provisions of any municipal ordinance adopted pursuant to
21 subsection (a) of this section shall not take effect until approved by act
22 of the General Assembly.

23 Sec. 502. Subsection (a) of section 12-20a of the general statutes is
24 repealed and the following is substituted in lieu thereof (*Effective*
25 *October 1, 2014*):

26 (a) On or before January first, annually, the Secretary of the Office of
27 Policy and Management shall determine the amount due to each
28 municipality in the state, in accordance with this section, as a state
29 grant in lieu of taxes with respect to real property owned by any
30 private nonprofit institution of higher learning or any nonprofit
31 general hospital facility or freestanding chronic disease hospital or an
32 urgent care facility that operates for at least twelve hours a day and
33 that had been the location of a nonprofit general hospital for at least a
34 portion of calendar year 1996 to receive payments in lieu of taxes for
35 such property, exclusive of any such facility operated by the federal
36 government, except a campus of the United States Department of
37 Veterans Affairs Connecticut Healthcare Systems, or the state of
38 Connecticut or any subdivision thereof. Nothing in this section shall
39 apply to any property subject to taxation pursuant to section 501 of this
40 act. As used in this section "private nonprofit institution of higher
41 learning" means any such institution, as defined in subsection (a) of
42 section 10a-34, or any independent college or university, as defined in
43 section 10a-37, that is engaged primarily in education beyond the high
44 school level, and offers courses of instruction for which college or
45 university-level credit may be given or may be received by transfer,
46 the property of which is exempt from property tax under any of the
47 subdivisions of section 12-81, as amended by this act; "nonprofit

48 general hospital facility" means any such facility which is used
49 primarily for the purpose of general medical care and treatment,
50 exclusive of any hospital facility used primarily for the care and
51 treatment of special types of disease or physical or mental conditions;
52 and "freestanding chronic disease hospital" means a facility which
53 provides for the care and treatment of chronic diseases, excluding any
54 such facility having an ownership affiliation with and operated in the
55 same location as a chronic and convalescent nursing home.

56 Sec. 503. Subdivision (7) of section 12-81 of the 2014 supplement to
57 the general statutes is repealed and the following is substituted in lieu
58 thereof (*Effective October 1, 2014*):

59 (7) (A) Subject to the provisions of sections 12-87, [and] 12-88 and
60 section 501 of this act, the real property of, or held in trust for, a
61 corporation organized exclusively for scientific, educational, literary,
62 historical or charitable purposes or for two or more such purposes and
63 used exclusively for carrying out one or more of such purposes or for
64 the purpose of preserving open space land, as defined in section 12-
65 107b, for any of the uses specified in said section, that is owned by any
66 such corporation, and the personal property of, or held in trust for, any
67 such corporation, provided (i) any officer, member or employee
68 thereof does not receive or at any future time shall not receive any
69 pecuniary profit from the operations thereof, except reasonable
70 compensation for services in effecting one or more of such purposes or
71 as proper beneficiary of its strictly charitable purposes, and (ii) in 1965,
72 and quadrennially thereafter, a statement shall be filed on or before the
73 first day of November with the assessor or board of assessors of any
74 town, consolidated town and city or consolidated town and borough,
75 in which any of its property claimed to be exempt is situated. Such
76 statement shall be filed on a form provided by such assessor or board
77 of assessors. The real property shall be eligible for the exemption
78 regardless of whether it is used by another corporation organized
79 exclusively for scientific, educational, literary, historical or charitable
80 purposes or for two or more such purposes;

81 (B) On and after July 1, 1967, housing subsidized, in whole or in
82 part, by federal, state or local government and housing for persons or
83 families of low and moderate income shall not constitute a charitable
84 purpose under this section. As used in this subdivision, "housing" shall
85 not include real property used for temporary housing belonging to, or
86 held in trust for, any corporation organized exclusively for charitable
87 purposes and exempt from taxation for federal income tax purposes,
88 the primary use of which property is one or more of the following: (i)
89 An orphanage; (ii) a drug or alcohol treatment or rehabilitation facility;
90 (iii) housing for homeless individuals, mentally or physically
91 handicapped individuals or persons with intellectual disability, or for
92 victims of domestic violence; (iv) housing for ex-offenders or for
93 individuals participating in a program sponsored by the state
94 Department of Correction or Judicial Branch; and (v) short-term
95 housing operated by a charitable organization where the average
96 length of stay is less than six months. The operation of such housing,
97 including the receipt of any rental payments, by such charitable
98 organization shall be deemed to be an exclusively charitable purpose;

99 Sec. 504. Subdivision (8) of section 12-81 of the 2014 supplement to
100 the general statutes is repealed and the following is substituted in lieu
101 thereof (*Effective October 1, 2014*):

102 (8) [The] Subject to the provisions of section 501 of this act, the funds
103 and estate which have been or may be granted, provided by the state,
104 or given by any person or persons to the Trustees of the Berkeley
105 Divinity School, the board of trustees of Connecticut College for
106 Women, the Hartford Seminary Foundation, Sheffield Scientific
107 School, Trinity College, Wesleyan University or The President and
108 Fellows of Yale College in New Haven, and by them respectively
109 invested and held for the use of such institutions, with the income
110 thereof; provided none of said corporations shall hold in this state real
111 estate free from taxation affording an annual income of more than six
112 thousand dollars. Such exemption shall not apply to any real estate
113 which said Trustees of the Berkeley Divinity School own, control or

114 hold in trust, and which is situated in the city of Middletown. No other
115 provision of this section concerning exemption of property used for
116 educational purposes shall be construed to affect any provision of this
117 subdivision;"

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>July 1, 2014</i>	New section
Sec. 502	<i>October 1, 2014</i>	12-20a(a)
Sec. 503	<i>October 1, 2014</i>	12-81(7)
Sec. 504	<i>October 1, 2014</i>	12-81(8)