



General Assembly

Amendment

January Session, 2015

LCO No. 7413



Offered by:

REP. SHARKEY, 88th Dist.

REP. MILLER, 36th Dist.

REP. D'AGOSTINO, 91st Dist.

To: Subst. House Bill No. 6965

File No. 666

Cal. No. 446

"AN ACT CONCERNING THE PRESERVATION OF MUNICIPAL TAX BASES."

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

3 "Section 1. (NEW) (*Effective from passage and applicable to assessment*
4 *years commencing on and after October 1, 2015*) (a) (1) Notwithstanding
5 any provision of the general statutes, except subdivision (8) of section
6 12-81 of the general statutes, and notwithstanding any special act or
7 any municipal charter, any property, real or personal, that was taxable
8 by a municipality and used primarily for medical services that is held
9 by or on behalf of the following entities, as defined or described in
10 section 12-20a of the general statutes, as amended by this act, shall be
11 taxable by a municipality in accordance with the provisions of chapters
12 201, 203 and 204 of the general statutes: (A) A nonprofit general
13 hospital facility, or (B) a freestanding chronic disease hospital, and (2)

14 notwithstanding any provision of the general statutes, except
15 subdivision (8) of section 12-81 of the general statutes, and
16 notwithstanding any special act or any municipal charter, any
17 property, real or personal, that is currently taxable by a municipality
18 and used primarily for medical services and is acquired by or on behalf
19 of the following entities, as defined or described in section 12-20a of
20 the general statutes, as amended by this act, shall be taxable by a
21 municipality in accordance with the provisions of chapters 201, 203
22 and 204 of the general statutes: (A) A nonprofit general hospital
23 facility, or (B) a freestanding chronic disease hospital.

24 (b) Notwithstanding any provision of the general statutes, except
25 subdivision (8) of section 12-81 of the general statutes, and
26 notwithstanding any special act or any municipal charter, any
27 residential real property, excluding a dormitory, intended for use or
28 used as student housing, that is held by or on behalf of a private
29 nonprofit institution of higher learning, as defined in section 12-20a of
30 the general statutes, as amended by this act, shall be taxable by a
31 municipality in accordance with the provisions of chapters 201, 203
32 and 204 of the general statutes. For purposes of this subsection: (1)
33 "Residential real property" means a building containing one or more
34 dwelling units, as defined in section 7-148hh of the general statutes,
35 and (2) "dormitory" means any building with twenty or more dwelling
36 units intended for use or used as student housing by a private
37 nonprofit institution of higher learning, as defined in section 12-20a of
38 the general statutes, as amended by this act.

39 Sec. 2. Subsection (a) of section 12-20a of the general statutes is
40 repealed and the following is substituted in lieu thereof (*Effective from*
41 *passage*):

42 (a) [On] Until the fiscal year commencing July 1, 2017, on or before
43 January first, annually, the Secretary of the Office of Policy and
44 Management shall determine the amount due to each municipality in
45 the state, in accordance with this section, as a state grant in lieu of
46 taxes with respect to real property owned by any private nonprofit

47 institution of higher learning or any nonprofit general hospital facility
48 or freestanding chronic disease hospital or an urgent care facility that
49 operates for at least twelve hours a day and that had been the location
50 of a nonprofit general hospital for at least a portion of calendar year
51 1996 to receive payments in lieu of taxes for such property, exclusive of
52 any such facility operated by the federal government, except a campus
53 of the United States Department of Veterans Affairs Connecticut
54 Healthcare Systems, or the state of Connecticut or any subdivision
55 thereof. As used in this section "private nonprofit institution of higher
56 learning" means any such institution, as defined in subsection (a) of
57 section 10a-34, or any independent institution of higher education, as
58 defined in subsection (a) of section 10a-173, that is engaged primarily
59 in education beyond the high school level, and offers courses of
60 instruction for which college or university-level credit may be given or
61 may be received by transfer, the property of which is exempt from
62 property tax under any of the subdivisions of section 12-81, as
63 amended by this act; "nonprofit general hospital facility" means any
64 such facility that is used primarily for the purpose of general medical
65 care and treatment, exclusive of any hospital facility used primarily for
66 the care and treatment of special types of disease or physical or mental
67 conditions; and "freestanding chronic disease hospital" means a facility
68 that provides for the care and treatment of chronic diseases, excluding
69 any such facility having an ownership affiliation with and operated in
70 the same location as a chronic and convalescent nursing home.

71 Sec. 3. Subdivision (7) of section 12-81 of the general statutes is
72 repealed and the following is substituted in lieu thereof (*Effective*
73 *October 1, 2015, and applicable to assessment years commencing on or after*
74 *October 1, 2015*):

75 (7) (A) Subject to the provisions of sections 12-87 and 12-88 and
76 section 1 of this act, the real property of, or held in trust for, a
77 corporation organized exclusively for scientific, educational, literary,
78 historical or charitable purposes or for two or more such purposes and
79 used exclusively for carrying out one or more of such purposes or for

80 the purpose of preserving open space land, as defined in section 12-
81 107b, for any of the uses specified in said section, that is owned by any
82 such corporation, and the personal property of, or held in trust for, any
83 such corporation, provided (i) any officer, member or employee
84 thereof does not receive or at any future time shall not receive any
85 pecuniary profit from the operations thereof, except reasonable
86 compensation for services in effecting one or more of such purposes or
87 as proper beneficiary of its strictly charitable purposes, and (ii) in 1965,
88 and quadrennially thereafter, a statement shall be filed on or before the
89 first day of November with the assessor or board of assessors of any
90 town, consolidated town and city or consolidated town and borough,
91 in which any of its property claimed to be exempt is situated. Such
92 statement shall be filed on a form provided by such assessor or board
93 of assessors. The real property shall be eligible for the exemption
94 regardless of whether it is used by another corporation organized
95 exclusively for scientific, educational, literary, historical or charitable
96 purposes or for two or more such purposes;

97 (B) On and after July 1, 1967, housing subsidized, in whole or in
98 part, by federal, state or local government and housing for persons or
99 families of low and moderate income shall not constitute a charitable
100 purpose under this section. As used in this subdivision, "housing" shall
101 not include real property used for temporary housing belonging to, or
102 held in trust for, any corporation organized exclusively for charitable
103 purposes and exempt from taxation for federal income tax purposes,
104 the primary use of which property is one or more of the following: (i)
105 An orphanage; (ii) a drug or alcohol treatment or rehabilitation facility;
106 (iii) housing for homeless individuals, mentally or physically
107 handicapped individuals or persons with intellectual disability, or for
108 victims of domestic violence; (iv) housing for ex-offenders or for
109 individuals participating in a program sponsored by the state
110 Department of Correction or Judicial Branch; and (v) short-term
111 housing operated by a charitable organization where the average
112 length of stay is less than six months. The operation of such housing,
113 including the receipt of any rental payments, by such charitable

114 organization shall be deemed to be an exclusively charitable purpose;

115 Sec. 4. Subdivision (16) of section 12-81 of the general statutes is
 116 repealed and the following is substituted in lieu thereof (*Effective*
 117 *October 1, 2015, and applicable to assessment years commencing on or after*
 118 *October 1, 2015*):

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

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to assessment years commencing on and after October 1, 2015</i>	New section
Sec. 2	<i>from passage</i>	12-20a(a)
Sec. 3	<i>October 1, 2015, and applicable to assessment years commencing on or after October 1, 2015</i>	12-81(7)
Sec. 4	<i>October 1, 2015, and applicable to assessment years commencing on or after October 1, 2015</i>	12-81(16)