



House of Representatives

General Assembly

File No. 595

February Session, 2016

House Bill No. 5593

House of Representatives, April 13, 2016

The Committee on Finance, Revenue and Bonding reported through REP. BERGER of the 73rd Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE REAPPLICATION PROCEDURE FOR ELDERLY PROPERTY TAX RELIEF.

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

1 Section 1. Subsection (a) of section 12-129c of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2016*):

4 (a) No claim shall be accepted under section 12-129b unless the
5 taxpayer or authorized agent of such taxpayer files an application with
6 the assessor of the municipality in which the property is located, in
7 affidavit form as provided by the Secretary of the Office of Policy and
8 Management, during the period from February first to and including
9 May fifteenth of any year in which benefits are first claimed, including
10 such information as is necessary to substantiate said claim in
11 accordance with requirements in such application. A taxpayer may
12 make application to the secretary prior to August fifteenth of the claim
13 year for an extension of the application period. The secretary may
14 grant such extension in the case of extenuating circumstance due to

15 illness or incapacitation as evidenced by a certificate signed by a
16 physician or an advanced practice registered nurse to that extent, or if
17 the secretary determines there is good cause for doing so. The taxpayer
18 shall present to the assessor a copy of such taxpayer's federal income
19 tax return and the federal income tax return of such taxpayer's spouse,
20 if filed separately, for such taxpayer's taxable year ending immediately
21 prior to the submission of the taxpayer's application, or if not required
22 to file a federal income tax return, such other evidence of qualifying
23 income in respect to such taxable year as the assessor may require.
24 Each such application, together with the federal income tax return and
25 any other information submitted in relation thereto, shall be examined
26 by the assessor and if the application is approved by the assessor, it
27 shall be forwarded to the secretary on or before July first of the year in
28 which such application is approved, except that in the case of a
29 taxpayer who received a filing date extension from the secretary, such
30 application shall be forwarded to the secretary not later than ten
31 business days after the date it is filed with the assessor. After a
32 taxpayer's claim for the first year has been filed and approved such
33 taxpayer shall be required to file such an application biennially. In
34 respect to such application required after the filing and approval for
35 the first year the tax assessor in each municipality shall notify each
36 such taxpayer concerning application requirements by regular mail not
37 later than February first of the assessment year in which such taxpayer
38 is required to reapply, enclosing a copy of the required application
39 form. Such taxpayer may submit such application to the assessor by
40 mail, provided it is received by the assessor not later than [March]
41 April fifteenth in the assessment year with respect to which such tax
42 relief is claimed. Not later than April [first] thirtieth of such year the
43 assessor shall notify, by [certified] mail evidenced by a certificate of
44 mailing, any such taxpayer for whom such application was not
45 received by said [March] April fifteenth concerning application
46 requirements and such taxpayer shall be required not later than May
47 fifteenth to submit such application personally or for reasonable cause,
48 by a person acting on behalf of such taxpayer as approved by the
49 assessor.

50 Sec. 2. Subsection (a) of section 12-170w of the general statutes is
51 repealed and the following is substituted in lieu thereof (*Effective*
52 *October 1, 2016*):

53 (a) No claim shall be accepted under section 12-170v unless the
54 taxpayer or authorized agent of such taxpayer files an application with
55 the assessor of the municipality in which the property is located, in
56 such form and manner as the assessor may prescribe, during the
57 period from February first to and including May fifteenth of any year
58 in which benefits are first claimed, including such information as is
59 necessary to substantiate such claim in accordance with requirements
60 in such application. A taxpayer may make application to the assessor
61 prior to August fifteenth of the claim year for an extension of the
62 application period. The assessor may grant such extension in the case
63 of extenuating circumstance due to illness or incapacitation as
64 evidenced by a certificate signed by a physician or an advanced
65 practice registered nurse to that extent, or if the assessor determines
66 there is good cause for doing so. The taxpayer shall present to the
67 assessor a copy of such taxpayer's federal income tax return and the
68 federal income tax return of such taxpayer's spouse, if filed separately,
69 for such taxpayer's taxable year ending immediately prior to the
70 submission of the taxpayer's application, or if not required to file a
71 federal income tax return, such other evidence of qualifying income in
72 respect to such taxable year as the assessor may require. Each such
73 application, together with the federal income tax return and any other
74 information submitted in relation thereto, shall be examined by the
75 assessor and a determination shall be made as to whether the
76 application is approved. Upon determination by the assessor that the
77 applying homeowner is entitled to tax relief in accordance with the
78 provisions of section 12-170v and this section, the assessor shall notify
79 the homeowner and the municipal tax collector of the approval of such
80 application. The municipal tax collector shall determine the maximum
81 amount of the tax due with respect to such homeowner's residence and
82 thereafter the property tax with respect to such homeowner's residence
83 shall not exceed such amount. After a taxpayer's claim for the first year
84 has been filed and approved such taxpayer shall file such an

85 application biennially. In respect to such application required after the
86 filing and approval for the first year the assessor in each municipality
87 shall notify each such taxpayer concerning application requirements
88 by regular mail not later than February first of the assessment year in
89 which such taxpayer is required to reapply, enclosing a copy of the
90 required application form. Such taxpayer may submit such application
91 to the assessor by mail, provided it is received by the assessor not later
92 than [March] April fifteenth in the assessment year with respect to
93 which such tax relief is claimed. Not later than April [first] thirtieth of
94 such year the assessor shall notify, by [certified] mail evidenced by a
95 certificate of mailing, any such taxpayer for whom such application
96 was not received by said [March] April fifteenth concerning
97 application requirements and such taxpayer shall submit not later than
98 May fifteenth such application personally or for reasonable cause, by a
99 person acting on behalf of such taxpayer as approved by the assessor.

100 Sec. 3. Subsection (e) of section 12-170aa of the general statutes is
101 repealed and the following is substituted in lieu thereof (*Effective*
102 *October 1, 2016*):

103 (e) Any claim for tax reduction under this section shall be submitted
104 for approval, on the application form prepared for such purpose by the
105 Secretary of the Office of Policy and Management, in the first year
106 claim for such tax relief is filed and biennially thereafter. The amount
107 of tax reduction approved shall be applied to the real property tax
108 payable by the homeowner for the assessment year in which such
109 application is submitted and approved. If any such homeowner has
110 qualified for tax reduction under this section, the tax reduction
111 determined shall, when possible, be applied and prorated uniformly
112 over the number of installments in which the real property tax is due
113 and payable to the municipality in which he resides. In the case of any
114 homeowner who is eligible for tax reduction under this section as a
115 result of increases in qualifying income, effective with respect to the
116 assessment year commencing October 1, 1987, under the schedule of
117 qualifying income and tax reduction in subsection (c) of this section,
118 exclusive of any such increases related to social security adjustments in

119 accordance with subsection (b) of this section, the total amount of tax
120 reduction to which such homeowner is entitled shall be credited and
121 uniformly prorated against property tax installment payments
122 applicable to such homeowner's residence which become due after
123 such homeowner's application for tax reduction under this section is
124 accepted. In the event that a homeowner has paid in full the amount of
125 property tax applicable to such homeowner's residence, regardless of
126 whether the municipality requires the payment of property taxes in
127 one or more installments, such municipality shall make payment to
128 such homeowner in the amount of the tax reduction allowed. The
129 municipality shall be reimbursed for the amount of such payment in
130 accordance with subsection (g) of this section. In respect to such
131 application required biennially after the filing and approval for the
132 first year, the tax assessor in each municipality shall notify each such
133 homeowner concerning application requirements by regular mail not
134 later than February first, annually enclosing a copy of the required
135 application form. Such homeowner may submit such application to the
136 assessor by mail, provided it is received by the assessor not later than
137 [March] April fifteenth in the assessment year with respect to which
138 such tax reduction is claimed. Not later than April [first] thirtieth of
139 such year the assessor shall notify, by [certified] mail evidenced by a
140 certificate of mailing, any such homeowner for whom such application
141 was not received by said [March] April fifteenth concerning
142 application requirements and such homeowner shall be required not
143 later than May fifteenth to submit such application personally or, for
144 reasonable cause, by a person acting on behalf of such taxpayer as
145 approved by the assessor. In the year immediately following any year
146 in which such homeowner has submitted application and qualified for
147 tax reduction in accordance with this section, such homeowner shall be
148 presumed, without filing application therefor, to be qualified for tax
149 reduction in accordance with the schedule in subsection (c) of this
150 section in the same percentage of property tax as allowed in the year
151 immediately preceding. If any homeowner has qualified and received
152 tax reduction under this section and subsequently in any calendar year
153 has qualifying income in excess of the maximum described in this

154 section, such homeowner shall notify the tax assessor on or before the
155 next filing date and shall be denied tax reduction under this section for
156 the assessment year and any subsequent year or until such homeowner
157 has reapplied and again qualified for benefits under this section. Any
158 such person who fails to so notify the tax assessor of his
159 disqualification shall refund all amounts of tax reduction improperly
160 taken and be fined not more than five hundred dollars.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016</i>	12-129c(a)
Sec. 2	<i>October 1, 2016</i>	12-170w(a)
Sec. 3	<i>October 1, 2016</i>	12-170aa(e)

FIN *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note**State Impact:** None**Municipal Impact:**

Municipalities	Effect	FY 17 \$	FY 18 \$
Various Municipalities	Savings	Less than \$10,000	Less than \$10,000

Explanation

The bill allows assessors to mail information regarding certain property tax relief programs to program participants by regular, rather than certified, mail. This results in a minimal savings, estimated to be less than \$10,000, to municipalities with residents who participate in these programs.

The bill also changes the deadlines for certain property tax relief programs. This has no fiscal impact, as it does not change any benefit a taxpayer can receive under any property tax relief program.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**HB 5593*****AN ACT CONCERNING THE REAPPLICATION PROCEDURE FOR ELDERLY PROPERTY TAX RELIEF.*****SUMMARY:**

This bill pushes back the deadline, from March 15 to April 15, by which elderly, and in some cases disabled, homeowners must reapply for property tax relief under three income-restricted programs. By law, these taxpayers must reapply for tax relief every two years by submitting copies of their federal income tax returns. By pushing the filing deadline to April 15, the bill aligns it with the deadline for filing federal tax returns, thus giving taxpayers more time to complete those returns and submit them to the municipality.

The deadline changes apply to the following programs:

1. the state funded Tax Relief Program for Elderly and Totally Disabled Homeowners (i.e., Circuit Breaker Program; CGS § 12-170aa);
2. the local option Elderly Property Tax Freeze Program (CGS § 12-170v); and
3. the state funded Elderly Property Tax Freeze Program, which has been closed to new applications since 1980 (CGS § 12-129b) .

The bill also pushes back the deadline, from April 1 to April 30, by which assessors must notify taxpayers for whom they did not receive an application by the filing deadline. It requires assessors to notify these taxpayers by regular mail evidenced by a certificate of mailing instead of by certified mail.

By law, taxpayers receiving this notice have until May 15 to submit

an application, which they may do personally or, for reasonable cause, have someone that the assessor approves do on their behalf.

EFFECTIVE DATE: October 1, 2016

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 44 Nay 0 (03/24/2016)