



General Assembly

**Substitute Bill No. 414**

February Session, 2016

\* SB00414FIN 040816 \*

**AN ACT CONCERNING THE TAX ON COLLEGE PROPERTY.**

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

1 Section 1. Subdivision (8) of section 12-81 of the 2016 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective October 1, 2016, and applicable to assessment years*  
4 *commencing on or after October 1, 2016*):

5 (8) (A) The funds and estate which have been or may be granted,  
6 provided by the state, or given by any person or persons to the  
7 Trustees of the Berkeley Divinity School, the board of trustees of  
8 Connecticut College for Women, the Hartford Seminary Foundation,  
9 Sheffield Scientific School, Trinity College, Wesleyan University or The  
10 President and Fellows of Yale College in New Haven, and by them  
11 respectively invested and held for the use of such institutions, with the  
12 income thereof. [; provided none of said corporations shall hold in this  
13 state]

14 (B) Such exemption shall not apply to any (i) real estate [free from  
15 taxation] affording an annual income of more than six thousand  
16 dollars; or (ii) real estate where such institution holds real estate  
17 consisting of land, buildings and equipment valuing more than two  
18 billion dollars in the aggregate and the activities on such real estate  
19 afford the institution an annual income of more than six thousand  
20 dollars. Such exemption shall not apply to any real estate which said

21 Trustees of the Berkeley Divinity School own, control or hold in trust,  
 22 and which is situated in the city of Middletown. For the purposes of  
 23 this subdivision, "activities" means (I) rents or other payments for the  
 24 use of all or any part of real estate exempt from taxation pursuant to  
 25 subparagraph (A) of this subdivision or any fixtures or equipment  
 26 permanently installed thereon, received or due from any for-profit  
 27 entity, but not including individuals for personal use; (II) fees collected  
 28 for admission or use of any sports or entertainment facility located on  
 29 such real estate, except for fees collected for admission or use from  
 30 faculty, employees or enrolled students, or events in which  
 31 substantially all of the athletes or performers are faculty or enrolled  
 32 students; (III) fees, charges or royalties for any goods designed,  
 33 produced, manufactured or generated on all or any part of such real  
 34 estate, provided such goods are for sale to the public and to for-profit  
 35 entities; and (IV) fees or charges for any services rendered on, or from,  
 36 all or any part, of such real estate to the public or any for-profit entity;  
 37 and "for-profit entity" means a corporation, partnership, joint venture,  
 38 sole proprietorship or any other business entity.

39 (C) No other provision of this section concerning exemption of  
 40 property used for educational purposes shall be construed to affect any  
 41 provision of this subdivision;

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016, and applicable to assessment years commencing on or after October 1, 2016</i>	12-81(8)

**Statement of Legislative Commissioners:**

In Section 1(B), the existing word "exemption" was restored to avoid repetition, "subparagraph (A) of this subdivision" was substituted for "subsection (a) of this section" for accuracy, and "this subdivision" was substituted for "this section" for accuracy.

**FIN**      *Joint Favorable Subst. -LCO*