

Budget Bill Changes to the Elderly/Disabled Circuit Breaker Program

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Issue

Summarize changes made by the budget bill to the [Elderly/Disabled Circuit Breaker Program](#). Provide the amounts that the state reimbursed each municipality in FY 17.

Summary

Under the Elderly/Disabled Circuit Breaker Program, municipalities reduce property taxes owed by certain elderly or totally disabled homeowners and may be reimbursed for lost revenue by the Office of Policy and Management (OPM) ([CGS § 12-170aa et seq.](#); [Conn. Agencies Regs. § 12-170aa-1 et seq.](#)). The 2017 budget bill ([HB 1502](#) § 206), with specified exceptions, allows the OPM secretary to reduce reimbursements to municipalities by up to 100%. This provision went into effect on October 31, 2017. As under existing law, municipalities must continue to provide tax reductions to eligible homeowners, regardless of reimbursement levels.

The budget bill prohibits OPM from reducing reimbursements to a municipality that is (1) a distressed municipality, (2) a targeted investment community (i.e., contains an enterprise zone), or (3) part of an airport development zone. However, it is unclear whether these municipalities will receive reimbursements because:

1. the legislature did not appropriate any money for the Circuit Breaker Program in FYs 18 and 19 and
2. existing law, unchanged by the budget bill, requires OPM to proportionately reduce grants to municipalities if appropriations are insufficient to fully reimburse municipalities.

(According to the Office of Fiscal Analysis (OFA), OPM made payments to municipalities for the assessment year commencing October 1, 2015 (FY 17) by December 31, 2016. Municipalities have already applied to OPM for reimbursement for FY 18 tax reductions, but it appears that OPM does not have funds with which it can reimburse them.)

Table 1, below, lists FY 17 payments made to each municipality under the Circuit Breaker Program.

Background on Elderly/Disabled Circuit Breaker Program

The program entitles income-eligible elderly or totally disabled homeowners to a property tax reduction. An applicant must (1) be 65 years of age or older, have a spouse who is age 65 or older, or be at least age 50 and a surviving spouse of someone who at the time of death was eligible for the program; (2) occupy the property as his or her home; and (3) have lived in Connecticut at least one year before applying. Municipalities accept applications between February 1 and May 15 for tax reductions in the following fiscal year (e.g., an application made in April 2017 would impact the applicant’s FY 18 taxes). Once enrolled in the program, individuals must reapply biennially. Municipalities apply to OPM for reimbursement annually by July 1.

The property tax reduction is based on a graduated income scale. Married homeowners are eligible for a property tax reduction of between \$150 and \$1,250; unmarried homeowners are eligible for a reduction of \$150 to \$1,100. The maximum eligible incomes for individuals applying in 2017 were \$42,900 for married homeowners and \$35,200 for unmarried homeowners. OPM updates the income limits annually to reflect the amount of the Social Security Administration's cost-of-living adjustment.

Table 1: FY 17 Payments to Municipalities

The below table provides approximate FY 17 payments to each municipality under the Circuit Breaker Program.

<i>Municipality</i>	<i>FY 17 (Est.)</i>	<i>Municipality</i>	<i>FY 17 (Est.)</i>
Andover	12,226	Berlin	100,594
Ansonia	114,386	Bethany	30,466
Ashford	20,238	Bethel	109,427
Avon	75,821	Bethlehem	28,855
Barkhamsted	20,742	Bloomfield	127,096
Beacon Falls	45,328	Bolton	30,113

Table 1 (continued)

<i>Municipality</i>	<i>FY 17 (Est.)</i>	<i>Municipality</i>	<i>FY 17 (Est.)</i>
Bozrah	24,223	East Lyme	91,753
Branford	205,259	Easton	27,082
Bridgeport	679,900	East Windsor	73,338
Bridgewater	13,248	Ellington	68,171
Bristol	334,198	Enfield	291,349
Brookfield	86,276	Essex	32,135
Brooklyn	49,492	Fairfield	380,723
Burlington	35,506	Farmington	127,805
Canaan	13,858	Franklin	13,876
Canterbury	35,819	Glastonbury	134,896
Canton	59,102	Goshen	19,001
Chaplin	15,857	Granby	75,068
Cheshire	149,842	Greenwich	153,928
Chester	20,232	Griswold	41,760
Clinton	94,524	Groton	126,715
Colchester	41,718	Guilford	164,185
Colebrook	8,150	Haddam	39,728
Columbia	33,500	Hamden	362,186
Cornwall	13,135	Hampton	16,756
Coventry	65,766	Hartford	343,016
Cromwell	65,567	Hartland	13,105
Danbury	333,140	Harwinton	33,070
Darien	62,757	Hebron	29,534
Deep River	34,342	Kent	17,931
Derby	85,980	Killingly	158,083
Durham	35,322	Killingworth	37,353
Eastford	17,577	Lebanon	39,100
East Granby	20,081	Ledyard	67,621
East Haddam	60,765	Lisbon	24,635
East Hampton	45,458	Litchfield	61,415
East Hartford	359,992	Lyme	17,423
East Haven	312,416	Madison	83,274

Table 1 (continued)

<i>Municipality</i>	<i>FY 17 (Est.)</i>	<i>Municipality</i>	<i>FY 17 (Est.)</i>
Manchester	276,606	Plainfield	108,144
Mansfield	46,608	Plainville	152,329
Marlborough	19,339	Plymouth	94,460
Meriden	408,975	Pomfret	22,772
Middlebury	44,181	Portland	49,483
Middlefield	37,797	Preston	18,853
Middletown	193,292	Prospect	68,136
Milford	438,744	Putnam	67,128
Monroe	156,055	Redding	31,843
Montville	106,756	Ridgefield	55,022
Morris	9,336	Rocky Hill	113,627
Naugatuck	208,555	Roxbury	8,113
New Britain	355,293	Salem	17,173
New Canaan	21,760	Salisbury	13,134
New Fairfield	90,912	Scotland	11,500
New Hartford	29,084	Seymour	101,555
New Haven	404,509	Sharon	14,174
Newington	271,697	Shelton	240,301
New London	83,854	Sherman	21,562
New Milford	167,667	Simsbury	64,492
Newtown	144,371	Somers	59,367
Norfolk	8,633	Southbury	194,887
North Branford	113,229	Southington	318,181
North Canaan	26,817	South Windsor	149,185
North Haven	192,046	Sprague	8,965
North	33,633	Stafford	90,994
Stonington		Stamford	385,776
Norwalk	429,126	Sterling	27,131
Norwich	188,920	Stonington	106,761
Old Lyme	31,072	Stratford	498,592
Old Saybrook	78,579	Suffield	80,229
Orange	82,797	Thomaston	57,607
Oxford	37,190	Thompson	82,391

Table 1 (continued)

<i>Municipality</i>	<i>FY 17 (Est.)</i>	<i>Municipality</i>	<i>FY 17 (Est.)</i>
Tolland	70,907	West Haven	374,554
Torrington	293,662	Weston	21,340
Trumbull	234,811	Westport	74,917
Union	1,334	Wethersfield	208,969
Vernon	130,566	Willington	13,501
Voluntown	18,286	Wilton	52,793
Wallingford	255,156	Winchester	59,957
Warren	10,628	Windham	101,208
Washington	19,862	Windsor	179,979
Waterbury	639,032	Windsor Locks	102,852
Waterford	155,763	Wolcott	150,596
Watertown	190,319	Woodbridge	35,449
Westbrook	51,150	Woodbury	51,308
West Hartford	259,448	Woodstock	51,700

(Source: OFA)

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