
OLR Bill Analysis

HB 6292

AN ACT CONCERNING MOTOR VEHICLE TAX ASSESSMENTS FOR CERTAIN OWNERS OF RENTAL PROPERTY.

SUMMARY

This bill allows nonresident landlords to provide certain documentation during assessment appeals to conclusively prove that they do not own or lease a motor vehicle located on their rental property. Under the bill, if a nonresident landlord receives a property tax bill for a motor vehicle he or she does not own, in appealing for relief from the assessment, the landlord may provide the following as conclusive proof that he or she does not own the vehicle:

1. a copy of the landlord's driver's license (presumably indicating that he or she does not reside at the address where the vehicle is located),
2. a utility bill addressed to the landlord's personal residence,
3. a lease agreement for the rental property, or
4. other relevant information regarding the property's tenant or occupant.

The bill applies regardless of any conflicting statute, special act, municipal charter, or home rule ordinance.

Under existing law, unchanged by the bill, the Department of Motor Vehicles commissioner provides notice to assessors of motor vehicles registered to addresses in the assessor's municipality. By law, an assessor may also add to the grand list unregistered and undeclared motor vehicles that the assessor has reason to believe are taxable in the municipality (see BACKGROUND).

The bill appears to supersede assessment appeal boards' and

Superior Court evidentiary practices concerning motor vehicle ownership for tax purposes.

EFFECTIVE DATE: October 1, 2019

BACKGROUND

Situs of Motor Vehicle

Generally, vehicles in Connecticut are subject to property tax in the municipality where the vehicle, in the normal course of operation, most frequently leaves from and returns to or in which it remains (situs). The law presumes, with limited exceptions, that this is the municipality where the vehicle owner resides.

There are separate rules for taxing recreational vehicles, certain construction vehicles, and vehicles assigned to a firm's employees. The tax applies whether or not the vehicle is registered with the DMV (CGS § 12-71). It also applies if a vehicle owned by a nonresident and registered in another state is located in a Connecticut municipality for three or more months (CGS § 12-43).

Residents and nonresidents must declare any taxable vehicles that have not been registered in Connecticut and face a penalty of 25% of the vehicle's assessment for failing to do so (CGS § 12-41 and § 12-43). Connecticut residents who operate a motor vehicle with plates issued by another state face a \$1,000 fine (CGS § 14-12 (a)(2)).

Assessment Appeals

An individual can appeal a property tax assessment to the board of assessment appeals in the town that issued it (CGS § 12-111). An individual aggrieved by an appeal board's decision can appeal to Superior Court (CGS § 12-117a). In limited situations, a taxpayer can appeal directly to Superior Court (CGS §§ 12-111 & 12-119).

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 18 Nay 3 (03/29/2019)

