

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

sSB-140

AN ACT EXPANDING ELIGIBILITY FOR TAX RELIEF FOR
CERTAIN ELDERLY HOMEOWNERS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 20 \$	FY 21 \$
Policy & Mgmt., Off.	GF - Cost	None	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 20 \$	FY 21 \$
Various Municipalities	Grand List Reduction	None	See Below

Explanation

The bill specifies that owners of real property held in trust are eligible to receive benefits under the Elderly Circuit Breaker program. To the extent that this increases the number of people eligible for the program, municipalities would experience a grand list reduction that would vary based on 1) the number of people eligible, 2) their income, and 3) the value of their property.

A grand list reduction results in a revenue loss, given a constant mill rate. In FY 19, the average benefit for eligible homeowners was about \$580.

There is a corresponding increase in the cost to fully fund the Elderly Circuit Breaker grant program to reimburse municipalities for the tax loss resulting from the tax relief program. The FY 19 full funding amount was about \$20.0 million. However, no funding was appropriated in FY 19 for these grants.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in municipal grand lists and mill rates.