OLR Bill Analysis
sSB 1071

AN ACT CONCERNING AGING IN PLACE INCENTIVES.

SUMMARY

This bill establishes a personal income tax credit for costs that qualifying property owners incur to modify (i.e., retrofit) their homes so they may age in place (i.e., live in their own homes as they age). The bill authorizes the credit for the 2020 through 2024 tax years and caps the total amount of credits allowed per year at $1 million.

To qualify for the credit, individuals must (1) own their home; (2) have a household income of $150,000 or less for the 2020 tax year; and (3) either retrofit their home themselves or employ another person or business to do so.

The credit equals the lesser of $5,000 or the amount of the retrofitting costs. Taxpayers must claim the credit in the tax year in which the retrofitting occurred. If the credit amount is more than the taxes owed, the taxpayer may apply the difference to any future taxes owed for up to the next five years, until the full credit is used.

EFFECTIVE DATE: October 1, 2019

ELIGIBLE RETROFITTING COSTS

Under the bill, retrofitting a home means making changes that:

1. are necessary to ensure a qualified individual’s health, safety, and welfare;

2. increase the home’s visitability (i.e., ease of access for people with disabilities);

3. allow the individual to have greater accessibility and independence in the home;
4. are required due to the individual’s illness, impairment, or disability; and

5. allow the individual to age in place.

CREDIT ADMINISTRATION

To claim the credit, taxpayers must request a certificate from the Office of Policy and Management (OPM) secretary and include it with their tax return. The certificate must identify the taxpayer and certify that he or she satisfies the credit’s eligibility requirements. The OPM secretary must issue the certificates in the order in which they are requested and track the certificates issued in each tax year. She may only issue $1 million in credit certificates per tax year.

The bill also requires the OPM secretary, beginning by January 1, 2021, and annually thereafter until January 1, 2024, to submit to the revenue services commissioner a report listing each taxpayer who received a credit certificate for the prior tax year. The report must include, for each taxpayer, (1) his or her name, (2) Social Security or federal employer identification number, and (3) the credit amount allocated.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable
Yea 21  Nay 0  (03/29/2019)