Bill No.:  SB-941
Title:  AN ACT CONCERNING THE DURATION AND RELEASE OF ESTATE AND PROBATE FEE LIENS AND THE REPEAL OF THE SUCCESSION TAX.
Vote Date:  4/12/2019
Vote Action:  Joint Favorable Substitute
PH Date:  3/6/2019
File No.:  859

Disclaimer: The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.

SPONSORS OF BILL:
Judiciary Committee

REASONS FOR BILL:
This bill is to provide a mechanism to clean up old title issues on property that under current laws are more difficult to fix. This bill repeals the succession tax statutes and makes related changes including releasing liens imposed under the succession and estate tax laws in effect before January 1, 2005.

SUBSTITUTE LANGUAGE:
The substitute language changes “court of probate” to “Probate Court” in lines 79, 91, 95, 853, 887, 889.

This also adds language to lines 382-384, to exempt taxes under chapter 216.

Additionally, defines “works of art” as tangible personal property produced through the conscious use of certain skills, taste and creative imagination and generally considered to represent a form of artistic expression, including but not limited to, sculpture, painting, drawings, photography, prints, tapestries, weavings, film videotape, folk art and crafts, graphic design, pottery, architectural sketches and any other such person property considered to be art.

RESPONSE FROM ADMINISTRATION/AGENCY:
None stated.
NATURE AND SOURCES OF SUPPORT:

Legislative Committee of the CT Bar Association Real Property Section, Carolyn J. Cavolo, Chair; supports this bill, stating that it establishes a procedure for someone to obtain releases of the estate tax and probate fee liens by reporting to the Probate Court the information known to them. It was stated that this bill would also complete the repeal of the old Succession Tax which applied to people who died prior to January 1, 2005.

Executive Committee of the CT Bar Association Estate and Probate, James I. Dougherty, Member; supports this bill, stating that it would create a procedure for the owner of the real estate to secure the requisite releases of the probate fee lien and the estate tax lien by reporting the information known to the owner to the Probate Court. It was stated that the bill also continues the effort to eliminate effects of succession tax which only applies to decedents who died prior to January 1, 2005. Last year, Section 4 of Public Act No. 18-26 added a provision that further limited the impact of succession tax to those who filed a return. Section 42 repeals a number of statutes to the succession tax.

State of Connecticut Probate Court, Paul J. Knierim, Probate Court Administrator; supports sections (1) and (2) of this bill, stating that this bill addresses the problem that arises when an individual purchases real estate without realizing that there are unreleased estate tax and/or probate fee liens on the property associated with the estate of a prior owner. It was stated that the oversight can occur because the liens come into being by operation of law but are not recorded on the land records. It was also stated that this establishes a procedure for a purchaser to obtain lien releases by filing an estate tax return that reports only the value of the real estate and any other assets of which the purchaser has knowledge. The purchaser must represent that he/she searched for the prior owner’s heir but was unable to obtain the information necessary to file a complete estate tax return.

NATURE AND SOURCES OF OPPOSITION:

None Stated.

Reported by: Zoë Gluck Date: 05/21/2019