

Motor Vehicle Tax Exemption for Active Duty Service Members

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Issue

Does state law require active members of the armed forces who are stationed outside the state to pay motor vehicle property taxes in Connecticut?

Motor Vehicle Tax Exemption for Members of the Armed Forces

By law, municipalities must provide a property tax exemption for one motor vehicle owned by, leased to, or held in trust for each eligible service member. The exemption applies regardless of (1) where the service member is stationed or (2) whether the motor vehicle is garaged within or outside of the state ([CGS § 12-81\(53\)](#)). The law is silent as to whether the service member must be a Connecticut resident to qualify for the exemption.

To receive the exemption, service members must file an application with the town by December 31 each year ([CGS § 12-81\(53\)](#)). (For more information and a legislative history of the exemption, see OLR Report [2018-R-0255](#).)

Any additional motor vehicle not exempted under this or another statutory provision is taxable in Connecticut if the vehicle (1) is registered in the state or (2) during its normal course of operation, most frequently leaves from, returns to, or remains in a Connecticut town ([CGS § 12-71\(f\)\(1\)](#)).

Definition of Armed Forces Members

By law, members of the armed forces include members of the U.S. Army, Navy, Marine Corps, Coast Guard, Air Force, any reserve component of these branches, and the Connecticut National Guard when performing certain duties ([CGS § 27-103](#)).

Additionally, service members who owe motor vehicle (and other) property taxes may pay them late without penalty in certain circumstances. By law, if the deadline to pay motor vehicle property taxes occurs while a service member is on active duty out-of-state, state law requires municipalities to waive any interest that accrues on his or her delinquent payment. Any waived interest is reinstated if the service member does not pay the tax amount owed within one year of returning from out-of-state service ([CGS § 12-146e](#)).

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