

# Planning and Development Committee JOINT FAVORABLE REPORT

**Bill No.:** HB-6103

AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR PROPERTY  
**Title:** USED FOR CHARITABLE PURPOSES.

**Vote Date:** 3/31/2021

**Vote Action:** Joint Favorable Substitute

**PH Date:** 2/3/2021

**File No.:** 527

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## **SPONSORS OF BILL:**

Rep. Kenneth M Gucker, 138<sup>th</sup> Dist.

Sen. Saud Anwar, 3<sup>rd</sup> Dist.

## **REASONS FOR BILL:**

HB-6103 seeks to require assessors and boards of assessors to post certain property tax exemption statement forms on such assessors' and boards' Internet web sites, specify that payments made by federal, state or local governments for the treatment, support or care of certain individuals shall not constitute housing subsidies for the purposes of determining what is a charitable purpose and require boards of assessors to consider whether certain property claimed to be exempt is owned or held in trust by federal tax-exempt charitable organizations.

## **RESPONSE FROM ADMINISTRATION/AGENCY:**

None Submitted for HB-6103.

## **NATURE AND SOURCES OF SUPPORT:**

**Catherine F. Abercrombie, State Representative of 83<sup>rd</sup> House District-** supports this bill because it doesn't propose any changes or additional exemptions this bill clarifies the current law.

**Wendy Bury, Executive Director of Southeastern CT Cultural Coalition-** supports this bill because she believes that it protects the arts cultural nonprofits.

**Carrie Dyer, Chief Executive Officer of Reliance Health** – supports this bill because it would clarify and protect nonprofit charitable property tax exemptions.

**Pamela Fields, CEO of MidState Arc**- supports this bill because it allows their agency's properties that are used in the services for people with intellectual disabilities to be tax exempt which will allow them to reach their goal and continue a partnership with the state of CT.

**David Fitzmaurice, Executive Director of The Arts Council of Greater New Haven**- supports this bill because it would take a number of steps towards ensuring that nonprofit charitable property exemptions are protected.

**Kathy Flaherty, Esq, Executive Director of CT Legal Rights Project, INC.**- supports this bill because people who are hospitalized depend on the availability of services in the community in order to be able to return to the community they also have the legal right to receive services from the community.

**Bob Godfrey, State Representative of the 110<sup>th</sup> House District, Deputy Speaker Pro Tempore** – supports this bill because it doesn't add any new tax exemptions or any expansion of current tax exemptions, he states that this bill is a reasonable proposal that would only clarify current law.

**Hartford Foundation**- support this bill because under the current law property used for charitable causes would be under massive stress and this bill would partially alleviates that potential burden.

**Linda Iovanna, CEO of MARC Community Resources**- supports this bill because it would take a number of steps to ensuring that nonprofit charitable property tax exemptions are protected. She also states that nonprofits exist for the public benefit and are explicitly exempt from Federal, State, and local taxes for a "Good Reason"

**Robert Lafrance, Director of Policy, Audubon Connecticut**- supports this bill because of the transparency that it provides in the process that determines if a property will receive a tax exemption.

**Jaime Ley, Perception Programs Inc.** – supports this bill because it would take a number of steps to ensuring that nonprofit charitable property tax exemptions are protected.

**Priya Morganstern, Esq, Director of Connecticut Program, Pro Bono Partnership, Inc.** – supports this bill because due to the nationwide economy it would be "particularly cruel" to expect nonprofits to divert funding from critical activities to pay for newly imposed taxes.

**Fernando J. Muniz, Chief Executive Officer of Community Solutions, Inc.**- supports this bill because it would take a number of steps towards ensuring that nonprofit charitable property tax exemptions are protected.

**Gary J. Nielsen, CPA, Chief Financial Officer/ Chief Operating Officer of Easterseals of Greater Waterbury** – supports this bill because it takes a number of steps toward ensuring that nonprofit charitable property tax exemptions are protected.

**Daniel Osborne, CEO Gilead Community Services** – supports this bill because it would be an important step toward ensuring that nonprofit charitable property tax exemptions are protected. He also states that nonprofits are explicitly exempt for federal state and local taxes because he believes that these nonprofits execute essential services and that erroneous denials of tax exemption applications come with a significant financial cost to the nonprofit in question.

**Luis B. Perez, LCSW, President & CEO of Mental Health Connecticut** – supports this bill because it takes a number of steps towards ensuring that nonprofit charitable property tax exemptions are protected.

**Mark Perkins, COO of Journey Found** – supports this bill because it provides a necessary revision and clarification to the existing statute governing property tax exemptions for nonprofits and it would help direct resources where they are most needed and effective within each individual nonprofit organization.

**Deb Polum, Executive Director of Connecticut Association for Community Action** – supports this bill because if this bill is not enacted it will leave many Connecticut residents who depend on community services with nowhere to go.

**Emmett Riley, State Representative of the 46<sup>th</sup> House District** – supports this bill because it would be an important step toward ensuring that nonprofit charitable property tax exemptions are protected. He also states that nonprofits are explicitly exempt for federal state and local taxes because he believes that these nonprofits execute essential services and that erroneous denials of tax exemption applications come with a significant financial cost to the nonprofit in question.

**Richard Sebastian, President and CEO of the Kennedy Center** – supports this bill because it would be an important step toward ensuring that nonprofit charitable property tax exemptions are protected. He also states that nonprofits are explicitly exempt for federal state and local taxes because he believes that these nonprofits execute essential services and that erroneous denials of tax exemption applications come with a significant financial cost to the nonprofit in question.

**Ben Shaiken, Manager of Advocacy and Public Policy, The Alliance** – supports this bill because nonprofits are explicitly exempt from federal, state, and local taxes because they provide essential services to residents so the government doesn't have to.

**Stan Soby, Vice President, Public Policy and External Affairs at Oak Hill** – supports this bill because it would be an important step toward ensuring that nonprofit charitable property tax exemptions are protected. He also states that nonprofits exist for public benefit and that their goal is to improve the health and well-being of their local communities, enhance quality of life and serve the public good. He believes that in exchange of that, nonprofits are exempt from taxes.

**Kathleen Stauffer, Chief Executive Officer of The Arc Eastern Connecticut** supports this bill because it will continue to empower citizens to form nonprofit entities to address social and human needs. She also states that nonprofits are explicitly exempt from federal, state,

and local taxes for a "good reason" which she states is that they provide essential services so the government doesn't have to.

**NATURE AND SOURCES OF OPPOSITION:**

**John Chaponis, CCMA-** opposes this bill because it would expand the tax exemption for group homes and will cost municipalities large amounts of tax revenue.

**Betsy Gara, Executive Director of Connecticut Council of Small Towns-** opposes this bill because she feels that due to the fiscal challenges facing municipalities and the uncertain economic impact that COVID-19 will have on residents and businesses the state must refrain from expanding or establishing new property tax exemptions.

**Reported by: Chris Peritore**

**Date: 4/16/2021**