



General Assembly

January Session, 2021

**Raised Bill No. 6644**

LCO No. 5378



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:  
(PD)

**AN ACT CONCERNING A STUDY OF CERTAIN PROPERTY TAX REFORMS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) (a) The Secretary of the Office of  
2 Policy and Management shall conduct a study of the fiscal impact and  
3 feasibility of any municipality, district, as defined in section 7-324 of the  
4 general statutes, or regional school district in the state establishing a cap  
5 on its annual property tax growth to the lesser of two per cent or the  
6 increase, if any, in the consumer price index. Such study shall include,  
7 but not be limited to, an examination of (1) potential exclusions from  
8 any such annual property tax growth resulting from (A) increases in tax  
9 revenue due to new construction, development or other similar activity,  
10 or (B) the addition or expiration of certain abatements, (2) means by  
11 which such cap may be overridden by vote of the legislative body, board  
12 of directors or regional board of education, as applicable, or by  
13 referendum, and (3) costs and benefits of (A) allowing any such  
14 municipality, district or regional school district to carry over into the  
15 immediately following fiscal year any unused portion of such annual  
16 property tax growth that is under such cap, and (B) penalizing any such

17 municipality, district or regional school district that exceeds such cap by  
18 reducing the cap in the immediately following fiscal year for such  
19 municipality, district or regional school district.

20 (b) Not later than January 1, 2022, the secretary shall submit to the  
21 joint standing committee of the General Assembly having cognizance of  
22 matters relating to planning and development, in accordance with the  
23 provisions of section 11-4a of the general statutes, (1) a report on the  
24 findings of such study, and (2) recommendations for legislation to (A)  
25 implement imposing on municipalities, districts and regional school  
26 districts any such cap on annual property tax growth, or (B) otherwise  
27 address any concern identified in such study.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

**Statement of Purpose:**

To study the fiscal impact and feasibility of municipalities, certain taxing districts and regional school districts establishing a cap on annual property tax growth.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*