

Executive Orders Extending Property Tax Relief Programs for Veterans, Older Adults, and Individuals With Disabilities

By: Jessica Schaeffer-Helmecki, Associate Legislative Attorney
February 16, 2021 | 2021-R-0056

Issue

Provide an overview of the Executive Orders (EOs) that suspend recertification requirements for recipients of certain property tax relief programs for older adults, individuals with disabilities, and veterans and their family members.

This report updates OLR Report [2020-R-0179](#).

Summary

[EOs 7S](#), § 8; [10](#), § 3; and [7JJ](#), § 1, suspend biennial recertification requirements under several property tax relief programs, including the (1) Circuit Breaker Program, (2) municipal option tax freeze program, and (3) municipal option programs that provide property tax relief to certain older adults and individuals with disabilities. Generally, individuals enrolled in these programs must biennially recertify their eligibility to continue receiving the programs' benefits. Under the EOs, individuals who were granted relief under these programs for the 2017 and 2018 assessment years automatically retain their benefits through the 2021 and 2022 assessment years, respectively, and are not required to refile during this period.

Additionally, [EO 10](#), § 2, suspends the biennial reapplication requirements for certain property tax relief programs for (1) retired and wartime veterans, (2) veterans with disabilities, (3) spouses and parents of veterans, and (4) municipal option program enrollees. The suspension applies to individuals who were granted benefits for the 2019 assessment year, thus allowing them to

continue receiving benefits through the next biennial cycle without recertifying their eligibility. (For information on these property tax relief exemptions, see OLR Report [2020-R-0205](#).)

Impacted Programs for Older Adults and Individuals With Disabilities

Circuit Breaker Program

The Circuit Breaker Program entitles older adults and individuals with a permanent and total disability to a property tax reduction (up to \$1,250 for married couples and \$1,000 for individuals). To qualify, an applicant must (1) be age 65 or older, have a spouse age 65 or older, or be at least age 50 and a surviving spouse of someone who, at the time of his or her death, was eligible for the program; (2) occupy the property to which the tax applies as his or her home; (3) live in Connecticut at least one year before applying; and (4) have a qualifying annual income that does not exceed certain limits ([CGS §§ 12-170aa to 12-170cc](#)). The Office of Policy Management's [Question and Answer Booklet](#) provides additional information on this program.

Generally, program enrollees must biennially file a form with the town assessor certifying they still qualify for the program.

Tax Freeze for Older Adults

Municipalities may, by ordinance, establish a program to freeze the property taxes on homes whose owner, or owner's spouse, is at least age 70 and has been a state resident for at least one year. The freeze continues for a surviving spouse who is at least age 62 when the homeowner dies. Homeowners must meet the Circuit Breaker Tax Relief Program income thresholds ([CGS §§ 12-170v & 12-170w](#)).

Municipal Local Option Property Tax Relief

Municipalities may, by ordinance, establish a program that provides tax relief to older adults (at least age 65), or an enrollee's surviving spouse, and individuals with permanent and total disabilities for property they occupy as their principal residence. Individuals are only eligible if their qualifying income is below a certain threshold, which is set by the municipality.

The tax relief may take any form, including freezing tax payments at specified levels. The program may relieve up to 100% of an enrollee's property tax. But the total value of tax relief under this and the tax freeze and Circuit Breaker programs cannot exceed the homeowner's annual tax and the total amount of relief a municipality provides in a year must not exceed 10% of the prior year's taxable real property value ([CGS § 12-129n](#)).

Tax Freeze Program

As part of a 1967 state-funded program, municipalities were required to cap the property taxes of elderly homeowners, but the program has been closed to new applicants since 1980. An enrolled homeowner's property tax liability is capped at the amount they paid in their first year in the program ([CGS § 12-129b](#)).

Impacted Programs for Veterans

General Wartime Exemptions

Veterans who served for at least 90 days (cumulative) in the U.S. Armed Forces, or certain governments associated with the United States, during specified wartime periods and actions are eligible for a property tax exemption. A veteran who served less than 90 days due to either (1) an injury incurred or aggravated in the line of duty or (2) a service-connected, U.S. Department of Veterans Affairs-rated disability is still eligible for the exemption ([CGS § 27-103](#), amended by [PA 19-33](#)). World War II veterans with certain Merchant Marine service are also eligible ([CGS § 12-81\(19\)\(B\)&\(D\)](#)).

Although commonly referred to as the "wartime service exemption," certain veterans who do not have qualifying wartime service are also eligible for this exemption, regardless of whether they reside in-state, including:

1. veterans who retired after 30 years of service due to mental or physical disabilities or reaching the age limit ([CGS § 12-81\(19\)\(F\)](#)) and
2. individuals discharged under conditions other than dishonorable or for bad conduct who have a "qualifying condition" (i.e., a diagnosis of posttraumatic stress disorder or traumatic brain injury, or who have disclosed a military sexual trauma experience) ([CGS § 27-103](#), amended by [PA 19-33](#)).

Exemptions for Veterans With Disabilities

Veterans (and service members) with certain disabilities who reside in-state are entitled to a property tax exemption, the amount of which depends on the severity and nature of the disability and the veteran's income level. Municipalities must provide an exemption to veterans who:

1. have a VA disability rating of 10% or greater ([CGS § 12-81\(20\)](#));
2. receive a pension, annuity, or compensation from the United States due to the service related loss of their arm, leg, or equivalent ("receive compensation") ([CGS § 12-81\(20\)](#)); or
3. qualify for one of the above and also have a severe, service-related disability ([CGS § 12-81\(21\)](#))

Exemptions for Veterans' Surviving Spouses

A surviving spouse or minor child of a qualifying veteran who died in service or after an honorable discharge is entitled to a \$1,000 exemption. (If the veteran's death was due to his or her service and occurred while on active duty, the exemption amount is \$3,000). The exemption is also available if the veteran had a qualifying condition (e.g., post-traumatic stress disorder, traumatic brain injury, or sexual trauma) and died after a discharge that was not dishonorable or for bad conduct ([CGS § 12-81\(22\)](#)).

Under a separate provision, the surviving spouse of a veteran who served in the Army, Navy, Marine Corps, Coast Guard, or Air Force are entitled to a \$1,000 exemption if he or she received a pension, annuity, or compensation from the federal government ([CGS § 12-81\(23\)](#)).

OLR Report [2020-R-0244](#) provides additional information on state benefits for veterans' surviving spouses.

Exemptions for Parents of Veterans

Parents who currently or previously received a pension, annuity, or other compensation from the federal government are entitled to a \$1,000 exemption if their child served in the Army, Navy, Marine Corps, Coast Guard, or Air Force ([CGS § 12-81\(26\)](#)). A sole-surviving parent of a veteran is entitled to a \$1,000 exemption if the veteran left no un-remarried surviving spouse and died during or after receiving a discharge from qualifying wartime service that was honorable. The exemption is also available if the veteran had a qualifying condition (e.g., post-traumatic stress disorder, traumatic brain injury, or sexual trauma) and received a discharge that was not dishonorable or for bad conduct. To qualify, the parent must be a widow or widower ([CGS § 12-81\(25\)](#)).

Municipal Option Programs for Veterans and Their Families

Municipalities may enact programs that provide certain exemptions, including exemptions (1) for eligible non-disabled veterans without wartime service ([CGS § 12-81jj](#)), (2) for eligible Gold Star parents and spouses ([CGS § 12-81ji](#)), and (3) in addition to those the municipality must provide to eligible veterans and their families ([CGS § 12-81f](#)).

JSH:kl