



General Assembly

February Session, 2022

**Raised Bill No. 5168**

LCO No. 613



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:  
(PD)

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

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

1 Section 1. Subdivision (7) of section 12-81 of the 2022 supplement to  
2 the general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective October 1, 2022, and applicable to assessment years*  
4 *commencing on or after October 1, 2022*):

5 (7) (A) Subject to the provisions of sections 12-87 and 12-88, the real  
6 property of, or held in trust for, a corporation organized exclusively for  
7 scientific, educational, literary, historical or charitable purposes or for  
8 two or more such purposes and used exclusively for carrying out one or  
9 more of such purposes or for the purpose of preserving open space land,  
10 as defined in section 12-107b, for any of the uses specified in said section,  
11 that is owned by any such corporation, and the personal property of, or  
12 held in trust for, any such corporation, provided (i) any officer, member  
13 or employee thereof does not receive or at any future time shall not  
14 receive any pecuniary profit from the operations thereof, except  
15 reasonable compensation for services in effecting one or more of such

16 purposes or as proper beneficiary of its strictly charitable purposes, and  
17 (ii) in 1965, and quadrennially thereafter, a statement shall be filed on or  
18 before [the first day of] November first with the assessor or board of  
19 assessors of any town, consolidated town and city or consolidated town  
20 and borough, in which any of its property claimed to be exempt is  
21 situated. Such statement shall be filed on [a form provided by such  
22 assessor or board of assessors] the form developed and provided  
23 pursuant to subsection (b) of section 12-89, as amended by this act. Such  
24 form shall be posted on the Internet web site of such assessor or board  
25 of assessors, if applicable. The real property shall be eligible for the  
26 exemption regardless of whether it is used by another corporation  
27 organized exclusively for scientific, educational, literary, historical or  
28 charitable purposes or for two or more such purposes;

29 (B) On and after [July 1, 1967] October 1, 2022, housing subsidized, in  
30 whole or in part, by federal, state or local government and housing for  
31 persons or families of low and moderate income shall not constitute a  
32 charitable purpose under this section. As used in this subdivision,  
33 "housing" shall not include real property used for [temporary] housing  
34 belonging to, or held in trust for, any corporation organized exclusively  
35 for charitable purposes and exempt from taxation for federal income tax  
36 purposes, the primary use of which property is one or more of the  
37 following: (i) An orphanage; (ii) a drug or alcohol treatment or  
38 rehabilitation facility; (iii) housing for persons who are homeless,  
39 persons with a mental health disorder, persons with intellectual or  
40 physical disability or victims of domestic violence; (iv) housing for ex-  
41 offenders or for individuals participating in a program sponsored by the  
42 state Department of Correction or Judicial Branch; [and] or (v) short-  
43 term housing operated by a charitable organization where the average  
44 length of stay is less than six months. The operation of such housing,  
45 including the receipt of any rental payments, by such charitable  
46 organization shall be deemed to be an exclusively charitable purpose.  
47 For the purposes of this subdivision, payments made by federal, state or  
48 local government for the treatment, support or care of individuals  
49 housed in the real property described in subparagraphs (B)(i) to (B)(v),

50 inclusive, of this subdivision shall not constitute housing subsidies;

51 Sec. 2. Section 12-89 of the general statutes is repealed and the  
52 following is substituted in lieu thereof (*Effective July 1, 2022, and*  
53 *applicable to assessment years commencing on or after October 1, 2022*):

54 (a) The board of assessors of each town, consolidated town and city  
55 or consolidated town and borough shall inspect the statements filed  
56 with it [and required by] pursuant to sections 12-81, as amended by this  
57 act, and 12-87 from scientific, educational, literary, historical, charitable,  
58 agricultural and cemetery organizations, and shall determine what part,  
59 if any, of the property claimed to be exempt by the organization [shall  
60 be] is in fact exempt, [and] The board of assessors shall place a valuation  
61 upon [all] any such property [, if any, as is] found to be taxable, [,  
62 provided any] Any property acquired by any tax-exempt organization  
63 after [the first day of] October first shall first become exempt on the  
64 assessment date next succeeding the date of acquisition. For assessment  
65 years commencing on or after October 1, 2022, if the board of assessors  
66 determines that property claimed to be exempt is taxable, the board of  
67 assessors shall state upon its records the rationale for such  
68 determination. Any organization filing a tax-exempt statement,  
69 aggrieved at the action of the assessor or board of assessors, may appeal,  
70 within the time prescribed by law for such appeals, to the board of  
71 assessment appeals. Any such organization claiming to be aggrieved by  
72 the action of the board of assessment appeals may, within two months  
73 from the time of such action, make application in the nature of an appeal  
74 therefrom to the superior court for the judicial district in which such  
75 property is situated.

76 (b) Not later than September 1, 2022, the Office of Policy and  
77 Management shall, in consultation with the Connecticut Community  
78 Nonprofit Alliance and the Connecticut Association of Assessing  
79 Officers, develop and provide to boards of assessors a form for use for  
80 assessment years commencing on or after October 1, 2022, on which (1)  
81 statements shall be filed pursuant to subparagraph (A) of subdivision  
82 (7) of section 12-81, as amended by this act, and (2) boards of assessors

83 shall determine whether a property is exempt from taxation pursuant to  
84 subsection (a) of this section. Such form shall include, but not be limited  
85 to, instruction concerning how such determinations shall be made.

86 Sec. 3. Section 12-119 of the general statutes is repealed and the  
87 following is substituted in lieu thereof (*Effective October 1, 2022, and*  
88 *applicable to assessment years commencing on or after October 1, 2022*):

89 (a) When it is claimed that a tax has been laid on property not taxable  
90 in the town or city in whose tax list such property was set, or that a tax  
91 laid on property was computed on an assessment which, under all the  
92 circumstances, was manifestly excessive and could not have been  
93 arrived at except by disregarding the provisions of the statutes for  
94 determining the valuation of such property, the owner thereof or any  
95 lessee thereof whose lease has been recorded as provided in section 47-  
96 19 and who is bound under the terms of his lease to pay real property  
97 taxes, prior to the payment of such tax, may, in addition to the other  
98 remedies provided by law, make application for relief to the superior  
99 court for the judicial district in which such town or city is situated. Such  
100 application may be made within one year from the date as of which the  
101 property was last evaluated for purposes of taxation and shall be served  
102 and returned in the same manner as is required in the case of a summons  
103 in a civil action, and the pendency of such application shall not suspend  
104 action upon the tax against the applicant. In all such actions, the  
105 Superior Court shall have power to grant such relief upon such terms  
106 and in such manner and form as to justice and equity appertains, and  
107 costs may be taxed at the discretion of the court. If such assessment is  
108 reduced by said court, the applicant shall be reimbursed by the town or  
109 city for any overpayment of taxes in accordance with the judgment of  
110 said court.

111 (b) When it is claimed that an assessor or board of assessors denied a  
112 tax exemption filed pursuant to subdivision (7) of section 12-81, as  
113 amended by this act, or section 12-87, for reasons that could not have  
114 been arrived at except by disregarding the provisions of the statutes for  
115 determining the exemption of such property from taxation, and a tax

116 was laid on the property that was the subject of such filing, the owner  
 117 thereof may, in addition to the other remedies provided by law, make  
 118 application for relief to the superior court for the judicial district for the  
 119 town or city in which such property is situated. Such application may  
 120 be made not later than one year after the date as of which the property  
 121 was last denied exemption and shall be served and returned in the same  
 122 manner as is required in the case of a summons in civil action, and the  
 123 pendency of such application shall not suspend action upon the tax  
 124 against the applicant. In all such actions, if the court determines a tax  
 125 exemption was denied for reasons that could not have been arrived at  
 126 except by disregarding the provisions of the statutes for determining the  
 127 exemption of such property from taxation, and a tax was laid on such  
 128 property, the court shall have power to grant such relief upon such  
 129 terms and in such manner and form as to justice and equity appertains,  
 130 and costs and attorney's fees may be taxed at the discretion of the court.  
 131 If such tax exemption is granted by said court, the applicant shall be  
 132 reimbursed by the town or city for any overpayment of taxes in  
 133 accordance with the judgment of said court.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2022, and applicable to assessment years commencing on or after October 1, 2022</i>	12-81(7)
Sec. 2	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2022</i>	12-89
Sec. 3	<i>October 1, 2022, and applicable to assessment years commencing on or after October 1, 2022</i>	12-119

**Statement of Purpose:**

To (1) require the Office of Policy and Management to develop and provide a form for (A) filing certain tax exemption applications, and (B)

making determinations on such applications, (2) 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, (3) require assessors to state the rationale for the denial of a property tax exemption for charitable purposes on their records, and (4) authorize owners of certain property to apply for relief from the Superior Court in the event that such an exemption is wrongfully denied by assessors.

*[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.]*