



House of Representatives

General Assembly

File No. 418

January Session, 2023

Substitute House Bill No. 6891

House of Representatives, April 4, 2023

The Committee on Planning and Development reported through REP. KAVROS DEGRAW of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE ELECTRONIC PAYMENT OF MUNICIPAL TAXES.

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

1 Section 1. Section 12-141a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2023*):

3 [Any] Each municipality may allow the payment of taxes, penalties,
4 interest and fees by means of a credit card, charge card or debit card or
5 an electronic payment service and may charge the taxpayer a service fee
6 for any such payment made by [credit card. The] any such card or
7 electronic payment service. Such fee shall not exceed any charge by [the
8 credit] the card issuer or electronic payment service provider, including
9 any discount rate. Payments by credit card, charge card or debit card or
10 an electronic payment service shall be made at such times and under
11 such conditions as the municipality may prescribe. The debt incurred
12 through the payment of taxes by means of a credit card, charge card or
13 debit card or an electronic payment service shall not be considered a tax

14 collectible pursuant to the provisions of section 12-172.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2023	12-141a

Statement of Legislative Commissioners:

In the second sentence, "any such card issuer" was changed to "the card issuer" for accuracy.

PD *Joint Favorable Subst. -LCO*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which expands the allowable payment methods for paying tax bills to include charge cards, debit cards or other electronic payment services, does not result in a fiscal impact to municipalities as municipalities may charge the user any fee that is associated with that payment form.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis

sHB 6891

AN ACT CONCERNING THE ELECTRONIC PAYMENT OF MUNICIPAL TAXES.

SUMMARY

Under existing law, municipalities may allow taxpayers to pay tax bills (including penalties, interest, and fees) using credit cards. This bill expands the allowable payment methods to include charge cards, debit cards, and electronic payment services (e.g., PayPal). It correspondingly extends to these payment methods the conditions that already apply to credit cards under existing law. It (1) allows the municipality to set conditions on their use; (2) allows the municipality to charge a service fee for using these payment methods, up to the service fee amount charged by the servicer or card issuer; and (3) specifies that any debts incurred for using these payment methods are not enforceable through municipal tax liens.

EFFECTIVE DATE: October 1, 2023

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable

Yea 21 Nay 0 (03/20/2023)