



General Assembly

January Session, 2023

Raised Bill No. 1128

LCO No. 4787



Referred to Committee on VETERANS' AND MILITARY AFFAIRS

Introduced by:
(VA)

AN ACT CONCERNING CERTAIN PROPERTY TAX EXEMPTIONS FOR VETERANS.

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

1 Section 1. Subdivisions (19) to (26), inclusive, of section 12-81 of the
2 general statutes are repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2023, and applicable to assessment years*
4 *commencing on or after October 1, 2023*):

5 (19) Subject to the provisions of sections 12-89, 12-90 and 12-95,
6 property to the amount of one thousand fifteen dollars belonging to, or
7 held in trust for, (A) any resident of this state who is a veteran, as
8 defined in section 27-103, who was a member of the armed forces in
9 service in time of war, (B) any resident of this state who was a citizen of
10 the United States at the time of his enlistment and who was in the
11 military or naval service of a government allied or associated with that
12 of the United States during the Second World War and received an
13 honorable discharge therefrom, (C) any resident of this state who served
14 during the Second World War as a member of any armed force of any

15 government signatory to the United Nations Declaration of January 1,
16 1942, and participated in armed conflict with an enemy of the United
17 States and who has been a citizen of the United States for at least ten
18 years and presents satisfactory evidence of such service, (D) any
19 resident of this state who served as a member of the crew of a merchant
20 vessel during the Second World War and is qualified with respect to
21 such service as a member of the group known as the "American
22 Merchant Marine in ocean-going service during the period of armed
23 conflict, December 7, 1941, to August 15, 1945", members of which are
24 deemed to be eligible for certain veterans benefits under a
25 determination in the United States Department of Defense, as recorded
26 in the Federal Register of February 1, 1988, provided such resident has
27 received an armed forces discharge certificate from the Department of
28 Defense on the basis of such service, (E) any member of the armed forces
29 who was in service in time of war and is still in the service and by reason
30 of continuous service has not as yet received a discharge, (F) any person
31 who is retired from the armed forces after thirty years of service because
32 he has reached the age limit prescribed by law or because he suffers
33 from mental or physical disability, or (G) any person who is serving in
34 the armed services in time of war; or lacking said amount of property in
35 his own name, so much of the property belonging to, or held in trust for,
36 his spouse, who is domiciled with him, as is necessary to equal said
37 amount. For the purposes of this subdivision, "veteran", "armed forces"
38 and "service in time of war" have the same meanings as provided in
39 section 27-103;

40 (20) (A) Subject to the provisions hereinafter stated, property not
41 exceeding three thousand five hundred fifty-three dollars in amount
42 shall be exempt from taxation, which property belongs to, or is held in
43 trust for, any resident of this state who has served, or is serving, in the
44 Army, Navy, Marine Corps, Coast Guard or Air Force of the United
45 States and [(1)] (i) has a disability rating by the United States
46 Department of Veterans Affairs amounting to ten per cent or more of
47 total disability, provided such exemption shall be two thousand thirty
48 dollars in any case in which such rating is between ten per cent and

49 twenty-five per cent; two thousand five hundred thirty-eight dollars in
50 any case in which such rating is more than twenty-five per cent but not
51 more than fifty per cent; three thousand forty-five dollars in any case in
52 which such rating is more than fifty per cent but not more than seventy-
53 five per cent; and, except as provided in subparagraph (B) of this
54 subdivision, three thousand five hundred fifty-three dollars in any case
55 in which such person has attained sixty-five years of age or such rating
56 is more than seventy-five per cent; or [(2)] (ii) is receiving a pension,
57 annuity or compensation from the United States because of the loss in
58 service of a leg or arm or that which is considered by the rules of the
59 United States Pension Office or the Bureau of War Risk Insurance the
60 equivalent of such loss. If such veteran lacks such amount of property
61 in his or her name, so much of the property belonging to, or held in trust
62 for, his or her spouse, who is domiciled with him or her, as is necessary
63 to equal such amount shall also be so exempt. When any veteran entitled
64 to an exemption under the provisions of this section has died, property
65 belonging to, or held in trust for, his or her surviving spouse, while such
66 spouse remains a widow or widower, or belonging to or held in trust
67 for his or her minor children during their minority, or both, while they
68 are residents of this state, shall be exempt in the same aggregate amount
69 as that to which the disabled veteran was or would have been entitled
70 at the time of his or her death. No individual entitled to exemption
71 under this subdivision and under one or more of subdivisions (19), (22),
72 (23), (25) and (26) of this section shall receive more than one exemption.
73 No individual shall receive any exemption to which he or she is entitled
74 under this subdivision until he or she has complied with section 12-95
75 and has submitted proof of his or her disability rating, as determined by
76 the United States Department of Veterans Affairs, to the assessor of the
77 town in which the exemption is sought. If there is no change to an
78 individual's disability rating, such proof shall not be required for any
79 assessment year following that for which the exemption under this
80 subdivision is granted initially. If the United States Department of
81 Veterans Affairs modifies a veteran's disability rating, such
82 modification shall be deemed a waiver of the right to such exemption
83 until proof of disability rating is submitted to the assessor and the right

84 to such exemption is established as required initially. Any person who
85 has been unable to submit evidence of disability rating in the manner
86 required by this subdivision, or who has failed to submit such evidence
87 as provided in section 12-95, may, when he or she obtains such evidence,
88 make application to the collector of taxes within one year after he or she
89 obtains such proof or within one year after the expiration of the time
90 limited in section 12-95, as the case may be, for abatement in case the tax
91 has not been paid, or for refund in case the whole tax has been paid, of
92 such part or the whole of such tax as represents the service exemption.
93 Such abatement or refund may be granted retroactively to include the
94 assessment day next succeeding the date as of which such person was
95 entitled to such disability rating as determined by the United States
96 Department of Veterans Affairs, but in no case shall any abatement or
97 refund be made for a period greater than three years. The collector shall,
98 after examination of such application, refer the same, with his
99 recommendations thereon, to the board of selectmen of a town or to the
100 corresponding authority of any other municipality, and shall certify to
101 the amount of abatement or refund to which the applicant is entitled.
102 Upon receipt of such application and certification, the selectmen or
103 other duly constituted authority shall, in case the tax has not been paid,
104 issue a certificate of abatement or, in case the whole tax has been paid,
105 draw an order upon the treasurer in favor of such applicant for the
106 amount without interest which represents the service exemption. Any
107 action so taken by such selectmen or other authority shall be a matter of
108 record and the tax collector shall be notified in writing of such action;

109 (B) Property belonging to, or held in trust for, any resident of this
110 state who has served in the Army, Navy, Marine Corps, Coast Guard or
111 Air Force of the United States and has a disability rating by the United
112 States Department of Veterans Affairs amounting to one hundred per
113 cent of total disability shall be fully exempt from local property taxation.

114 (21) (A) [The] Except as provided in subparagraph (B) of subdivision
115 (20) of this section, the dwelling house, and the lot whereupon the same
116 is erected, belonging to or held in trust for any person who is a citizen
117 and resident of this state, occupied as such person's domicile, shall be

118 exempt from local property taxation to the extent of ten thousand one
119 hundred fifty dollars of its assessed valuation or, lacking said amount
120 in property in such person's own name, so much of the property
121 belonging to, or held in trust for, such person's spouse, who is domiciled
122 with such person, as is necessary to equal said amount, if such person is
123 a veteran who served in the Army, Navy, Marine Corps, Coast Guard
124 or Air Force of the United States and has been declared by the United
125 States Department of Veterans Affairs or its successors to have a service-
126 connected disability from paraplegia or osteochondritis resulting in
127 permanent loss of the use of both legs or permanent paralysis of both
128 legs and lower parts of the body; or from hemiplegia and has permanent
129 paralysis of one leg and one arm or either side of the body resulting from
130 injury to the spinal cord, skeletal structure or brain or from disease of
131 the spinal cord not resulting from any form of syphilis; or from total
132 blindness as defined in section 12-92; or from the amputation of both
133 arms, both legs, both hands or both feet, or the combination of a hand
134 and a foot; sustained through enemy action, or resulting from accident
135 occurring or disease contracted in such active service. Nothing in this
136 subdivision shall be construed to include paraplegia or hemiplegia
137 resulting from locomotor ataxia or other forms of syphilis of the central
138 nervous system, or from chronic alcoholism, or to include other forms
139 of disease resulting from the veteran's own misconduct which may
140 produce signs and symptoms similar to those resulting from paraplegia,
141 osteochondritis or hemiplegia. The loss of the use of one arm or one leg
142 because of service related injuries specified in this subdivision shall
143 qualify a veteran for a property tax exemption in the same manner as
144 hereinabove, provided such exemption shall be for five thousand
145 seventy-five dollars;

146 (B) The exemption provided for in this subdivision shall be in
147 addition to any other exemption of such person's real and personal
148 property allowed by law, but no taxpayer shall be allowed more than
149 one exemption under this subdivision. No person shall be entitled to
150 receive any exemption under this subdivision until such person has
151 satisfied the requirements of subdivision (20) of this section, except as

152 provided in subparagraph (B) of said subdivision. The surviving spouse
153 of any such person who at the time of such person's death was entitled
154 to and had the exemption provided under this subdivision shall be
155 entitled to the same exemption, (i) while such spouse remains a widow
156 or widower, or (ii) upon the termination of any subsequent marriage of
157 such spouse by dissolution, annulment or death and while a resident of
158 this state, for the time that such person is the legal owner of and actually
159 occupies a dwelling house and premises intended to be exempted
160 hereunder. When the property which is the subject of the claim for
161 exemption provided for in this subdivision is greater than a single
162 family house, the assessor shall aggregate the assessment on the lot and
163 building and allow an exemption of that percentage of the aggregate
164 assessment which the value of the portion of the building occupied by
165 the claimant bears to the value of the entire building;

166 (C) Subject to the approval of the legislative body of the municipality,
167 the dwelling house and the lot whereupon the same is erected,
168 belonging to or held in trust for any citizen and resident of this state,
169 occupied as such person's domicile shall be fully exempt from local
170 property taxation, if such person is a veteran who served in the Army,
171 Navy, Marine Corps, Coast Guard or Air Force of the United States and
172 has received financial assistance for specially adapted housing under
173 the provisions of Section 801 of Title 38 of the United States Code, as
174 amended from time to time, and has applied such assistance toward the
175 acquisition or modification of such dwelling house. The same
176 exemption may also be allowed on such housing units owned by the
177 surviving spouse of such veteran (i) while such spouse remains a widow
178 or widower, or (ii) upon the termination of any subsequent marriage of
179 such spouse by dissolution, annulment or death, or by such veteran and
180 spouse while occupying such premises as a residence;

181 (22) Subject to the provisions of sections 12-89, 12-90 and 12-95,
182 property to the amount of one thousand fifteen dollars belonging to, or
183 held in trust for, any surviving spouse while such person remains a
184 widow or widower, or a minor child or both, residing in this state, of
185 one who has served in the Army, Navy, Marine Corps, Coast Guard or

186 Air Force of the United States, or any citizen of the United States who
187 served in the military or naval service of a government allied or
188 associated with the United States, as provided by subdivision (19) of this
189 section, and who has died either during his or her term of service or after
190 becoming a veteran, as defined in section 27-103, provided such amount
191 shall be three thousand forty-five dollars if death was due to service and
192 occurred while on active duty;

193 (23) Subject to the provisions of sections 12-89, 12-90 and 12-95,
194 property to the amount of one thousand fifteen dollars belonging to, or
195 held in trust for, any surviving spouse, while such spouse remains a
196 widow or widower, resident of this state, of one who has served in the
197 Army, Navy, Marine Corps, Coast Guard or Air Force of the United
198 States, which surviving spouse is receiving or has received a pension,
199 annuity or compensation from the United States;

200 (24) The exemption from taxation granted by subdivision (22) of this
201 section, to the amount of three thousand forty-five dollars allowable to
202 the widow or widower or minor child or both of a veteran whose death
203 was due to service and occurred on active duty shall be granted to any
204 widow or widower drawing compensation from the United States
205 Department of Veterans Affairs, upon verification of such fact by letter
206 from said department;

207 (25) Subject to the provisions of sections 12-89, 12-90 and 12-95,
208 property to the amount of one thousand fifteen dollars belonging to, or
209 held in trust for, a sole surviving parent, while such parent remains a
210 widow or widower, resident of this state, of one who has left no widow
211 or widower, or whose widow or widower has remarried or died, and
212 who has served in the Army, Navy, Marine Corps, Coast Guard or Air
213 Force of the United States as provided by subdivision (19) of this section
214 and has died during his or her term of service or after becoming a
215 veteran, as defined in section 27-103, provided property belonging to,
216 or held in trust for, such parent of more than one serviceman or
217 servicewoman who has left no widow or widower, or whose widow or
218 widower has remarried or died, and who has served in the Army, Navy,

219 Marine Corps, Coast Guard or Air Force of the United States as
220 provided in subdivision (19) of this section and has died during his or
221 her term of service shall be subject to an exemption of one thousand
222 fifteen dollars for each such serviceman or servicewoman;

223 (26) Subject to the provisions of sections 12-89, 12-90 and 12-95,
224 property to the amount of one thousand fifteen dollars belonging to, or
225 held in trust for, any father or mother, resident of this state, of one who
226 served in the Army, Navy, Marine Corps, Coast Guard or Air Force of
227 the United States as long as such father or mother receives, or has
228 received, a pension, annuity or compensation from the United States; or
229 if such parent lacks said amount of property in his own name, so much
230 of the property belonging to, or held in trust for, his spouse, who is
231 domiciled with him, as is necessary to equal said amount;

232 Sec. 2. Subsections (a) to (c), inclusive, of section 12-81f of the general
233 statutes are repealed and the following is substituted in lieu thereof
234 (*Effective October 1, 2023, and applicable to assessment years commencing on*
235 *or after October 1, 2023*):

236 (a) Any municipality, upon approval by its legislative body, may
237 provide that any veteran entitled to an exemption from property tax in
238 accordance with subdivision (19) of section 12-81, as amended by this
239 act, shall be entitled to an additional exemption, provided such veteran's
240 qualifying income does not exceed (1) the applicable maximum amount
241 as provided under section 12-81l, or (2) an amount established by the
242 municipality, provided such amount shall not be less than the applicable
243 maximum amount under section 12-81l. The exemption provided for
244 under this subsection shall be applied to the assessed value of an eligible
245 veteran's property and, at the option of the municipality, may be in an
246 amount up to [twenty] thirty thousand dollars or in an amount up to ten
247 per cent of such assessed value.

248 (b) Any municipality, upon approval by its legislative body, may
249 provide that any veteran entitled to an exemption from property tax in
250 accordance with subdivision (20) of section 12-81, as amended by this

251 act, except as provided in subparagraph (B) of said subdivision, shall be
252 entitled to an additional exemption, provided such veteran's qualifying
253 income does not exceed (1) the applicable maximum amount as
254 provided under section 12-81l, or (2) an amount established by the
255 municipality, provided such amount shall not be less than the applicable
256 maximum amount under section 12-81l. The exemption provided for
257 under this subsection shall be applied to the assessed value of an eligible
258 veteran's property and shall be in an amount not less than [three] four
259 thousand five hundred dollars of such assessed value.

260 (c) Any municipality, upon approval by its legislative body, may
261 provide that any veteran's surviving spouse entitled to an exemption
262 from property tax in accordance with subdivision (22) of section 12-81l,
263 as amended by this act, shall be entitled to an additional exemption,
264 provided such surviving spouse's qualifying income does not exceed (1)
265 the maximum amount applicable to an unmarried person as provided
266 under section 12-81l, or (2) an amount established by the municipality,
267 provided such amount shall not be less than the applicable maximum
268 amount under section 12-81l. The exemption provided for under this
269 subsection shall be applied to the assessed value of an eligible surviving
270 spouse's property and, at the municipality's option, may be in an
271 amount up to [twenty] thirty thousand dollars or in an amount up to ten
272 per cent of such assessed value.

273 Sec. 3. Subsections (a) to (d), inclusive, of section 12-81g of the general
274 statutes are repealed and the following is substituted in lieu thereof
275 (*Effective October 1, 2023, and applicable to assessment years commencing on*
276 *or after October 1, 2023*):

277 (a) (1) Effective for the assessment year commencing October 1, 1985,
278 and each assessment year thereafter until September 30, 2023, any
279 person entitled to an exemption from property tax in accordance with
280 subdivision (19), (20), (21), (22), (23), (24), (25) or (26) of section 12-81l, as
281 amended by this act, reflecting any increase made pursuant to the
282 provisions of section 12-62g, shall be entitled to an additional exemption
283 from such tax in an amount equal to twice the amount of the exemption

284 provided for such person pursuant to any such subdivision, provided
285 such person's qualifying income does not exceed the applicable
286 maximum amount as provided under section 12-81*l*, except that if such
287 person has a disability rating of one hundred per cent as determined by
288 the United States Department of Veterans Affairs, the total of such
289 adjusted gross income, individually, if unmarried, or jointly, if married,
290 in the calendar year ending immediately preceding the assessment date
291 with respect to which such additional exemption is allowed, is not more
292 than twenty-one thousand dollars if such person is married or not more
293 than eighteen thousand dollars if such person is not married.

294 (2) Effective for the assessment year commencing October 1, 2023,
295 and each assessment year thereafter, any person entitled to an
296 exemption from property tax in accordance with subdivision (19), (21),
297 (22), (23), (24), (25) or (26) or subparagraph (A) of subdivision (20) of
298 section 12-81, as amended by this act, reflecting any increase made
299 pursuant to the provisions of section 12-62g, shall be entitled to an
300 additional exemption from such tax in an amount equal to twice the
301 amount of the exemption provided for such person pursuant to any
302 such subdivision or subparagraph, provided such person's qualifying
303 income does not exceed the applicable maximum amount as provided
304 under section 12-81*l*.

305 [(b) (1) Effective for the assessment year commencing October 1, 2022,
306 and each assessment year thereafter, any municipality may, upon
307 approval by its legislative body or, in any town in which the legislative
308 body is a town meeting, by the board of selectmen, provide that, in lieu
309 of the additional exemption prescribed under subsection (a) of this
310 section, any person entitled to an exemption from property tax in
311 accordance with subdivision (20) of section 12-81, reflecting any increase
312 made pursuant to the provisions of section 12-62g, who has a disability
313 rating of one hundred per cent, as determined by the United States
314 Department of Veterans Affairs, shall be entitled to an additional
315 exemption from such tax in an amount equal to three times the amount
316 of the exemption provided for such person pursuant to subdivision (20)
317 of section 12-81, provided such person's total adjusted gross income as

318 determined for purposes of the federal income tax, excluding veterans'
319 disability payments, individually if unmarried, or jointly with spouse if
320 married, during the calendar year ending immediately preceding the
321 filing of a claim for any such exemption, is not more than twenty-four
322 thousand dollars if such person is married or not more than twenty-one
323 thousand dollars if such person is not married.

324 (2) The provisions of this subsection shall not limit the applicability
325 of the provisions of subsection (a) of this section for persons not eligible
326 for the property tax exemption provided by this subsection.]

327 [(c)] (b) Any claimant who, for purposes of obtaining an exemption
328 under this section, wilfully fails to disclose all matters related thereto or
329 with intent to defraud makes any false statement shall forfeit the right
330 to claim such additional veteran's exemption.

331 [(d)] (c) (1) Effective for the assessment year commencing October 1,
332 1986, and each assessment year thereafter until September 30, 2023, any
333 person entitled to an exemption from property tax in accordance with
334 subdivision (19), (20), (21), (22), (23), (24), (25) or (26) of section 12-81, as
335 amended by this act, reflecting any increase made pursuant to the
336 provisions of section 12-62g, and who is not receiving or is not eligible
337 to receive the additional exemption under subdivision (1) of subsection
338 (a) [or (b)] of this section, shall be entitled to an additional exemption
339 from such tax in an amount equal to one-half of the amount of the
340 exemption provided for such person pursuant to any such subdivision.

341 (2) Effective for the assessment year commencing October 1, 2023,
342 and each assessment year thereafter, any person entitled to an
343 exemption from property tax in accordance with subdivision (19), (21),
344 (22), (23), (24), (25) or (26) or subparagraph (A) of subdivision (20) of
345 section 12-81, as amended by this act, reflecting any increase made
346 pursuant to the provisions of section 12-62g, and who is not receiving or
347 is not eligible to receive the additional exemption under subdivision (2)
348 of subsection (a) of this section, shall be entitled to an additional
349 exemption from such tax in an amount equal to one-half of the amount

350 of the exemption provided for such person pursuant to any such
351 subdivision or subparagraph.

352 Sec. 4. Section 12-81h of the general statutes is repealed and the
353 following is substituted in lieu thereof (*Effective October 1, 2023, and*
354 *applicable to assessment years commencing on or after October 1, 2023*):

355 Any municipality, upon approval by its legislative body, may allow
356 an exemption from property tax to be determined as a uniform
357 percentage of the assessed value of any one motor vehicle owned by any
358 veteran with a condition of disability enabling such veteran to qualify
359 for the exemption from property tax currently allowed under
360 subparagraph (A) of subdivision (20) or subdivision (21) of section 12-
361 81, as amended by this act, provided such motor vehicle [must be] is
362 specially equipped for purposes of adapting its use to the disability of
363 such veteran.

364 Sec. 5. Subsection (a) of section 12-81jj of the general statutes is
365 repealed and the following is substituted in lieu thereof (*Effective October*
366 *1, 2023, and applicable to assessment years commencing on or after October 1,*
367 *2023*):

368 (a) Any municipality, upon approval by its legislative body, may
369 provide that any veteran, as defined in subsection (a) of section 27-103,
370 which veteran is a resident of such municipality and ineligible for an
371 exemption from property tax under subdivisions (19) to (21), inclusive,
372 of section 12-81, as amended by this act, shall be entitled to an exemption
373 from property tax, provided such veteran's qualifying income does not
374 exceed (1) the applicable maximum amount as provided under section
375 12-81l, or (2) an amount established by the municipality, provided such
376 amount shall not be less than the applicable maximum amount under
377 section 12-81l. The exemption provided for under this section shall be
378 applied to the assessed value of any such veteran's property and, at the
379 municipality's option, may be in an amount up to [five] seven thousand
380 five hundred dollars or in an amount up to five per cent of such assessed
381 value.

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| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>October 1, 2023, and applicable to assessment years commencing on or after October 1, 2023</i> | 12-81(19) to (26) |
| Sec. 2 | <i>October 1, 2023, and applicable to assessment years commencing on or after October 1, 2023</i> | 12-81f(a) to (c) |
| Sec. 3 | <i>October 1, 2023, and applicable to assessment years commencing on or after October 1, 2023</i> | 12-81g(a) to (d) |
| Sec. 4 | <i>October 1, 2023, and applicable to assessment years commencing on or after October 1, 2023</i> | 12-81h |
| Sec. 5 | <i>October 1, 2023, and applicable to assessment years commencing on or after October 1, 2023</i> | 12-81jj(a) |

Statement of Purpose:

To (1) increase the dollar amounts of certain state-mandated property tax exemptions that are available to certain veterans or relatives of such veterans, (2) increase the dollar amounts of certain municipal option property tax exemptions that are available to certain veterans or relatives of such veterans, and (3) fully exempt from taxation the property of veterans with a one hundred per cent disability rating from the United States Department of Veteran Affairs.

[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.]