



General Assembly

Substitute Bill No. 1128

January Session, 2023



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2 general statutes are repealed and the following is substituted in lieu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
10 of 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
14 served during the Second World War as a member of any armed force
15 of any government signatory to the United Nations Declaration of
16 January 1, 1942, and participated in armed conflict with an enemy of
17 the United States and who has been a citizen of the United States for at
18 least ten years and presents satisfactory evidence of such service, (D)
19 any resident of this state who served as a member of the crew of a

20 merchant vessel during the Second World War and is qualified with
21 respect to such service as a member of the group known as the
22 "American Merchant Marine in ocean-going service during the period
23 of armed conflict, December 7, 1941, to August 15, 1945", members of
24 which are 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
29 forces who was in service in time of war and is still in the service and
30 by reason of continuous service has not as yet received a discharge, (F)
31 any person who is retired from the armed forces after thirty years of
32 service because he has reached the age limit prescribed by law or
33 because he suffers from mental or physical disability, or (G) any
34 person who is serving in the armed services in time of war; or lacking
35 said amount of property in his own name, so much of the property
36 belonging to, or held in trust for, his spouse, who is domiciled with
37 him, as is necessary to equal said amount. For the purposes of this
38 subdivision, "veteran", "armed forces" and "service in time of war"
39 have the same meanings as provided in 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
52 in which such rating is more than fifty per cent but not more than
53 seventy-five per cent; and, except as provided in subparagraph (B) of

54 this subdivision, three thousand five hundred fifty-three dollars in any
55 case in which such person has attained sixty-five years of age or such
56 rating is more than seventy-five per cent; or [(2)] (ii) is receiving a
57 pension, annuity or compensation from the United States because of
58 the loss in service of a leg or arm or that which is considered by the
59 rules of the United States Pension Office or the Bureau of War Risk
60 Insurance the equivalent of such loss.

61 (B) (i) The dwelling house, and the lot whereupon the same is
62 erected, belonging to or held in trust for any resident of this state who
63 has served in the Army, Navy, Marine Corps, Coast Guard or Air
64 Force of the United States and has a disability rating by the United
65 States Department of Veterans Affairs amounting to one hundred per
66 cent of total disability, occupied as such resident's domicile, or (ii) up
67 to two motor vehicles belonging to, leased to or held in trust for any
68 such resident, shall be fully exempt from local property taxation.

69 (C) If such veteran lacks such amount of property in his or her
70 name, so much of the property belonging to, or held in trust for, his or
71 her spouse, who is domiciled with him or her, as is necessary to equal
72 such amount shall also be so exempt. When any veteran entitled to an
73 exemption under the provisions of this section has died, property
74 belonging to, or held in trust for, his or her surviving spouse, while
75 such spouse remains a widow or widower, or belonging to or held in
76 trust for his or her minor children during their minority, or both, while
77 they are residents of this state, shall be exempt in the same aggregate
78 amount as that to which the disabled veteran was or would have been
79 entitled at the time of his or her death. No individual entitled to
80 exemption under this subdivision and under one or more of
81 subdivisions (19), (22), (23), (25) and (26) of this section shall receive
82 more than one exemption. No individual shall receive any exemption
83 to which he or she is entitled under this subdivision until he or she has
84 complied with section 12-95 and has submitted proof of his or her
85 disability rating, as determined by the United States Department of
86 Veterans Affairs, to the assessor of the town in which the exemption is

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

120 (21) (A) [The] Except as provided in subparagraph (B) of

121 subdivision (20) of this section, the dwelling house, and the lot
122 whereupon the same is erected, belonging to or held in trust for any
123 person who is a citizen and resident of this state, occupied as such
124 person's domicile, shall be exempt from local property taxation to the
125 extent of ten thousand one hundred fifty dollars of its assessed
126 valuation or, lacking said amount in property in such person's own
127 name, so much of the property belonging to, or held in trust for, such
128 person's spouse, who is domiciled with such person, as is necessary to
129 equal said amount, if such person is a veteran who served in the Army,
130 Navy, Marine Corps, Coast Guard or Air Force of the United States
131 and has been declared by the United States Department of Veterans
132 Affairs or its successors to have a service-connected disability from
133 paraplegia or osteochondritis resulting in permanent loss of the use of
134 both legs or permanent paralysis of both legs and lower parts of the
135 body; or from hemiplegia and has permanent paralysis of one leg and
136 one arm or either side of the body resulting from injury to the spinal
137 cord, skeletal structure or brain or from disease of the spinal cord not
138 resulting from any form of syphilis; or from total blindness as defined
139 in section 12-92; or from the amputation of both arms, both legs, both
140 hands or both feet, or the combination of a hand and a foot; sustained
141 through enemy action, or resulting from accident occurring or disease
142 contracted in such active service. Nothing in this subdivision shall be
143 construed to include paraplegia or hemiplegia resulting from
144 locomotor ataxia or other forms of syphilis of the central nervous
145 system, or from chronic alcoholism, or to include other forms of
146 disease resulting from the veteran's own misconduct which may
147 produce signs and symptoms similar to those resulting from
148 paraplegia, osteochondritis or hemiplegia. The loss of the use of one
149 arm or one leg because of service related injuries specified in this
150 subdivision shall qualify a veteran for a property tax exemption in the
151 same manner as hereinabove, provided such exemption shall be for
152 five thousand seventy-five dollars;

153 (B) The exemption provided for in this subdivision shall be in
154 addition to any other exemption of such person's real and personal

155 property allowed by law, but no taxpayer shall be allowed more than
156 one exemption under this subdivision. No person shall be entitled to
157 receive any exemption under this subdivision until such person has
158 satisfied the requirements of subdivision (20) of this section, except as
159 provided in subparagraph (B) of said subdivision. The surviving
160 spouse of any such person who at the time of such person's death was
161 entitled to and had the exemption provided under this subdivision
162 shall be entitled to the same exemption, (i) while such spouse remains
163 a widow or widower, or (ii) upon the termination of any subsequent
164 marriage of such spouse by dissolution, annulment or death and while
165 a resident of this state, for the time that such person is the legal owner
166 of and actually occupies a dwelling house and premises intended to be
167 exempted hereunder. When the property which is the subject of the
168 claim for exemption provided for in this subdivision is greater than a
169 single family house, the assessor shall aggregate the assessment on the
170 lot and building and allow an exemption of that percentage of the
171 aggregate assessment which the value of the portion of the building
172 occupied by the claimant bears to the value of the entire building;

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

189 (22) Subject to the provisions of sections 12-89, 12-90 and 12-95,
190 property to the amount of one thousand fifteen dollars belonging to, or
191 held in trust for, any surviving spouse while such person remains a
192 widow or widower, or a minor child or both, residing in this state, of
193 one who has served in the Army, Navy, Marine Corps, Coast Guard or
194 Air Force of the United States, or any citizen of the United States who
195 served in the military or naval service of a government allied or
196 associated with the United States, as provided by subdivision (19) of
197 this section, and who has died either during his or her term of service
198 or after becoming a veteran, as defined in section 27-103, provided
199 such amount shall be three thousand forty-five dollars if death was
200 due to service and occurred while on active duty;

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

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

215 (25) Subject to the provisions of sections 12-89, 12-90 and 12-95,
216 property to the amount of one thousand fifteen dollars belonging to, or
217 held in trust for, a sole surviving parent, while such parent remains a
218 widow or widower, resident of this state, of one who has left no
219 widow or widower, or whose widow or widower has remarried or
220 died, and who has served in the Army, Navy, Marine Corps, Coast
221 Guard or Air Force of the United States as provided by subdivision

222 (19) of this section and has died during his or her term of service or
223 after becoming a veteran, as defined in section 27-103, provided
224 property belonging to, or held in trust for, such parent of more than
225 one serviceman or servicewoman who has left no widow or widower,
226 or whose widow or widower has remarried or died, and who has
227 served in the Army, Navy, Marine Corps, Coast Guard or Air Force of
228 the United States as provided in subdivision (19) of this section and
229 has died during his or her term of service shall be subject to an
230 exemption of one thousand fifteen dollars for each such serviceman or
231 servicewoman;

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

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

245 (a) Any municipality, upon approval by its legislative body, may
246 provide that any veteran entitled to an exemption from property tax in
247 accordance with subdivision (19) of section 12-81, as amended by this
248 act, shall be entitled to an additional exemption, provided such
249 veteran's qualifying income does not exceed (1) the applicable
250 maximum amount as provided under section 12-81l, or (2) an amount
251 established by the municipality, provided such amount shall not be
252 less than the applicable maximum amount under section 12-81l. The
253 exemption provided for under this subsection shall be applied to the
254 assessed value of an eligible veteran's property and, at the option of

255 the municipality, may be in an amount up to [twenty] thirty thousand
256 dollars or in an amount up to ten per cent of such assessed value.

257 (b) Any municipality, upon approval by its legislative body, may
258 provide that any veteran entitled to an exemption from property tax in
259 accordance with subdivision (20) of section 12-81, as amended by this
260 act, except as provided in subparagraph (B) of said subdivision, shall
261 be entitled to an additional exemption, provided such veteran's
262 qualifying income does not exceed (1) the applicable maximum
263 amount as provided under section 12-81l, or (2) an amount established
264 by the municipality, provided such amount shall not be less than the
265 applicable maximum amount under section 12-81l. The exemption
266 provided for under this subsection shall be applied to the assessed
267 value of an eligible veteran's property and shall be in an amount not
268 less than [three] four thousand five hundred dollars of such assessed
269 value.

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

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

288 (a) (1) Effective for the assessment year commencing October 1,
289 1985, and each assessment year thereafter until September 30, 2023,
290 any person entitled to an exemption from property tax in accordance
291 with subdivision (19), (20), (21), (22), (23), (24), (25) or (26) of section
292 12-81, as amended by this act, reflecting any increase made pursuant to
293 the provisions of section 12-62g, shall be entitled to an additional
294 exemption from such tax in an amount equal to twice the amount of
295 the exemption provided for such person pursuant to any such
296 subdivision, provided such person's qualifying income does not
297 exceed the applicable maximum amount as provided under section
298 12-81l, except that if such person has a disability rating of one hundred
299 per cent as determined by the United States Department of Veterans
300 Affairs, the total of such adjusted gross income, individually, if
301 unmarried, or jointly, if married, in the calendar year ending
302 immediately preceding the assessment date with respect to which such
303 additional exemption is allowed, is not more than twenty-one
304 thousand dollars if such person is married or not more than eighteen
305 thousand dollars if such person is not married.

306 (2) Effective for the assessment year commencing October 1, 2023,
307 and each assessment year thereafter, any person entitled to an
308 exemption from property tax in accordance with subdivision (19), (21),
309 (22), (23), (24), (25) or (26) or subparagraph (A) of subdivision (20) of
310 section 12-81, as amended by this act, reflecting any increase made
311 pursuant to the provisions of section 12-62g, shall be entitled to an
312 additional exemption from such tax in an amount equal to twice the
313 amount of the exemption provided for such person pursuant to any
314 such subdivision or subparagraph, provided such person's qualifying
315 income does not exceed the applicable maximum amount as provided
316 under section 12-81l.

317 [(b) (1) Effective for the assessment year commencing October 1,
318 2022, and each assessment year thereafter, any municipality may, upon
319 approval by its legislative body or, in any town in which the legislative
320 body is a town meeting, by the board of selectmen, provide that, in lieu

321 of the additional exemption prescribed under subsection (a) of this
322 section, any person entitled to an exemption from property tax in
323 accordance with subdivision (20) of section 12-81, reflecting any
324 increase made pursuant to the provisions of section 12-62g, who has a
325 disability rating of one hundred per cent, as determined by the United
326 States Department of Veterans Affairs, shall be entitled to an
327 additional exemption from such tax in an amount equal to three times
328 the amount of the exemption provided for such person pursuant to
329 subdivision (20) of section 12-81, provided such person's total adjusted
330 gross income as determined for purposes of the federal income tax,
331 excluding veterans' disability payments, individually if unmarried, or
332 jointly with spouse if married, during the calendar year ending
333 immediately preceding the filing of a claim for any such exemption, is
334 not more than twenty-four thousand dollars if such person is married
335 or not more than twenty-one thousand dollars if such person is not
336 married.

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

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

344 [(d)] (c) (1) Effective for the assessment year commencing October 1,
345 1986, and each assessment year thereafter until September 30, 2023,
346 any person entitled to an exemption from property tax in accordance
347 with subdivision (19), (20), (21), (22), (23), (24), (25) or (26) of section
348 12-81, as amended by this act, reflecting any increase made pursuant to
349 the provisions of section 12-62g, and who is not receiving or is not
350 eligible to receive the additional exemption under subdivision (1) of
351 subsection (a) [or (b)] of this section, shall be entitled to an additional
352 exemption from such tax in an amount equal to one-half of the amount
353 of the exemption provided for such person pursuant to any such

354 subdivision.

355 (2) Effective for the assessment year commencing October 1, 2023,
356 and each assessment year thereafter, any person entitled to an
357 exemption from property tax in accordance with subdivision (19), (21),
358 (22), (23), (24), (25) or (26) or subparagraph (A) of subdivision (20) of
359 section 12-81, as amended by this act, reflecting any increase made
360 pursuant to the provisions of section 12-62g, and who is not receiving
361 or is not eligible to receive the additional exemption under subdivision
362 (2) of subsection (a) of this section, shall be entitled to an additional
363 exemption from such tax in an amount equal to one-half of the amount
364 of the exemption provided for such person pursuant to any such
365 subdivision or subparagraph.

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

369 Any municipality, upon approval by its legislative body, may allow
370 an exemption from property tax to be determined as a uniform
371 percentage of the assessed value of any one motor vehicle owned by
372 any veteran with a condition of disability enabling such veteran to
373 qualify for the exemption from property tax currently allowed under
374 subparagraph (A) of subdivision (20) or subdivision (21) of section 12-
375 81, as amended by this act, provided such motor vehicle [must be] is
376 pecially equipped for purposes of adapting its use to the disability of
377 such veteran.

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

382 (a) Any municipality, upon approval by its legislative body, may
383 provide that any veteran, as defined in subsection (a) of section 27-103,
384 which veteran is a resident of such municipality and ineligible for an

385 exemption from property tax under subdivisions (19) to (21), inclusive,
 386 of section 12-81, as amended by this act, shall be entitled to an
 387 exemption from property tax, provided such veteran's qualifying
 388 income does not exceed (1) the applicable maximum amount as
 389 provided under section 12-81l, or (2) an amount established by the
 390 municipality, provided such amount shall not be less than the
 391 applicable maximum amount under section 12-81l. The exemption
 392 provided for under this section shall be applied to the assessed value
 393 of any such veteran's property and, at the municipality's option, may
 394 be in an amount up to [five] seven thousand five hundred dollars or in
 395 an amount up to five per cent of such assessed value.

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)

VA

Joint Favorable Subst. C/R

APP