



House of Representatives

General Assembly

File No. 564

February Session, 2024

Substitute House Bill No. 5514

House of Representatives, April 18, 2024

The Committee on Finance, Revenue and Bonding reported through REP. HORN of the 64th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING AN ADDITIONAL TAX REDUCTION FOR ELIGIBLE HOMEOWNERS UNDER THE CIRCUIT BREAKER PROPERTY TAX RELIEF PROGRAM.

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

1 Section 1. (*Effective July 1, 2025*) (a) Any homeowner who has
2 qualified for the tax reduction under section 12-170aa of the general
3 statutes for the fiscal year ending June 30, 2026, shall receive,
4 notwithstanding the maximum allowable reduction under subsection
5 (c) of said section, an additional tax reduction in accordance with the
6 following:

	Qualifying Income of		
	Married and Unmarried Homeowners		Additional Tax Reduction
	Over	Not Exceeding	
T4	\$ 0	\$22,000	\$300
T5	22,000	29,500	250
T6	29,500	36,700	200
T7	36,700	43,800	150

T8 43,800 53,400 100

7 (b) For the fiscal year ending June 30, 2026, the Secretary of the Office
8 of Policy and Management may, within available appropriations,
9 reimburse municipalities for the loss of property tax revenue related to
10 the additional tax reduction under subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2025	New section

FIN *Joint Favorable Subst.*

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:

Agency Affected	Fund-Effect	FY 25 \$	FY 26 \$
Policy & Mgmt., Off.	GF - Potential Cost	None	Potential

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 25 \$	FY 26 \$
Various Municipalities	Revenue Loss	None	6.5 million

Explanation

The bill provides an additional tax reduction for homeowners eligible for the Circuit Breaker property tax relief program and results in a \$6.5 million cumulative revenue loss for municipalities beginning in FY 26. Approximately 30,000 homeowners participated in the program in FY 23 across five income brackets. There is a potential cost to the Office of Policy and Management (OPM) beginning in FY 26 to the extent they reimburse municipalities for the revenue loss. This program has historically not been reimbursed by the OPM.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and the extent that OPM reimburses municipalities.



OLR Bill Analysis

sHB 5514

AN ACT CONCERNING AN ADDITIONAL TAX REDUCTION FOR ELIGIBLE HOMEOWNERS UNDER THE CIRCUIT BREAKER PROPERTY TAX RELIEF PROGRAM.

SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 51 Nay 0 (04/03/2024)