



# House of Representatives

**File No. 647**

General Assembly

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*February Session, 2024*      **(Reprint of File No. 4)**

House Bill No. 5171  
As Amended by House Amendment  
Schedule "A"

Approved by the Legislative Commissioner  
May 2, 2024

***AN ACT CONCERNING THE WAIVER OF INTEREST ON CERTAIN  
DELINQUENT PROPERTY TAX PAYMENTS.***

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

1        Section 1. Section 12-145 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2024, and*  
3 *applicable to assessment years commencing on or after October 1, 2024*):

4        The tax collector of each municipality shall, at least five days next  
5 preceding the time when each tax becomes due and payable, give notice  
6 of the time and place at which the tax collector will receive such tax by  
7 advertising in a newspaper published in such municipality or, if no  
8 newspaper is published in such municipality, by advertising in any  
9 newspaper of the state having a general circulation in such municipality  
10 and by posting such notice on a signpost, a bulletin board or the  
11 municipality's Internet web site. The tax collector shall repeat such  
12 advertising within one week after such tax has become due and payable  
13 and, again, at least five days before such tax becomes delinquent. Each

14 such notice shall give each date on which such tax shall become due and  
 15 payable and each date on which such tax shall become delinquent, and  
 16 shall state that, as soon as such tax becomes delinquent, it shall be  
 17 subject to interest at the rate of one and one-half per cent of such tax for  
 18 each month or fraction thereof which elapses from the time when such  
 19 tax becomes due and payable until the same is paid. The tax collector of  
 20 a municipality [may] shall waive the interest on a taxpayer's delinquent  
 21 property taxes if (1) the tax collector and the assessor, jointly, determine  
 22 that the delinquency is attributable to an error by the tax assessor or tax  
 23 collector and is not the result of any action or failure on the part of the  
 24 taxpayer, and (2) such waiver is approved by vote of the legislative body  
 25 of such municipality, or, in a municipality where the legislative body is  
 26 a town meeting, by vote of the board of selectmen. The tax collector shall  
 27 notify the taxing authority of the municipality of all waivers [granted]  
 28 approved pursuant to this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024, and applicable to assessment years commencing on or after October 1, 2024</i>	12-145

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:**

Municipalities	Effect	FY 25 \$	FY 26 \$
All Municipalities	Revenue Loss	Potential	Potential

**Explanation**

The bill requires tax collectors to waive interest on delinquent property taxes when (1) the tax collector and assessor jointly determine the delinquency was due to a mistake by either official and was not the taxpayers' fault, and (2) the waiver is approved by the municipality's legislative body or board of selectmen. This will result in a potential revenue loss to municipalities beginning in FY 25 as municipalities must waive interest on certain delinquent property taxes.

The extent of the revenue loss will be dependent on the number of delinquencies and the amount of property tax that is delinquent. Municipalities with no delinquencies will not be impacted.

House "A" alters the original bill by requiring the board of selectmen to approve the waivers when the legislative body is a town meeting.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of property tax delinquencies.

**OLR Bill Analysis**

**HB 5171 (as amended by House "A")\***

***AN ACT CONCERNING THE WAIVER OF INTEREST ON CERTAIN DELINQUENT PROPERTY TAX PAYMENTS.***

**SUMMARY**

This bill requires (1) rather than allows, municipal tax collectors to waive interest on delinquent property taxes when the collector and assessor jointly find that the delinquency was because of a mistake by one of them, not the taxpayer’s action or failure and (2) the municipality’s legislative body (or board of selectmen if the legislative body is a town meeting) to approve these waivers. It also makes a conforming change.

\*House Amendment “A” adds the provision requiring the board of selectmen to approve the waivers in any municipality where the legislative body is a town meeting.

EFFECTIVE DATE: October 1, 2024, and applicable to assessment years starting on or after that date.

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable

Yea 20 Nay 0 (03/01/2024)