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DIVISION 2. TAX RELIEF FOR SENIOR CITIZENS OR PERMANENTLY AND TOTALLY DISABLED PERSONS ^[3]

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Sec. 54-62. Statutory authority.

This division is adopted pursuant to the authority granted to the Town under C.G.S. § 12-129n.

Ord. of 11-30-2012

Sec. 54-63. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Qualifying income means the adjusted gross income, as defined in the Internal Revenue Code of 1986, as may be amended, plus tax-exempt interest income, plus any other income as may be reportable for federal income tax purposes, as well as nontaxable income, including the nontaxable component of social security benefits and excluding capital losses and any current year business operating losses, losses from rental activities, current year deductions for depreciation of assets, and any net operating loss (NOL) carryover reportable for federal income tax purposes. Qualifying income may be reduced by an amount equal to the medical and dental expense deduction allowed or allowable under Section 213(a) of the Internal Revenue Code of 1986, as may be amended.

Although the following list is not intended to be all-inclusive, examples of items to be included in determining qualifying income are as follows:

- (1) Wages, bonuses, commissions, gratuities and fees, self-employment net income;
- (2) Gross Social Security, federal supplemental security income, payment for jury duty (excluding travel allowance);

- (3) Dividends, interest, and annuities;
- (4) Taxable portion of IRA distributions;
- (5) Black lung payments;
- (6) Experience works payments (formerly Green Thumb payments);
- (7) Interest or proceeds resulting from gifts received;
- (8) Lottery winnings;
- (9) Net income from the sale or rent of real or personal property (excluding depreciation);
- (10) Taxable pensions, including veterans' and railroad retirement pensions;
- (11) Severance pay; unemployment compensation;
- (12) Worker's compensation;
- (13) Alimony; and
- (14) Capital gains.

Qualifying income shall exclude income from the following sources:

- (1) Social Security payments specifically for a dependent person or minor child;
- (2) Casualty loss reimbursements by insurance companies;
- (3) Gifts, bequests or inheritances, except for any interest or other income produced by the gift, bequest or inheritance;
- (4) Grants for disaster relief;
- (5) Income derived through volunteer service under the Domestic Volunteer Service Act of 1973, as amended, including stipends earned under the Foster Grandparents' Program, Retired Senior Volunteer Program, Senior Companion Program, and Community Training under Department of Mental Retardation;
- (6) Life insurance proceeds;
- (7) Food stamps, fuel assistance, child support payments and temporary family assistance program payments.
- (8) For a married taxpayer whose spouse is a resident of a health care or nursing home facility and who is receiving payments related to such spouse under Title XIX Medicaid, qualifying income shall not include the spouse's Social Security income, provided that the following has been submitted to the Assessor on the facility's letterhead and signed by the administrator or other facility official:
 - a. Proof that the spouse is in a health care or nursing home facility;
 - b. The period during the benefit year that the spouse was in the facility; and
 - c. The period during the benefit year that the spouse was on Title XIX Medicaid.
- (9) Veterans' disability benefits.

Residence means the property which is the principal residence of the taxpayer and all improvements thereon.

Tax year means the fiscal year beginning July 1 and ending June 30 for which property taxes are paid and which are based upon the grand list valuation of the preceding October 1.

(Code 1981, § 134-3; Ord. of 11-30-2012)

Sec. 54-64. Criteria for qualification.

To qualify for the tax relief provided in this division, on the date of application, a taxpayer:

- (1) Shall be:
- a. Sixty-five years of age or older or whose spouse, who is domiciled with him or her, shall be 65 years of age or older;
 - b. Sixty years of age or older and the surviving spouse of a taxpayer previously qualified under this section at the time of his or her death; or
 - c. Under age 65 years of age and eligible in accordance with applicable federal regulations to receive permanent total disability benefits under Social Security, or shall not have been engaged in employment covered by Social Security and accordingly shall not have qualified for benefits thereunder, but have become qualified for permanent total disability benefits under any federal, state or local government retirement or disability plan, including the Railroad Retirement Act and any government-related teacher's retirement plan, in which requirements with respect to qualifications for such permanent total disability benefits are comparable to such requirements under Social Security; and
- (2) Shall own real property (or be liable for the payment of taxes thereon under C.G.S. § 12-48) and shall occupy such property as his or her residence for not less than 183 days in the calendar year immediately preceding the date of application, provided however, if the taxpayer has been confined to a nursing home or healthcare facility for more than 183 days in the immediately preceding calendar year, said taxpayer will not be disqualified for relief hereunder unless the taxpayer's confinement has or is expected to exceed 365 days. The following must be submitted to the Assessor on the facility's letterhead and signed by the administrator or other facility official:
- a. Proof that the taxpayer is in a health care or nursing home facility;
 - b. The period during the immediately preceding the date of application that the taxpayer was in the facility; and
 - c. The period of time during which the taxpayer is expected to remain in the facility.
- (3) Shall have been, or whose spouse shall have been, liable for residential real property taxes to the Town for a period of one year immediately preceding the receipt of tax benefits under this division; and
- (4) Shall have individually, if unmarried, or jointly, if married, qualifying income in an amount not to exceed the limits described in Section 54-69. Such qualifying income limits shall be applied annually to the calendar year immediately preceding the date of application.
- (5) Shall have first applied for all state funded tax relief benefits applicable to the property for which the taxpayer is eligible or shall certify at the time of filing an application for tax relief hereunder on a form provided by the Assessor that he or she is ineligible for such tax relief.
- (6) Shall not rent all or a portion of his/her residence to a tenant for any period of time during which tax benefits are received hereunder unless the taxpayer is also occupying the residence.
- (7) No tax abatement shall be given to any taxpayer who has delinquent taxes (i.e., real property, personal property or motor vehicle taxes), capital assessments, fees, fines or user charges owed to the Town. For the purposes of this subsection, taxes previously abated or deferred shall not be considered delinquent. This section is not intended to disqualify taxpayers seeking a tax deferral only.

Ord. of 11-30-2012

Sec. 54-65. Applicant as trust.

Notwithstanding the provisions of Section 54-64, if title to the property is owned by a trust the taxpayer may still be eligible for tax relief hereunder if the taxpayer is the primary beneficiary of the trust and the taxpayer otherwise qualifies for tax relief hereunder. A copy of the trust agreement shall accompany the application and shall be reviewed by the Town Attorney prior to any tax relief being granted.

Ord. of 11-30-2012

Sec. 54-66. Benefit limitations.

The benefits under this division shall be limited to the residence of the taxpayer.

(Code 1981, § 134-5; Ord. of 11-30-2012)

Sec. 54-67. Application—Procedure; contents.

Applications for benefits under this division:

- (1) Shall be made annually on forms provided by the Assessor of the Town and shall be accompanied by (a) a copy of the applicant's entire federal and state tax return; (b) documentation of all other income for the calendar year immediately preceding the date of application; (c) a properly executed IRS Form 4506 and IRS Form 4506T allowing the Town to verify the federal tax information; (d) Form SSA-1099 which shall indicate the taxpayer's residence address; and (e) such other verification of income as may be required by the Assessor.
- (2) Shall be submitted in person by the taxpayer unless the taxpayer is temporarily residing in a nursing home or healthcare facility. Proof that such taxpayer is in a facility must be submitted to the Assessor on the facility's letterhead and signed by the administrator or other facility official.

(Code 1981, § 134-6; Ord. of 11-30-2012)

Sec. 54-68. Application—Deadlines.

- (a) *Tax abatement.* In order to claim tax abatement benefits pursuant to Section 54-69(1), an application shall be filed annually with the Assessor not later than the May 15 immediately preceding the applicable tax year, commencing July 1 of that same calendar year.

For those taxpayers who have sought and received, by May 15 an extension of time to file a federal tax return, the application must nevertheless be filed by May 15 and a copy of the entire federal tax return must be received by the Assessor's office by June 15 or the application will be denied.

- (b) *Tax deferral.* In order to claim tax deferral benefits pursuant to Section 54-69(2), applications shall be filed annually with the Assessor not later than the December 31 that falls within the applicable tax year.

(Code 1981, § 134-7; Ord. of 11-30-2012)

Sec. 54-69. Tax relief programs.

An applicant may apply annually for one or more of the following tax relief programs:

- (1) *Tax abatement.* For applicants who elect to apply for the tax abatement benefits under

this division, the benefit shall be allowed on a graduated basis, as follows:

Qualifying Income	Benefit Rate
Less than \$25,000.00	\$3,500.00 shall be abated
\$25,000.00, but less than \$35,000.00	\$3,000.00 shall be abated
\$35,000.00, but less than \$45,000.00	\$2,000.00 shall be abated
\$45,000.00, but less than \$55,000.00	\$1,000.00 shall be abated

- (2) **Tax deferral.** Applicants who elect to apply for tax deferral benefits under this division may defer taxes as follows:

Qualifying Income	Benefit Rate
Less than \$75,000.00	Tax deferral. The applicant may defer up to 100 percent of the tax assessed, less any state and local tax relief, for the applicable tax year
\$75,000.00 but less than \$100,000.00	Tax increase deferral. The applicant may defer up to 100 percent of any increase in real property taxes from the immediately preceding tax year. For purposes of this deferral, the applicant's residence in the immediately preceding year must be the same as the applicant's residence in the applicable tax year.

Ord. of 11-30-2012

Sec. 54-70. Hardship exception.

In cases of extreme hardship, the Board of Selectmen may, upon written application waive the qualifying income requirement for either of the two tax relief programs. The term "extreme hardship" includes, but is not limited to, unreimbursed medical or dental expenses and unreimbursed property casualty.

Ord. of 11-30-2012

Sec. 54-71. Responsibility of tax deferral benefit recipient.

Any qualified recipient of a tax deferral benefit shall be subject to the following:

- (1) The recipient shall enter into a written agreement with the Town providing for reimbursement. The principal amount of such tax deferral benefit plus interest shall be recorded on the land records of the Town and shall constitute a lien on the property, payable upon the earlier of death or conveyance.
- (2) All deferral benefits plus interest shall be reimbursed to the Town upon the earlier of the death of the recipient or the conveyance of the real property subject to such deferral benefits, unless the property is conveyed to the recipient's spouse who meets the eligibility requirements of Section 54-64. In the case of a conveyance to a surviving spouse who does not meet the eligibility requirements of Section 54-64, all deferral benefits plus interest shall be reimbursed to the Town within five years of such conveyance unless, within such five-year period, the surviving spouse meets the eligibility requirements of Section 54-64. Interest shall continue to be at the rate set forth

in Subsection (3) of this section and shall continue to accrue from the date of death until the date of payment. The grantee or, in the event of death, the personal representative of the person for whom tax deferral was approved, shall be required, within a period not exceeding 45 days immediately following the date of death or conveyance, to notify the Assessor thereof.

- (3) All benefits shall be subject to an interest charge at the annual percentage rate of 50 basis points less than the average Bond Buyer Eleven Index for January of each year rounded to the nearest whole percent. Such interest charge shall be included in the written agreement to be entered into by the Town and the recipient. Such interest shall be simple interest, not compounded and, except as provided in Subsection (2) of this section, shall accrue from the date of deferral until the earlier of the date of conveyance or death.
- (4) Total deferments, including accrued interest, for all years shall not exceed the assessed value of the real property.
- (5) The recipient shall provide written confirmation from the current mortgagee, if any, of the property stating that the mortgagee has knowledge of and is in agreement with the conditions set forth in this Section 54-71.

(Code 1981, § 134-10; Ord. of 11-30-2012)

Sec. 54-72. Proration of tax benefits.

The property tax benefits provided for in this division may, in any case where title to real property is recorded in the name of the taxpayer or his or her spouse and any other person or persons, be prorated to reflect the fractional share of such taxpayer or spouse or, if such property is a multiple-family dwelling, such benefits may be prorated to reflect the fractional portion of such current property occupied by the taxpayer or his or her spouse.

(Code 1981, § 134-11; Ord. of 11-30-2012)

Sec. 54-73. Coordination of benefits.

The tax relief provided for by this division shall be in addition to, and not dependent upon, any other local or State tax relief benefits for which an applicant may be qualified. In no case, however, shall the sum of tax relief benefits exceed the applicant's annual property tax assessment on his or her residence.

(Code 1981, § 134-11.1; Ord. of 11-30-2012)

Sec. 54-74. Implementation of provisions; confidentiality.

The Tax Collector and the Assessor of the Town shall prescribe, with regard to their respective duties under this division, such forms and procedures as may be necessary to implement the provisions of this division. The Assessor, in addition, shall satisfy himself or herself as to the qualifying income of an applicant for benefits under this division by requesting and reviewing such evidence of qualifying income as he or she may deem pertinent. All applications, federal income tax returns filed therewith and any additional evidence of qualifying income which the Assessor may require shall be kept confidential and not open to public inspection.

(Code 1981, § 134-11.2; Ord. of 11-30-2012)

Sec. 54-75. Appeals.

Persons aggrieved by any act or determination of the Assessor or Tax Collector under this division may appeal to the Board of Assessment Appeals.

(Ord. of 11-30-2012) Ord. of 11-30-2012

Sec. 54-76. Reduction of abatement due to conveyance or death.

If any person with respect to whom a claim for tax abatement, in accordance with this division, has been approved for any tax year shall die or shall transfer, assign, grant or otherwise convey in such tax year the interest in real property to which such claim for tax abatement is related, other than to such person's spouse who meets the eligibility requirements of Section 54-64, the amount of such tax abatement shall be pro rated. The pro rata portion of the amount otherwise applicable to such tax year shall be determined by a fraction, the numerator of which shall be the number of full months in the tax year prior to the date of death or conveyance and the denominator of which shall be 12. If such death or conveyance occurs in the month of July within the tax year, the allowable abatement shall be zero. The grantee or, in the event of death, the personal representative of the person for whom tax abatement was approved shall be required, within a period not exceeding 45 days immediately following the date of death or conveyance, to notify the Assessor thereof, whereupon the Assessor shall notify the Tax Collector of such death or conveyance, and, upon receipt of such notice, the Tax Collector shall, if such notice is received after the tax due date, deliver a bill to the grantee or personal representative, stating the additional amount of tax due.

(Ord. of 11-30-2012) Ord. of 11-30-2012

Secs. 54-77—54-93. Reserved.**FOOTNOTE(S):**

Footnote 1: (Ord. of 11-30-2012) Council stated that this division was adopted December 16, 1980 (with an effective date of January 1, 1981) and amended in its entirety April 6, 2000 (with an effective date of April 21, 2000). Ord. of 11-30-2012 now completely amends this division in its entirety. (Back)