



2024 CAAO Legislative Summary

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Bills signed by the Governor

HB 5491 - PA 24-46 AN ACT ESTABLISHING A PROPERTY TAX EXEMPTION FOR VETERANS WHO HAVE A SERVICE-CONNECTED PERMANENT AND TOTAL DISABILITY RATING

This act exempts property tax for veterans with a permanent and total disability rating or their spouse. If neither the veteran nor spouse owns a residence, the exemption may be applied to a motor vehicle owned by such a resident or their spouse.

This proposal was a concern for CAAO and municipalities in that it expands property tax exemptions. CAAO did not formally oppose, but agreed with municipalities that further tax exemption erodes municipal revenue. CCM testified that “Every year, committees throughout the legislature propose and pass property tax exemptions and local options for property tax exemptions. When viewed individually, they seem small and inconsequential, but review Connecticut General Statutes... and you will see these individually adopted exemptions when viewed collectively are neither small nor inconsequential.”



Bills signed by the Governor

HB 5491 - PA 24-46 AN ACT ESTABLISHING A PROPERTY TAX EXEMPTION FOR VETERANS WHO HAVE A SERVICE-CONNECTED PERMANENT AND TOTAL DISABILITY RATING - Continued

Support for this bill was bipartisan and a majority of the legislature signed on as co-sponsors of this bill, stopping it this session was not possible.

After the Governor signed this act into law and publicity of its passage made it to veterans, concerns were raised on what was the true intention of the bill. Did legislators intend to exempt the entire property or just the dwelling? Also, the degree of disability rating will need further clarification. As the bill goes into effect on October 1, and be applicable to every assessment year thereafter, CAAO will need clarification on the scope of the exemption.



Bills signed by the Governor

SB 501 - PA 24-1 AN ACT CONCERNING MOTOR VEHICLE ASSESSMENTS FOR PROPERTY TAXATION....

This bill implemented the changes to motor vehicle taxation that was adopted in 2022. The change in law affects various laws on motor vehicle assessment and property tax billing procedures set to take effect this October 1st, including (1) adjusting the depreciation schedule assessors must use to value motor vehicles, (2) eliminating a requirement that OPM define a class of motor vehicles to be treated as personal property for taxing purposes, (3) specifying how assessors must value commercial vehicle modifications and attachments, and (4) eliminating certain statutory deadlines for supplemental motor vehicle tax bills

This bill was addressed during the June Special Session as a result of **HB 5172** failing to pass both chambers on the final day of session.

HB 5172 passed through the committee process with the support and efforts of CAAO. The House took the bill up first and adopted it 108-39. Concerns about revenue loss to municipalities lead to many Republicans to oppose the bill.



Bills signed by the Governor

SB 501 - PA 24-1 Continued

The Senate was next to take up the bill. On the final day of the legislative session, the Senate successfully adopted an amendment despite concerns from senators who worked on the language change over the last 2 years.

The amendment allowed municipalities to adopt an ordinance to exempt all motor vehicles from property tax and simultaneously increase the assessment ratio for all other real and personal property to offset any revenue impact as a result of the exemption.

The bill was sent back to the House where it died due to no action.



Bills signed by the Governor

HB 5232 - Public Act 24-31 AN ACT CONCERNING SOLAR PROJECTS THROUGHOUT THE STATE

This bill was an omnibus solar priority for the Energy Committee. There were a number of conversations that CAAO was part of with legislators, representatives of the solar industry, CCM and COST on the affects a set uniform solar capacity tax would have on municipal revenue.

The original tax was eight thousand dollars multiplied by the number of megawatts of nameplate capacity for each such system. Municipal representatives were discussing throughout the session if \$8K was too low and what would be a sufficient amount that covers an expansion of a mandated tax exemption.

Ultimately the bill that passed both the House and Senate and signed by the Governor created a **capacity tax study group** made up of DEEP and OPM officials. We are waiting on the results of this group.



Bills signed by the Governor

HB 5171 - Public Act 24-90 AN ACT CONCERNING THE WAIVER OF INTEREST ON CERTAIN DELINQUENT PROPERTY TAX PAYMENTS

The act requires, 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 and not the taxpayer's action or failure.

This act, while being worked on by legislators, attracted some attention by CCM, COST and the Tax Collector's Association. CAAO did not take a position, other than to say this is common practice by both assessors and collectors. The municipal folks backed off on their concerns once it was clear there would not be any significant impact on cities and towns.



Bills signed by the Governor

HB 5273 - PA 24-132 AN ACT CONCERNING THE RECOMMENDATIONS OF THE INTERGOVERNMENTAL POLICY AND PLANNING DIVISION WITHIN THE OFFICE OF POLICY AND MANAGEMENT, AUDITS AND MUNICIPAL FINANCE

This was a recommendation by OPM to address assessments, tax collection, revaluation and the renters' rebate program. The act:

1. Reduces from 25% to 20% the minimum revaluation phase-in factor for municipalities opting to phase in a portion of a revaluation increase, which allows them to phase-in up to 80%, rather than 75%, over a maximum of five assessment years; and
2. Shifts the requirement to certify to OPM the revenue loss associated with the property tax exemption for totally disabled homeowners from tax collectors to assessors.
3. Extends the deadline for renters applying for the Renters' Rebate Program. Applicants will now have until September 30, rather than October 1, to submit their applications and may no longer apply to OPM for an extension by November 15, thus streamlining and application process and not compressing the deadlines.



Bills signed by the Governor

HB 5474 - PA 24-143 AN ACT CONCERNING MUNICIPAL APPROVALS FOR HOUSING DEVELOPMENT, FINES FOR VIOLATIONS OF LOCAL ORDINANCES, REGULATION OF SHORT-TERM RENTALS, RENTAL ASSISTANCE PROGRAM ADMINISTRATION, NOTICES OF RENT INCREASES AND THE HOUSING ENVIRONMENTAL IMPROVEMENT REVOLVING LOAN AND GRANT FUND

This act is the omnibus municipal act that encompasses many of the individual municipal proposals that were drafted by committees during the committee process. The idea this session, as is past practice, is to consolidate many proposals into one bill.

Among a number of other initiatives, this act includes language on fixed property tax assessments by (1) increasing the maximum duration of a freeze from 10 to 30 years and (2) allowing them to freeze the assessments on personal property, rather than only real property.



PA 24-143 Continued (HB 5474 & 5477)

CAAO had raised concerns with this provision which was originally in **HB 5477** – WHICH DID NOT PASS. However, understanding this language had the support of the new Hartford Mayor and Speaker Ritter, CAAO did not testify in opposition to this expansion.

However, CAAO testified in opposition to the section that would have expanded eligibility for tangible personal property tax exemptions for businesses by exempting property for 10 full assessment years, if it had an original value of \$1,000 or less, instead of the current \$250 or less. This language was struck from the final bill.



Bills signed by the Governor

HB 5524 - PA 24-151 AN ACT AUTHORIZING AND ADJUSTING BONDS OF THE STATE AND CONCERNING PROVISIONS RELATED TO STATE AND MUNICIPAL TAX ADMINISTRATION, GENERAL GOVERNMENT AND SCHOOL BUILDING PROJECTS

This act is the omnibus bonding/finance package that incorporates many of the bills that did not pass both chambers prior to the final day of session.

Of interest to CAAO, included in this act:

It increases the cap on the local option property tax exemption for (1) farm machinery, from \$100,000 to \$250,000 in assessed value and (2) certain farm buildings from \$100,000 to \$500,000 in assessed value.

It allows municipalities to provide a partial property tax exemption for certain owner-occupied primary residences. **Local Homestead Exemption**

It permits Stratford and Derby, with each legislative body's approval, to delay a revaluation scheduled for 2024 to the 2025 assessment year.



HB 5524 - PA 24-151 Continued

It establishes conditions under which certain people who filed a property tax assessment appeal with the Superior Court from July 1, 2022, but before July 1, 2024, and had their appeal dismissed, could bring another appeal to court.

Finally, the act requires municipalities to assess certain properties **exclusively** used for housing low and moderate income households based on the capitalized value of net rental income, rather than fair market value. This may result in revenue losses to municipalities.



Bills signed by the Governor

SB 435 - PA 24-70 AN ACT CONCERNING THE DESIGNATION OF FARMLAND AND OPEN SPACE LAND AND REVISIONS TO THE CONNECTICUT ENTITY TRANSACTIONS ACT

This was a CT Farm Bureau proposal that had the support of the DoAg. The act changes who approves local farmland assessments and open space assessments from the current practice of the assessor to that of the Commissioner of Agriculture.

CAAO testified against this bill. DoAg advocates for farmland designation. Wouldn't this be an inherent conflict? The statute change also fails to offer an appeal to superior court when property owners are aggrieved.



Bills of Importance to CAAO That Failed

HB 5395 - AN ACT REQUIRING DISCLOSURE OF MASS REAL PROPERTY APPRAISAL METHODS

This bill would have required assessors to provide a description of the mass appraisal method used to conduct a real property revaluation upon request of the owner of such real property. This information is available in the office for public inspection, providing the 500+ page book is duplicative.

HB 5393 - AN ACT CONCERNING CERTAIN ADJUSTMENTS TO GROSS ASSESSMENTS OF TAXABLE REAL PROPERTY

This was Rep Carol Hall's of Enfield proposal to address the situation between the Assessor, residents and the BAA. It sought to limit when local property tax assessors can increase or decrease gross property tax assessments following a board of assessment appeals' (BAA) modification of an assessment. The bill failed on a House roll call, a rarity.



Bills of Importance to CAAO That **Failed**

HB 5514 - AN ACT CONCERNING AN ADDITIONAL TAX REDUCTION FOR ELIGIBLE HOMEOWNERS UNDER THE CIRCUIT BREAKER PROPERTY TAX RELIEF PROGRAM

This proposal sought a tax reduction for this current fiscal year for homeowners who qualify for the property tax relief program under section 12-170aa of the general statutes. CAAO supported municipal representative's concerns on revenue loss.



Bills of Importance to CAAO That **Failed**

SB 450 - AN ACT PHASING IN THE EXEMPTION OF MOTOR VEHICLES FROM PROPERTY TAX AND INCREASES IN THE UNIFORM PROPERTY ASSESSMENT RATE

Sen. MD Rahman proposed this bill as a phase in approach to eliminate the property tax on motor vehicles. The bill also included Sen. Looney's proposal to increase the universal assessment rate from 70% to 90%. These two proposals were included in other bills throughout the session. Sen. Rahman ultimately had the phase out included in **HB 5172** that failed.

CAAO did not testify and leave it up to the municipal lobbying organizations and their members to oppose the bill.



Bills of Importance to CAAO That **Failed**

SB 225 - AN ACT CONCERNING PERSONAL PROPERTY TAX EXEMPTIONS FOR MOTOR VEHICLES USED EXCLUSIVELY FOR FARMING

This bill would have qualified motor vehicles for the farm machinery property tax exemption. Current law exempts up to \$100,000 of farm machinery (now up to \$250,000) for eligible farmers but specifically **excludes** motor vehicles.

