76th C.A.A.O School - 2019

Legislative Update

THE BUDGET BILL H.B. 7424

- Miraculously, the Budget Bill was passed on time (ie: before the end of the session)
- However, it is 567 pages long, and was just available on-line yesterday.
- Consequently, it has not been completely analyzed.
- From what I could ascertain, it does not contain anything which directly affects Assessors.
- Also, Finance Directors will be glad to know that various grants to Municipalities seem unchanged for the bi-ennium

BILLS ABOUT VETERAN'S EXEMPTIONS.

<u>HB5293</u> To increase the amount of a property tax exemption a municipality may provide to certain disabled veterans.

HB5294 An Act Providing For A Freeze Or Reduction On Property Taxes For Qualified Disabled Veterans.

<u>HB5569</u> To assist disabled veterans by increasing the property tax exemption municipalities are allowed to provide to certain disabled veterans.

HB5669 To increase the property tax exemptions for homes and motor vehicles owned by disabled veterans.

<u>HB5671</u> To require municipalities to provide a property tax exemption to eligible Gold Star parents and surviving spouses.

<u>SB427</u> An Act Concerning Cold War Veterans. -To recognize veterans who served during the Cold War.

<u>SB428</u> An Act Eliminating The Requirement To Reapply For Property Tax Reductions For Certain Disabled Veterans.

<u>SB783</u> An Act Concerning The Verification Of Eligibility For Certain Veterans' Property Tax <u>Exemptions.</u> -To streamline the process by which a veteran's age, disability and veteran status are verified for purposes of determining such veteran's eligibility for certain property tax exemptions.

<u>HB7059</u> An Act Concerning Veterans' Property Tax Exemptions. -To allow veterans to exempt from their local property taxes an amount in proportion to their disability rating.

BILLS ABOUT SENIOR'S EXEMPTIONS

HB5624An Act Lowering The Age For Property Tax Relief For Elderly Persons.To increase the number of senior citizens eligible for property tax relief.(Local freeze – 70 to 65)SB-562 also died.

HB5641 An Act Concerning Municipal Participation In The Circuit Breaker Tax Relief Program. To provide for municipal relief by allowing a municipality to elect not to participate in the tax relief program under section 12-170aa of the general statutes following a reduction in reimbursement or a lack of funds for grants payable to municipalities under said section.

HB6125 An Act Concerning Individuals Age Sixty-five And Older And The Real Property Tax. -To freeze the property tax for individuals age sixty-five and older.

SB176 An Act Concerning The Property Tax Assessed On Certain Seniors. -

To provide property tax relief for certain seniors.

(1) provide that the property tax be frozen for a taxpayer who has attained the age of sixty-seven and who has resided in the same municipality for forty or more consecutive years, and

(2) allow a taxpayer who has attained the age of seventy-one to choose a motor vehicle owned by such taxpayer that shall thereafter be exempt from the property tax.

SB181 An Act Establishing A Revolving Loan Fund To Assist Elderly Homeowners With Property Taxes. - To provide financial relief to elderly homeowners who fall behind on their tax payments.

SB524 An Act Concerning Guidelines For Determining An Elderly Or Disabled Homeowner's Eligibility For Certain Tax Relief. -

To require assessors to comply with guidelines established by the Office of Policy and Management when determining an elderly or disabled taxpayer's eligibility for tax relief pursuant to said section, in order to prevent arbitrary denial of tax relief.

<u>SB525</u> An Act Increasing The Qualifying Income Threshold Levels For The Circuit Breaker Tax Relief <u>Program.</u>-To increase the qualifying income threshold levels for the tax relief program under section 12-170aa of the general statutes to forty-five thousand dollars for unmarried homeowners and sixty thousand dollars for married homeowners.

SB615 An Act Increasing The Qualifying Income Threshold Levels For The Circuit Breaker Tax Relief Program For Homeowners Receiving Home Health Care Services. -To increase the qualifying income threshold levels for the tax relief program under section 12-170aa of the general statutes for homeowners receiving home health care services.

BILLS TARGETING FIRST RESPONDERS

<u>HB6124</u> An Act Concerning The Property Tax Abatement For Certain First Responders. -To increase the amount of property tax abatement a municipality may provide to certain first responders. (\$1,000 to \$3,000 - Also HB-5125 only to \$1,500 – still alive)

<u>SB486</u> An Act Concerning Affordable Housing For First Responders. -To increase affordable housing options for first responders who wish to reside in the municipality in which they work.

SB276 An Act Concerning Affordable Housing For Volunteer Firefighters. – To allow municipalities to establish affordable housing options for active members of a volunteer fire company.

SB541 An Act Concerning Affordable Housing For Volunteer Firefighters. -To establish firefighter villages in order to facilitate the participation of members of volunteer fire departments in providing fire response services in a municipality.

BILLS ABOUT MOTOR VEHICLES

HB5461 An Act Requiring Motor Vehicle Registration Within Thirty Days Of Registering A Child In School. - To require an owner of a motor vehicle that is registered in another state to register such vehicle with the Commissioner of Motor Vehicles within thirty days of registering a child in a public school located in this state.

HB5554 An Act Concerning The Registration Of Motor Vehicles By Residents Who Enroll A Child In A Public School. -

To require certain individuals to register their motor vehicles not later than ten days after establishing residence in this state.

HB5462 An Act Requiring The Registration Of Certain Motorized Vehicles. -To require the registration of any motorized vehicle with a motor having a capacity of more than fifty cubic centimeters piston displacement with the Commissioner of Motor Vehicles.

HB5663 An Act Concerning The Enforcement Of Motor Vehicle Registration. -

To enforce motor vehicle registration in the state.

HB5929 An Act Concerning A Study Of Regulations Adopted By The Department Of Motor Vehicles. -

To modernize and streamline regulations adopted by the Department of Motor Vehicles.

HB5741 An Act Concerning Unregistered Motor Vehicles. -

To permit municipalities to levy fines and impose liens against the owners of motor vehicles not registered in this state that are subject to property tax in this state.

HB5930 An Act Concerning The Duration Of A Motor Vehicle Operator's License And Motor Vehicle Registration. -

To permit the Commissioner of Motor Vehicles to issue a motor vehicle operator's license for a period of eight years and to increase the duration of motor vehicle registration to three years. (But see HB 7201)

HB6974 An Act Concerning The Duration Of Motor Vehicle Registration. -To increase the duration of motor vehicle registration to three years. (But see HB 7201)

SB711 An Act Permitting The Collection Of The Motor Vehicle Property Tax By New And Used Car Dealers. - To facilitate and increase the collection of motor vehicle property taxes.

SB431 An Act Concerning Property Tax Reform. That the general statutes be amended to

(1) establish a fifty- thousand-dollar homestead exemption to be applied to assessed value of one-to-four family owner-occupied residences;

(2) establish a one mill state-wide tax on real property with an adjustment for the homestead exemption;

(3) repeal the municipal property tax on motor vehicles;

(4) enact a state-wide motor vehicle tax of at least fifteen mills, but not more than nineteen mills;

(5) apply the receipts of the state-wide taxes established in subdivisions (2) and (4) of this section to (A) fund PILOT program reimbursements to municipalities, (B) increase special education grants to municipalities, and (C) apply remaining funds to education and alliance district grants; and
(6) exempt the first twenty-five thousand dollars of assessed value of business personal property from municipal property tax.

HB5126 An Act Concerning The Assessment Of Real Property Used For Rental Income. – C.A.A.O. OPPOSED To eliminate the use of certain information in the assessment of real property used for rental income. (Income & Expense)

HB6123 An Act Concerning Municipal Tax Appeals And Contingency Agreements. – C.A.A.O. SUPPORTED

To require persons representing property owners or lessors in certain appeals concerning real property assessments to be either attorneys or certified or provisionally licensed real estate appraisers and to prohibit certified or provisionally licensed real estate appraisers from entering into contingency fee agreements in such appeals.

HB5885 An Act Concerning The Recovery Of Attorney's Fees And Costs In Actions For Wrongful Property Tax Assessment. – C.A.A.O. OPPOSED To permit the recovery of attorney's fees and costs in successful actions for wrongful property tax assessment.

HB5884 An Act Concerning Property Tax Exemptions For Real Property Used For Charitable Purposes And The Recovery Of Certain Fees And Damages In Wrongful Property Tax Assessment Actions. -

To clarify the property tax exemptions for real property used for charitable purposes to provide guidance to boards of assessors and to permit the recovery of attorneys' fees and compensatory damages in successful actions for wrongful property tax assessment.

SB1120 An Act Concerning The Mill Rate For Real Property And Motor Vehicles Owned By Certain Utility Companies And Establishing A Property Tax Exemption For Certain Items Warehoused In The State By Such Companies.

To establish a uniform mill rate of fifteen mills for real property and motor vehicles owned by certain utility companies, and to provide a property tax exemption for certain wires, poles, pipes or other fixtures warehoused in the state until such items are installed or used in the state.

HB6745 An Act Allowing Different Mill Rates For Residential And Commercial Property. To allow municipalities to set a different mill rate for residential property and commercial property.

<u>HB6264</u> An Act Concerning The Prorating Of Certain Taxes Paid By A Business Entity <u>That Closes.</u> - To require certain taxes paid by a business entity that closes be prorated to the date the business entity closes.

<u>SB363</u> An Act Exempting Office Supplies From Being Subject To The Property Tax. -To exempt office supplies from being subject to the property tax.

SB429 An Act Concerning Residential Net Electric Metering. -To repeal new residential net electric metering programs to continue to use existing residential net electric metering programs. "That sections 16-243h and 16-244z of the general statutes be amended to repeal

new residential net electric metering programs established in P.A. 18-50."

<u>SB788</u> An Act Allowing Municipalities To Impose A Property Tax On Certain Facilities. -To create more revenue options for municipalities with a large percentage of properties that are exempt from property tax.

That the general statutes be amended to allow municipalities to impose a property tax on outpatient hospital facilities that generate income for hospitals.

HB7046 An Act Allowing Municipalities To Impose A Service Charge On Nonprofit Organizations For Municipal Services Provided. To allow municipalities to impose a service charge on nonprofit organizations located in the municipality for municipal services provided to such organizations.

HB6525 An Act Concerning The Property Tax Exemption For Certain Health Care Institutions. -

To specify that nursing homes described in subsection (o) of section 19a-490 of the general statutes remain eligible for the property exemption, and to exempt from the property tax residential community locations at which an assisted living service agency provides services.

HB5890 An Act Concerning The Reassessed Value Of A Residential Building With A Foundation Made With Defective Concrete. -

To allow an owner to request and require a municipality to apply retroactively the reassessed value of a residential building with a foundation made with defective concrete to the date such owner purchased or received such building.

HB5677 An Act Concerning Payments In Lieu Of Taxes To Municipalities For Manufacturing Machinery And Equipment. -

To assist municipalities with the cost of providing the manufacturing machinery and equipment exemption, provide property tax relief and encourage growth in manufacturing. (Reimbursed @100%)

HB6605 An Act Concerning Transfers And Conveyances Of Brownfields Designated As Special Taxing Districts. -To adopt specific language regarding transfer and conveyance of brownfields designated as special taxing districts.

<u>SB550</u> An Act Concerning Geographic Information Systems. -To make geographic information system tools and software available at low cost to municipalities.

<u>SB571</u> An Act Establishing An Enterprise Zone In The Town Of Plymouth. -To encourage economic development in the town of Plymouth.

HB6553 An Act Establishing A Local Property Tax Exemptions Task Force. -To establish a task force to review and revise local property tax exemptions. Other Bills That DIDN'T Pass (Not necessarily Assessment Related)

HB5773 An Act Concerning Portions Of The State Budget Appropriating Aid To Municipalities.

To provide predictability to municipalities when determining their budget. Also <u>HB5778</u> and <u>HB5959</u>.

All three Bills proposed that Aid to Municipalities be decided by April 1.

<u>SB515</u> An Act Permitting The Online Publication Of Legal Notices By Municipalities. To permit municipalities to publish legal notices on the Internet web sites of such municipalities.

<u>SB553</u> An Act Concerning The Publication Of Legal Notices By Municipalities. To permit municipalities to publish legal notices on municipal or state Internet web sites.

HB 5644: An Act Concerning The Depreciation Schedule For Commercial Construction Equipment.

To include commercial construction equipment registered with the Department of Motor Vehicles in the schedule of depreciation a municipality may adopt for certain tangible personal property. HB 7368: An Act Concerning The Use Of Mass Appraisal Software.

To make a technical correction. (Basically allowing one vendor to use another vendor's software without charge).

SB 928: An Act Concerning The Tax Exemption For Real Property Used For Certain Purposes.

To permit the recovery of reasonable attorney's fees in successful actions for wrongful property tax assessment.

Big win for CAAO However, expanding exemption of taxation and fees on nonprofits will be back.

SB 1141: An Act Concerning Municipal Capacity And Property Tax Reform.

To implement various initiatives to improve municipal capacity and establish a local sales tax and dedicate the revenue to such initiatives.

HB 5540: An Act Establishing A Municipal Option To Provide Property Tax Relief To Residents Who Are Unable To Live In Their Homes Due To A Natural Disaster Or Evacuation Order.

To permit municipalities to establish programs of property tax relief for residents unable to live in their homes due to a natural disaster or an evacuation order or declaration of a state of emergency or disaster.

HB 5541: An Act Authorizing The Waiver Of Certain Penalties Related To A Grand List Exemption.

To permit the town of Bloomfield to waive a late filing penalty and restore a grand list tax exemption for which a corporation is otherwise qualified.

HB 6120: An Act Concerning The Failure To File For Certain Grand List Exemptions...

To allow (1) certain persons to file for property tax exemptions, notwithstanding certain statutory deadlines, in New Haven, Fairfield and Windsor and...

HB 6292: An Act Concerning Motor Vehicle Tax Assessments For Certain Owners Of Rental Property.

To allow a landlord to produce certain documents to prove such landlord is not residing at a rental property owned by such landlord for purposes of contesting motor vehicle tax assessments.

HB 6335: An Act Concerning Land Use Appeals.

To streamline the process involving withdrawal or settlement of a land use appeal.

HB 6356: An Act Concerning Payments In Lieu Of Taxes For State Housing Authority Properties.

To provide municipalities with payment in lieu of taxes for state housing authority properties.

HB 7206: An Act Expanding The Property Tax Exemption For Certain Renewable Energy Sources And Hydropower Facilities.

To establish a property tax exemption for certain renewable energy sources and hydropower facilities.

HB 7408: An Act ConcerningAnd A Property Tax Exemption For Machinery And Equipment, And Enterprise Zones.

... and a study of the property tax exemption for machinery and equipment under subdivision (76) of section 12-81 of the general statutes, and authorize municipalities to opt out of certain provisions related to enterprise zones.

SB 526: An Act Requiring A Study Concerning The Creation Of A Municipal Option To Amend The Municipal Fiscal Year To Align With The Federal Fiscal Year.

To require the Secretary of the Office of Policy and Management to conduct a study concerning the creation of a municipal option to amend the municipal fiscal year to align with the federal fiscal year.

SB 777: An Act Requiring A Study Of Veterans' Tax Abatements.

SB 1012: An Act Concerning Certain Municipal Property Tax Appeals And Contingency Agreements For Expert Testimony In Such Appeals.

To prohibit an expert witness other than a certified public accountant from offering testimony concerning the value of real property in a property tax assessment appeal if such witness is compensated on a contingency basis for such testimony.

SB 1139: An Act Eliminating Property Tax On Certain Motor Vehicles And Adjusting The Uniform Property Assessment Rate.

To eliminate the property tax on certain motor vehicles and adjust the uniform property assessment rate.

Remember, this is just a summary. It was a long session, and all may not yet be revealed. In fact, this differs from the physical presentation at Uconn because of a couple fixes discovered later. In the last two days of the session The Senate passed 95 Bills! The House passed 98 Bills! Read the entire Bill (Public Act) on the Legislation Tracker. There's a link on the CAAO home page. None of these Bills are signed by the Governor, or even have Public Act numbers at this point.

An Act Increasing The Property Tax Abatement For Certain First Responders.

To increase the property tax abatement for certain first responders from one thousand dollars to one thousand five hundred dollars, and then \$2,000.

Passed both the House and the Senate. Would increase the property tax exemption for active and retired volunteer emergency personnel from \$1,000 to \$1,500 for FYs 20 & 21, and from \$1,500 to \$2,000 for FY 22 and thereafter.

AN ACT CONCERNING CRUMBLING CONCRETE FOUNDATIONS.

To (1) require the Commissioner of Housing to establish a grant program to support the development of methods and technologies that reduce the average cost of repairing and replacing concrete foundations in this state that have deteriorated due to the presence of pyrrhotite, (2) establish an innovation board to review applications for grants filed as part of such program, (3) appropriate the sum of eight million dollars to fund grants awarded as part of such program, (4) modify the Healthy Homes Fund surcharge, and (5) redefine the term "residential building" as such term applies to various statutes concerning crumbling concrete foundations.

AN ACT CONCERNING MUNICIPAL AND REGIONAL OPPORTUNITIES AND EFFICIENCIES.

While this Bill did pass, the language referring to Revaluation Zones, and to Assessment Information being handled by the COGs, was stripped out.

Discussions between OPM, the COGs, and representatives of CAAO are ongoing in order to come to an agreement on how to handle various items, in order to better serve the public and State government.

AN ACT CONCERNING THE CONVENIENCE OF ACQUIRING MOTOR VEHICLE LICENSES AND REGISTRATIONS.

- This Bill allows for:
- Two or Three year registrations.
- Six or Eight year licenses.
- At the option of the registrant/licensee.
- This should really cloud the information being forwarded to the COGs!

AN ACT CONCERNING THE PROPERTY TAX EXEMPTION FOR SERVICE MEMBERS & VETERANS HAVING DISABILITY RATINGS. To increase the property tax exemption amounts for veterans having a disability rating and require the filing of a death certificate with the town

assessor to continue such exemption for a surviving spouse or minor children after the veteran's death.

Bumps up the disability exemption in 12-81(20) by \$500 per category.

The death certificate requirement, while in the title, does not appear in the body of the Bill that was passed.

House Bill 7277 (not really ours, but...)

AAC THE CREATION OF LAND BANK AUTHORITIES.

To permit municipalities to establish land bank authorities for the purposes of acquiring real property, maintaining any such real property and disposing of any such real property within such municipalities.

Section 1. (NEW) (Effective from passage) (a) As used in this section: (1) "Land bank authority" means a charitable nonstock corporation established by a municipality, or by two or more municipalities, for the purposes of acquiring real property, maintaining any such real property and disposing of any such real property within such municipality or municipalities, as applicable;

(2) Commencing on October first immediately following the conveyance of any interest in real property by a land bank authority, and annually thereafter for five years, fifty per cent of the taxes collected by a municipality pursuant to state law on any such interest so conveyed shall be remitted to such authority by such municipality.

AN ACT CONCERNING THE FAILURE TO FILE FOR A GRAND LIST EXEMPTION and MORE

Allows a New London taxpayer to file for an exemption on the 2017 GL, with all the usual restrictions.

Specifies that an application for extension to file a Personal Property Declaration must be made in writing on or before the 1st of November, including by electronic filing <u>IF</u> the municipality agrees.

Also allows exemptions to be applied for in Bloomfield (2017 GL), New Haven (2017 GL), Fairfield (2017 GL) and Windsor (2018 GL) which exceptions were in other Bills that were not approved.

Senate Bill 140

AN ACT EXPANDING ELIGIBILITY FOR TAX RELIEF FOR CERTAIN ELDERLY HOMEOWNERS.

C.G.S. 12-170aa is amended to include property held in trust "for any (A) owner of real property, including any owner of real property held in trust for such owner, provided such owner or such owner and such owner's spouse are the grantor and beneficiary of such trust, (B) tenant for life or tenant for a term of years liable for property tax under section 12-4"

Senate Bill 527

AN ACT PERMITTING MUNICIPALITIES TO COMBINE THE PROPERTY ASSESSMENTS OF MULTIPLE ELECTRIC GENERATING FACILITIES.

(d) Any existing electric generating facility, the construction of which is completed before July 1, 1998, and any new electric generating facility, the construction of which is completed after July 1, 2019, which new electric generating facility is constructed at the same location as such existing electric generating facility, may be treated collectively as one combined electric generating facility for the purposes of section 32-71 as if such combined electric generating facility were located in an enterprise zone and used for commercial or retail purposes. Notwithstanding the provisions of section 32-71, upon the approval, either before or after July 1, 2019, of the legislative body of the municipality in which such combined electric generating facilities before, during and after the construction period of such new electric generating facility, provided such assessments or taxes as so fixed represent an approximation of the projected tax liability of such combined electric generating facility, provided such assessments value as determined by the municipality upon the exercise of its best efforts.

Senate Bill 833 (one for the Transfer Clerk)

AN ACT CONCERNING VALIDATION OF CONVEYANCE DEFECTS ASSOCIATED WITH AN INSTRUMENT THAT WAS EXECUTED PURSUANT TO A POWER OF ATTORNEY.

Any deed, mortgage, lease, release, assignment or other instrument made for the purpose of conveying, leasing, mortgaging or affecting any interest in real property in this state recorded after January 1, 1997, which instrument is executed pursuant to a power of attorney, but which power of attorney is not recorded on the land records of the town or towns where the instrument is recorded, is as valid as if the power of attorney had been recorded, (with some exceptions – read them in the Bill)

Senate Bill 861

AN ACT CONCERNING THE DEFINITION OF "SERVICE IN TIME OF WAR" AND STATE RESIDENCY REQUIREMENTS FOR CERTAIN VETERANS' SERVICES.

This changes the wording of the definition slightly, but I think it keeps the same intention.

It also removes the requirement that a State resident has to have resided in the State for two years, if they were not a resident at time of enlistment.

Senate Bill 882 (Doesn't affect office, but some employees)

AN ACT CONCERNING MUNICIPAL ARBITRATION AND THE MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM.

(Currently) Each member shall contribute to the fund five per cent of his pay as to that portion of pay with respect to which contributions are not to be deducted under section 7-453 and two and one-quarter per cent as to that portion of pay with respect to which contributions are to be so deducted.

For the fiscal year beginning July 1, 2019, rises to 6% and 3¼ % For the fiscal year beginning July 1, 2020, rises to 7% and 4¼ % For the fiscal year beginning July 1, 2021, rises to 8% and 5¼ %

Senate Bill 924

AN ACT IMPLEMENTING THE DEPARTMENT OF MOTOR VEHICLES RECOMMENDATIONS REGARDING MOTOR VEHICLE REGISTRATION NOTICE, THE INTERNATIONAL REGISTRATION PLAN, CARRIERS, THE MEDICAL ADVISORY BOARD AND OTHER MOTOR VEHICLE STATUTES.

Sec. 14. (Effective from passage) (a) There is established a task force to study compliance with motor vehicle registration laws and make recommendations to prevent Connecticut residents from registering motor vehicles in another state while residing in Connecticut.

(b) The task force shall consist of the following members:

Senate Bill 924 (continued)

(1) Two appointed by the speaker of the House of Representatives, one of whom is a member of an association that represents municipal tax assessors

(3) One appointed by the majority leader of the House of Representatives, who is a municipal tax assessor that serves a municipality with seventy-five thousand residents or more;

(6) One appointed by the minority leader of the Senate, who is a municipal tax assessor that serves a municipality with less than seventy-five thousand residents;

There are twelve members in all, and CAAO has three.

Special Session Resolution

Resolved by this Assembly:

That pursuant to Article III of the amendments to the state constitution, and Rule 33 of the Joint Rules of this session, we the members of this General Assembly judge it necessary that there be a special session of the General Assembly, that said session be convened not earlier than 12:01 a.m. on June 6, 2019, and that the call of the session be solely for the purposes of considering and enacting bills concerning (1) state bond authorizations and their underlying programs and projects, and (2) school construction.

Well, that's all from me.

Don't forget – This is only a summary, put together yesterday, trying to make sense of what happened on Wednesday, prior to midnight. I would suggest that you read the Bills themselves to get all the details.

Larry will post the Powerpoint on the C.A.A.O. website shortly.

However, there is usually something that might have gotten missed. If it's anything drastic, I'm sure there will be a Hotline announcement.

Meanwhile, try not to think about it and have a great Summer!

See you next year!