

TOWN OF SCOTLAND



Board of Assessment Appeals 9 Devotion Road, P.O. Box 122 Scotland, CT 06264 Town Hall

September 13, 2022, 6:00 pm

Minutes

1. Call to Order – The meeting was called to order at 6:00 pm. All members were in attendance: Peter Reardon, Stephanie Abraham and Kevin Benito.
2. Hearing of Motor Vehicle Appeals on the Grand List of 2021 – There were no appeals.
3. Discussion and Decisions on Hearings – No hearings held so not applicable.
4. Other Business
 - Set meeting schedule for 2023. The meeting dates for 2023 are: Tuesday, March 14, 2023 at 6:00 pm and Tuesday, September 12, 2023 at 6:00 pm.
 - The Assessor provided board members with selected pages from an Office of Legislative Research report dated June 28, 2022, “Acts Affecting Taxes.” The selected pages summarized legislation affecting municipal assessment that was passed during the 2022 legislative session of the General Assembly. The pages are attached to these minutes.
5. Adjournment – The meeting adjourned at 6:45 pm.

Prepared 9/13/2022, by KJF



Acts Affecting Taxes

By: Rute Pinho, Chief Analyst
June 28, 2022 | 2022-R-0121

Responsible Party Penalty for Withholding Tax

By law, anyone required to collect, truthfully account for, and pay over Connecticut personal income tax who willfully fails to do so, or who willfully attempts to evade or defeat the tax or its payment, is liable for a penalty equal to the total amount of tax evaded or not collected, accounted for, or paid over. A new law additionally makes them liable for any penalty or interest attributable to these actions ([PA 22-117](#), § 1, effective upon passage).

Statute of Limitations on Collection Actions

New legislation generally prohibits the DRS commissioner from collecting a tax after 10 years (1) from the date the tax was reported on a return filed with DRS or (2) in the case of an assessment, from the date the assessment became final. The 10-year statute of limitations does not apply to any taxes (1) for which the commissioner has entered into a compromise or closing agreement or (2) that have been secured by recording a lien on taxpayer's real or personal property ([PA 22-117](#), § 31, effective upon passage).

Tax Return Information in Connection With Criminal Investigations

This session, the legislature authorized DRS special police, in connection with their official criminal tax investigation duties and the enforcement of any state criminal law, to disclose return information if doing so is necessary to obtain information that is not otherwise reasonably available. It also established conditions under which the DRS commissioner may disclose tax returns and return information to authorized members of organized local police departments upon a written request by the department's police chief ([PA 22-117](#), §§ 6 & 7, effective upon passage).

Property Tax

Add-On Bills After a Property's Transfer

New legislation gives tax collectors 30 days, instead of 10, to send out add-on tax bills in situations where a change in property ownership affects a tax exemption or abatement. It applies the new 30-day timeframe to tax bills sent out following the transfer of property that is the subject of relief under (1) the Freeze Tax Relief Program, (2) the Circuit Breaker Program, or (3) any other provision that made it tax-exempt or eligible for an abatement prior to the transfer ([PA 22-74](#), §§ 12, 13 & 16, effective July 1, 2022).

Assessment of CRDA Apartments

A new law expands the Capital Region Development Authority (CRDA) apartment properties that are treated as residential property for property tax assessment purposes and thus qualify for a lower

assessment ratio. Under prior law, this property tax treatment applied to apartments CRDA constructed or converted in the statutorily designated Capital City Economic Development District. It now applies to CRDA apartments throughout Hartford ([PA 22-146](#), § 10, effective October 1, 2022, and applicable to assessment years beginning on or after that date).

Assessors' Denial of Exemptions

This session, the legislature passed a law requiring assessors, upon denying a property tax exemption application, to mail a written notice of the decision to the applicant's last known address and include with it (1) the gross assessed value of the property; (2) the amount of any exemption granted; (3) the net taxable property value; and (4) a statement that the assessor's decision is appealable ([PA 22-74](#), § 10, effective October 1, 2022, and applicable to assessment years beginning on or after that date).

Child Care Center Tax Abatement

New legislation authorizes a local option property tax abatement for property (1) used for operating a child care center, group child care home, or family child care home and (2) owned by the person, persons, association, organization, corporation, institution, or agency holding the child care license. Municipalities may abate up to 100% of property taxes due on the property for up to five tax years. They may establish the program by vote of their legislative bodies, or board of selectmen where the town meeting is the legislative body ([PA 22-81](#), § 13, effective October 1, 2022, and applicable to assessment years beginning on or after that date).

Deferral of Property Tax Revaluations for Certain Towns

By law, municipalities must conduct a real property revaluation every five years by October 1. A new law authorizes ten specified municipalities to defer implementing their revaluations by one year. It allows Danbury, Orange, Wilton, and Stamford to defer their 2022 revaluations until the 2023 assessment year, and Barkhamsted, Norfolk, Norwalk, Suffield, Willington, and Windsor Locks to defer their 2023 revaluations until the 2024 assessment year. Municipalities that implement the deferral must conduct subsequent revaluations according to their original schedules required by law ([SA 22-6](#), effective upon passage).

Delinquent Property Tax Interest Waiver

A new law authorizes municipalities, by vote of their legislative body, to waive any delinquent property tax interest accrued during specified periods by social or recreational clubs that are 501(c)(7) tax-exempt organizations. Under the new law, municipalities may waive (1) interest that

accrued from June 30, 2019, to June 30, 2022, and (2) future interest that may accrue from July 1, 2022, to July 1, 2027 ([PA 22-146](#), § 9, effective upon passage).

Exemption Deadline Waivers

Taxpayers in nine municipalities (Danbury, Groton, Madison, Manchester, Middletown, New Haven, Watertown, West Hartford, Windsor Locks) may now claim a property tax exemption for specified property and grand lists even though they missed the filing deadline ([SA 22-20](#), effective upon passage).

Exemptions for EV Charging Stations and Zero-Emission School Buses

New legislation exempts from property tax (1) level two electric vehicle (EV) charging stations located on commercial or industrial property, (2) EV charging stations located on residential property, (3) refueling equipment for fuel cell electric vehicles, and (4) zero-emission school buses ([PA 22-25](#), § 6, effective October 1, 2022, and applicable to assessment years starting on or after that date).

Homeownership Incentive Program

A new law modifies a homeownership incentive program authorized for Hartford that provides tax incentives to residents meeting specified criteria. Specifically, it (1) limits the tax benefits provided under the program to a 100% income tax exemption and (2) expands the areas Hartford must designate for the program from two census blocks to at least two census tracts ([PA 22-146](#), § 8, effective October 1, 2022).

Local Authority to Fix Assessments

This session, the legislature made a change to the law allowing municipalities to fix assessments for up to 10 years on real property or air space undergoing improvements for various purposes, including office, manufacturing, or retail uses; multifamily housing; or transportation or parking facilities. Under the new law, in municipalities where the legislative body is a town meeting, the board of selectmen, if they have been authorized by ordinance, may enter into these fixed assessment agreements ([PA 22-72](#), effective October 1, 2022).

Local Option Property Tax Exemption for Veterans

The legislature established a new local option property tax exemption for income-qualifying veterans' primary residences. Local option exemptions under existing law generally have a lower allowable income threshold or more restrictive eligibility requirements than that in the act

establishing the new exemption. Under the new law, the exemption (1) is available to veterans with up to \$50,100 in federal adjusted gross income and (2) equals 10% of the assessed value of a dwelling a veteran owns and uses as a primary residence ([PA 22-34](#), § 33, effective October 1, 2022).

Motor Vehicle Mill Rate Cap

Beginning in FY 23, a new law decreases the motor vehicle mill rate cap from 45 to 32.46 mills. It also adjusts the reimbursement formula for motor vehicle property tax grants, also referred to as municipal transition grants, which are designed to reimburse municipalities for a portion of the revenue loss attributed to the motor vehicle mill rate cap. The new law correspondingly authorizes municipalities and districts that set their FY 23 motor vehicle mill rate before the law's passage to revise them before June 15, 2022 ([PA 22-118](#), §§ 413-414, effective upon passage).

Motor Vehicle Property Tax Valuations and Billing

Beginning with the 2023 assessment year, new legislation revamps the processes by which municipalities determine taxable motor vehicles' values and bill for property taxes on them. It principally requires municipalities to value motor vehicles as a percentage of the manufacturer's suggested retail price (MSRP), based on a 20-year depreciation schedule. Under the law, vehicles that are 20 or more years old must be valued at no less than \$500 and assessors must determine the value of vehicles for which the MSRP is unavailable. (Motor vehicle values are currently determined annually according to a schedule of values recommended by the Office of Policy Management (OPM), generally the National Automobile Dealers Association's appraisal guide, which is largely based on auction and retail sales data.)

The new valuation method applies to motor vehicles that are (1) registered with the Department of Motor Vehicles (DMV), (2) unregistered or unusable and located in this state, (3) commercial trucks meeting certain size and use requirements, or (4) included in a new OPM-established plate class created by the law.

The new law also, among other things, modifies the timeline for supplemental property taxes due on motor vehicles registered after the start of each assessment year and subjects vehicles registered in August and September to tax for those months ([PA 22-118](#), §§ 497-509, effective July 1, 2022, with most provisions applicable to assessment years starting on or after October 1, 2023).

Municipal Assessment, Tax Collection, and Finance Personnel

A new law broadly authorizes the OPM secretary to make recommendations about assessor, tax collector, and municipal finance officer training programs to support these career pathways. It also

requires the committees on tax collection personnel training, examination, and certification and assessment personnel training, examination, and certification to amend regulations to ensure that tax collector and assessor exams and training are readily available online or at various locations statewide ([PA 22-122](#), effective upon passage).

New Exemption for Certain Motor Vehicles

Beginning with the 2023 assessment year, a new law exempts from property tax snowmobiles, all-terrain vehicles, and residential trailers that are used exclusively for personal use ([PA 22-118](#), § 507, effective July 1, 2022, and applicable to assessment years starting on or after October 1, 2023).

Notice of Assessment Increase

By law, municipalities must provide an assessment increase notice when increasing an assessment (valuation) on property other than a motor vehicle in a non-revaluation year. Under prior law, they only had to notify property owners of the old and new valuation. New legislation instead requires them to provide information on the new and old gross valuation, exemptions, and net valuation ([PA 22-74](#), § 9, effective October 1, 2022).

OPM List of Property Tax Relief for Veterans

A new law requires the OPM secretary, jointly with the veterans affairs commissioner, to annually provide written notice to municipalities about the property tax exemptions that a municipality may choose to approve for veterans, veterans' relatives or spouses, or people killed in action while on active military duty with the armed forces ([PA 22-34](#), § 34, October 1, 2022).

PA 490 Program

During the 2021 session, the legislature extended the state's PA 490 program to licensed shellstock (i.e., in-shell molluscan shellfish) shippers by including waterfront property they own in the definition of "maritime heritage land." (The program allows farm, forest, open space, and maritime heritage land to be assessed for property tax purposes based on current use value rather than fair market value ([CGS § 12-63](#).) This session, the legislature limited the applicability of the program to these shippers by requiring that they also either grow or harvest shellstock ([PA 22-143](#), § 18, effective upon passage).

The legislature also eliminated a provision that required the OPM secretary, in consultation with the agriculture commissioner, to develop a schedule of unit prices for property classified as open space under the PA 490 Program ([PA 22-74](#), § 21, effective July 1, 2022).

Property Appraisal Requirement for CGS § 12-117a Appeals

By law, taxpayers may appeal their property assessments to a municipality's board of assessment appeals. The appeals board must hold a hearing on each appeal, except for those on commercial, industrial, utility, or apartment properties assessed at over \$1 million. A taxpayer aggrieved by an appeals board's decision can appeal to Superior Court ([CGS § 12-117a](#)).

In property tax assessment appeals brought to the Superior Court concerning the valuation of real property assessed at \$1 million or more, a new law requires applicants to file a property appraisal, performed by a licensed company, with the court within 120 days after filing the appeal. It authorizes the court to (1) extend the 120-day period for good cause and (2) dismiss the appeal if the appraisal is not timely filed ([PA 22-118](#), § 468, effective July 1, 2022, as amended by [PA 22-146](#), § 19, effective July 1, 2022).

Regional Revaluations

A new law requires the OPM secretary to use the state's planning region boundaries (i.e., councils of governments' boundaries) to designate five revaluation zones. Municipalities in each zone will conduct their revaluations in the same year as other municipalities in the zone. Beginning with the October 1, 2023, assessment year, municipalities must conduct their revaluations pursuant to this OPM-designated revaluation schedule ([PA 22-74](#), § 7, effective July 1, 2022, and applicable to assessment years beginning on or after October 1, 2023).

Renters' Rebate Program

New legislation changes the deadline for requesting more time to apply for a rebate under the Renters' Rebate Program, which provides partial reimbursement of rent and utility bills paid by certain elderly and totally disabled renters. The new law requires renters with extenuating health circumstances or other good cause to apply by November 15, rather than December 15, for an application deadline extension ([PA 22-74](#), §§ 3 & 4, effective July 1, 2022).

Task Force on Veterans Property Tax Relief

The legislature established a task force this session to (1) evaluate state property tax exemptions, abatements, and other relief for veterans; (2) make recommendations about whether there should be tax relief adjustments; and (3) create a list of municipalities with local property tax relief and the type of relief available in each. The task force must report to the Veterans' Affairs and Planning and Development committees by January 1, 2023 ([PA 22-34](#), § 31, effective upon passage).

Tax Levy in Special Taxing Districts

New legislation requires each special taxing district's tax collector to submit to OPM a statement of the district's mill rate and tax levy for the preceding year ([PA 22-74](#), § 5, effective upon passage).

Various Minor Property Tax Changes

A new law makes the following minor property tax changes:

1. clarifying how calculations are rounded when property tax exemptions for veterans increase after a municipality implements a revaluation;
2. explicitly requiring a real, personal, or motor vehicle tax overpayment to be applied to other delinquent taxes the taxpayer owes in the same municipality;
3. specifying that PILOT grants should be paid to municipalities and fire districts annually by May 30;
4. explicitly authorizing tax collectors to refund motor vehicle tax payments when a vehicle was taxed in a municipality in which it was not taxable; and
5. (a) making assessors, rather than tax collectors, responsible for veterans' tax benefit determinations in cases where a veteran was erroneously denied specified tax benefits and applies for a certificate of correction and (b) specifying the modified process for the veteran to apply to the tax collector for a refund from a municipality ([PA 22-74](#), §§ 8, 14, 15 & 17-18, effective July 1, 2022, except the veterans' exemption calculation change is effective October 1, 2022).

Veterans Property Tax Benefits

The legislature made two changes to veterans' property tax benefits. Beginning in FY 24, in conformity with current practice, a new law requires municipalities that opt to provide low-income, 100% disabled veterans with three times the base state-mandated property tax exemption to calculate income eligibility using only the veteran's federal AGI, excluding his or her disability payments.

By law, most property tax exemptions for veterans are portable between municipalities. This means veterans who have established their entitlement to an exemption remain eligible for it if they move to another municipality during the tax year. The new law adds to the list of portable tax exemptions the income-based and local option veterans' exemption granted under [CGS § 12-81g](#) ([PA 22-74](#), §§ 1 & 2, effective October 1, 2022, and applicable to assessment years beginning on or after that date).