



General Assembly

February Session, 2024

Raised Bill No. 5276

LCO No. 1156



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT ELIMINATING TAX EXEMPTIONS FOR CERTAIN REAL PROPERTY ACQUIRED BY INDEPENDENT INSTITUTIONS OF HIGHER EDUCATION.

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

1 Section 1. Subdivision (7) of section 12-81 of the 2024 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2024, and applicable to assessment years*
4 *beginning on or after October 1, 2024*):

5 (7) (A) [Subject] Except as provided in subparagraph (C) of this
6 subdivision, and subject to the provisions of sections 12-87 and 12-88,
7 the real property of, or held in trust for, a corporation organized
8 exclusively for scientific, educational, literary, historical or charitable
9 purposes or for two or more such purposes and used exclusively for
10 carrying out one or more of such purposes or for the purpose of
11 preserving open space land, as defined in section 12-107b, for any of the
12 uses specified in said section, that is owned by any such corporation,
13 and the personal property of, or held in trust for, any such corporation,
14 provided (i) any officer, member or employee thereof does not receive

15 or at any future time shall not receive any pecuniary profit from the
16 operations thereof, except reasonable compensation for services in
17 effecting one or more of such purposes or as proper beneficiary of its
18 strictly charitable purposes, and (ii) in 1965, and quadrennially
19 thereafter, a statement shall be filed on or before November first with
20 the assessor or board of assessors of any town, consolidated town and
21 city or consolidated town and borough, in which any of its property
22 claimed to be exempt is situated. Such statement shall be filed on a form
23 provided by such assessor or board of assessors. Such form shall be
24 posted on the Internet web site of such assessor or board of assessors, if
25 applicable. The real property shall be eligible for the exemption
26 regardless of whether it is used by another corporation organized
27 exclusively for scientific, educational, literary, historical or charitable
28 purposes or for two or more such purposes;

29 (B) On and after October 1, 2022, housing subsidized, in whole or in
30 part, by federal, state or local government and housing for persons or
31 families of low and moderate income shall not constitute a charitable
32 purpose under this section. As used in this subdivision, "housing" shall
33 not include real property used for housing belonging to, or held in trust
34 for, any corporation organized exclusively for charitable purposes and
35 exempt from taxation for federal income tax purposes, the primary use
36 of which property is one or more of the following: (i) An orphanage; (ii)
37 a drug or alcohol treatment or rehabilitation facility; (iii) housing for
38 persons who are homeless, persons with a mental health disorder,
39 persons with intellectual or physical disability or victims of domestic
40 violence; (iv) housing for ex-offenders or for individuals participating
41 in a program sponsored by the state Department of Correction or
42 Judicial Branch; or (v) short-term housing operated by a charitable
43 organization where the average length of stay is less than six months.
44 The operation of such housing, including the receipt of any rental
45 payments, by such charitable organization shall be deemed to be an
46 exclusively charitable purpose. For the purposes of this subdivision,
47 payments made by federal, state or local government for the treatment,
48 support or care of individuals housed in the real property described in

49 subparagraphs (B)(i) to (B)(v), inclusive, of this subdivision shall not
50 constitute housing subsidies;

51 (C) Notwithstanding the provisions of subdivision (8) of this section,
52 on and after October 1, 2024, any real property acquired by an
53 independent institution of higher education, as defined in section 10a-
54 173, shall not be deemed exempt from taxation under this subdivision
55 regardless of the use of such real property;

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024, and applicable to assessment years beginning on or after October 1, 2024</i>	12-81(7)

Statement of Purpose:

To remove property tax exemptions for any real property acquired by an independent institution of higher education on and after October 1, 2024.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]