



General Assembly

February Session, 2020

Raised Bill No. 5472

LCO No. 2707



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT CONCERNING PROPERTY TAX EXEMPTIONS.

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 2020 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2020, and applicable to assessment years*
4 *commencing on or after October 1, 2020*):

5 (7) (A) Subject to the provisions of sections 12-87 and 12-88, the real
6 property of, or held in trust for, a corporation organized exclusively for
7 scientific, educational, literary, historical or charitable purposes or for
8 two or more such purposes and used exclusively for carrying out one or
9 more of such purposes or for the purpose of preserving open space land,
10 as defined in section 12-107b, for any of the uses specified in said section,
11 that is owned by any such corporation, and the personal property of, or
12 held in trust for, any such corporation, provided (i) any officer, member
13 or employee thereof does not receive or at any future time shall not
14 receive any pecuniary profit from the operations thereof, except
15 reasonable compensation for services in effecting one or more of such
16 purposes or as proper beneficiary of its strictly charitable purposes, and

17 (ii) in 1965, and quadrennially thereafter, a statement shall be filed on or
18 before the first day of November with the assessor or board of assessors
19 of any town, consolidated town and city or consolidated town and
20 borough, in which any of its property claimed to be exempt is situated.
21 Such statement shall be filed on a form provided by such assessor or
22 board of assessors. Such form shall be posted on the Internet web site of
23 such assessor or board of assessors, if applicable. The real property shall
24 be eligible for the exemption regardless of whether it is used by another
25 corporation organized exclusively for scientific, educational, literary,
26 historical or charitable purposes or for two or more such purposes;

27 (B) On and after [July 1, 1967] October 1, 2020, housing subsidized, in
28 whole or in part, by federal, state or local government and housing for
29 persons or families of low and moderate income shall not constitute a
30 charitable purpose under this section. As used in this subdivision,
31 "housing" shall not include real property used for [temporary] housing
32 belonging to, or held in trust for, any corporation organized exclusively
33 for charitable purposes and exempt from taxation for federal income tax
34 purposes, the primary use of which property is one or more of the
35 following: (i) An orphanage; (ii) a drug or alcohol treatment or
36 rehabilitation facility; (iii) housing for persons who are homeless,
37 persons with a mental health disorder, persons with intellectual or
38 physical disability or victims of domestic violence; (iv) housing for ex-
39 offenders or for individuals participating in a program sponsored by the
40 state Department of Correction or Judicial Branch; [and] or (v) short-
41 term housing operated by a charitable organization where the average
42 length of stay is less than six months. The operation of such housing,
43 including the receipt of any rental payments, by such charitable
44 organization shall be deemed to be an exclusively charitable purpose.
45 For the purposes of this subdivision, payments made by federal, state or
46 local government for the treatment, support or care of individuals
47 housed in the real property described in subparagraphs (B)(i) to (B)(v),
48 inclusive, of this subdivision shall not constitute housing subsidies;

49 Sec. 2. Section 12-89 of the general statutes is repealed and the
50 following is substituted in lieu thereof (*Effective October 1, 2020, and*

51 *applicable to assessment years commencing on or after October 1, 2020):*

52 The board of assessors of each town, consolidated town and city or
53 consolidated town and borough shall inspect the statements filed with
54 it [and required by] pursuant to sections 12-81, as amended by this act,
55 and 12-87 from scientific, educational, literary, historical, charitable,
56 agricultural and cemetery organizations, and shall determine what part,
57 if any, of the property claimed to be exempt by the organization [shall
58 be] is in fact exempt. [and shall] The board of assessors shall place a
59 valuation upon [all] any such property [, if any, as is] found to be
60 taxable. [, provided any] Any property acquired by any tax-exempt
61 organization after [the first day of] October first shall first become
62 exempt on the assessment date next succeeding the date of acquisition.
63 In determining what part, if any, of a property claimed to be exempt is
64 in fact exempt, the board of assessors shall consider whether the
65 property is owned or held in trust for a corporation organized
66 exclusively for charitable purposes and exempt from taxation for federal
67 income tax purposes. If the board of assessors determines that property
68 claimed to be exempt is taxable, the board of assessors shall state upon
69 its records the rationale for such determination. Any organization filing
70 a tax-exempt statement, aggrieved at the action of the assessor or board
71 of assessors, may appeal, within the time prescribed by law for such
72 appeals, to the board of assessment appeals. Any such organization
73 claiming to be aggrieved by the action of the board of assessment
74 appeals may, within two months from the time of such action, make
75 application in the nature of an appeal therefrom to the superior court
76 for the judicial district in which such property is situated.

77 Sec. 3. Subsection (a) of section 10-299 of the general statutes is
78 repealed and the following is substituted in lieu thereof (*Effective October*
79 *1, 2020*):

80 (a) The Connecticut Institute for the Blind is empowered to receive,
81 hold, invest or employ, as it deems for the best interests of said institute,
82 all property which comes to it by gift, bequest or devise or which it
83 acquires in any manner; but the General Assembly may, at any time,

84 limit the amount of property to be so held or acquired. All property of
85 said institute and its subsidiary and affiliate entities shall be exempt
86 from taxation.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2020, and applicable to assessment years commencing on or after October 1, 2020</i>	12-81(7)
Sec. 2	<i>October 1, 2020, and applicable to assessment years commencing on or after October 1, 2020</i>	12-89
Sec. 3	<i>October 1, 2020</i>	10-299(a)

Statement of Purpose:

To require assessors and boards of assessors to post certain property tax exemption statement forms on such assessors' and boards' Internet web sites, clarify that payments made by federal, state or local governments for the treatment, support or care of certain individuals shall not constitute housing subsidies for the purposes of determining what is a charitable purpose, require boards of assessors to consider whether certain property claimed to be exempt is owned or held in trust by federal tax-exempt charitable organizations, and clarify that subsidiary and affiliate entities of the Connecticut Institute for the Blind are tax exempt.

[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.]