

Ryan Knapp, Chair
Phil Carroll, Vice Chair
Neil Chaudhary
Joe Girgasky
Mary Ann Jacob
Lisa Romano



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TOWN OF NEWTOWN

Draft Minutes of the Legislative Ordinance Committee Meeting

The Ordinance Committee met on Wednesday, Wednesday March 26th, 2014 in the Municipal Center, 3 Primrose Lane, Newtown. Committee Chairman Ryan Knapp called the meeting to order after the conclusion of the special Legislative Council meeting at 7:30 pm.

Present: Ms Jacob, Mr. Chaudhary, Mr.Carroll, Mr. Girgasky, Ms. Romano and Mr. Knapp

Also in attendance: Finance Selectman Pat Llodra, Finance Board Chair John Kortze, Attorney David Dobin of Cohen and Wolf, P.C. and several members of the public.

Absent: None

PUBLIC COMMENT: None

Old Business

Mr. Knapp opened the discussion on the first agenda item: Deferral of taxes exceeding 8% of a homeowner's income as referred to the Ordinance Committee by the Legislative Council during the regular meeting of February 19th, 2014.

Mr. Knapp submitted the information provided by CCM and reviewed it with those in attendance. He pointed out concerns such as that the lien is secondary to the mortgage, and that there is a time limit on the lien (15 years) providing for a possibility of lost revenues. He pointed out that the Tax Collector and Finance Director also had these concerns. Mr. Knapp noted how few towns have adopted this program and rehashed the idea of developing our own program internally.

Ms. Llodra said that purpose of bringing this to the council was to establish some sort of safety net for those in town who are un and under employed in our town.

Mr. Chaudhary explained his statements on a "tax credit card" with the concern of people misusing this program for an extended period of time.

Ms. Romano asked if the language was providing for abatement of all taxes for those whos property taxes exceed 8% of their income or taxes exceeding 8% of their income. The group reviewed the language of the statue.

Mr. Chaudhary agreed that we should make an effort to help those who need it, but not using this particular statute.

Mr. Knapp discussed a motion to reject. Ms. Jacob mentioned the possibility of recommending the council widen the charge to include recommendations on developing an internal program.

Mr. Chaudhary made a motion to reject the first agenda item, the deferral of taxes exceeding 8% of a homeowner's income as referred to the Ordinance Committee by the Legislative Council during the regular meeting of February 19th, 2014 and to make a recommendation to the council that we explore an internal deferral program. Mr. Girgasky seconded. All in favor.

Mr. Knapp opened the discussion on the agenda item: The review and modification of Senior Tax Relief as referred to the Ordinance Committee by the Legislative Council during the regular meeting of January 30th, 2014.

Mr. Knapp distributed document statute --sec.12-124A also revision B of new ordinance. He began discussions talking through the changes to date with Attorney Dobin.

Attorney Dobin does not recommend the addition of (208-2)"A" as it is more than the statute allows, specifically referencing an OPM report stating that an individual must qualify independently
Attorney Dobin recommended a wording change in 208-2F.

Ms. Llodra recommends to refer to the table in the policy (income level & tax credits)

Ms. Romano suggested developing a formula to prorate all based on the total number of applicants and the total amount available. No formula developed at this time. Group members expressed concerns about time, fairness within income ranges and seniors not knowing what they stand to receive when they apply.

Ms. Jacobs asked who would write the policy

Ms. Llodra replied that is the job of legislative council ordinance committee

Mr. Carroll stated that tax collector Carol Mahoney knows the usual amount of applicants that ask for help in the A, B, and C income brackets and it should remain within her expertise the amounts per applicant depending on how many applicants. The \$150K additional monies would be for the new "D" income bracket as recommended by John Kortze and the finance board.

Mr. Knapp asked attorney David Dobin if is within the purview of the town to exclude people based on late taxes, an asset test and home values as suggested. Attorney Dobin said that those things are at the discretion of the town so long as the applicant meets the minimum state requirements for eligibility and that would be up to L.C.O. committee.

Committee discussed and agreed on a \$650k asset limit as is used in Fairfield, not to include residence.

Mr. Knapp suggested adding language to allow the LC to modify this number in the future without needing to amend the ordinance.

Mr. Knapp referenced what the year 2000 when the application deadline was extended. Noted additional administrative effort but wants to give applicants time to apply. The sign up deadline will be extended by two weeks to 6-1-2014, attorney Dobin said that was ok.

Mr. Knapp asked attorney if 208-4 should stay in as it is a reference to the statute, attorney Dobin said yes it should stay in.

The group discussed leaving in language defined in the statute vs providing the public with information all in one location.

Mr. Knapp explained his intentions on creating scenarios in the end of 208-8 explain how to allocate funds two the four groups as they all come from a single fund and to reflect the intention of doing no harm to the A B and C groups.

Ms. Jacob suggested letting Attorney Dobin work on the language. All agreed. Mr. Knapp to forward draft to Attorney Dobin and coordinate with him on any questions.

Mr. Knapp opened the discussion on the agenda item: An amendment enabling the municipal option of Public Act No. 13-224, providing a tax exemption for One Hundred Percent Disabled Veterans as referred to the Ordinance Committee by the Legislative Council during the regular meeting of January 8th, 2014.

Mr. Knapp reported no news from the state on this topic.

PUBLIC COMMENT: Mr. Kortze questioned if there was monies left over if a fund balance could be established to carry over to the next year's budget.

Laura Terry, 64 Robin Hill RD, was not in favor of separating the income tiers but Mary Ann explained what the income tiers would be eligible for and how they work now.

Ms. Chaudhary motioned to adjourn at 8:55pm. Mr. Carroll seconded.

Respectfully Submitted,

Ryan W. Knapp
Ordinance Committee Chairman

3/21/14

DRAFT Ord. No. 45A Possible Revisions

Revision B

[This is a draft of possible revisions to the existing Town of Newtown Ordinance No. 45A "Tax Relief for Seniors and Totally Permanently Disabled" which constitutes Newtown Code Book sections 208-1 through 208-8. This is not a final version, but rather is a working version based on the existing code book language for the purpose of determining the Ordinance Committee's recommendations to the Legislative Council on the subject of possible revisions to the existing legislation –Ryan W. Knapp]

§ 208-1 Purpose.

The Town of Newtown hereby modifies its program of tax relief for the elderly pursuant to § 12-129n of the General Statutes of Connecticut for eligible residents of the Town of Newtown for the fiscal year commencing July 1, 2000, on the terms and conditions provided herein.

§ 208-2 Tax credit granted; eligibility.

Any person who owns real property in the Town of Newtown or who is liable for the payment of taxes thereon pursuant to § 12-48 of the Connecticut General Statutes and who occupies said real property as a residence and who fulfills the following eligibility requirements shall be entitled, subject to the limits, if any, of § 208-8, to tax relief pursuant to § 12-129n of the Connecticut General Statutes in the form of a tax credit which may be reviewed and established by the Legislative Council for succeeding fiscal years, provided that any such revision for a subsequent fiscal year shall be made prior to the time when the Legislative Council makes its final proposed budget recommendation for said fiscal year. The Tax Collector shall contact the Chairman of the Legislative Council on or before February 1 of each calendar year to discuss such possible review.

A.

Such person is 65 years of age or over as of July 1 following his/her application; or his or her spouse living with said person is 65 years of age or over as of July 1 following his/her application; the surviving spouse, 60 years or over as of July 1 following his/her application, of a taxpayer who has qualified in Newtown under this article at the time of his or her death, the spouse remaining in the residence, 60 years or over as of July 1 following his/her application, of a taxpayer who has qualified in Newtown under this article at the time of his or her moving to a nursing home on a permanent basis. Such person is under age 65 years of age and eligible in accordance with applicable federal regulations to receive permanent total disability benefits under Social Security, or has not been engaged in employment covered by Social Security and accordingly has not qualified for benefits there under, but has become qualified for permanent total disability benefits under any federal, state, or local government retirement or disability plan, including the Railroad Retirement Act and any government-related teacher's retirement plan, in which requirements with respect to qualifications for such permanent total disability benefits are comparable to such requirements under Social Security.

B.

Such person has resided at and paid real estate taxes on a residence located in Newtown for a period of one year prior to his or her application for tax relief.

C.

The property for which the exemption is claimed is the legal domicile of such person and is occupied more than 183 days of each year by such person.

D.

Comment [RK1]: As suggested by NC

Such person shall have applied for property tax relief under any state statutes for which he/she is eligible. If such applicant has not applied for tax relief under any state statute because he/she is not eligible, he/she shall so certify by filing on a form acceptable to the Tax Collector an affidavit testifying to his/her ineligibility.

E.

Reapplication each fiscal year will not be required, except that in any subsequent calendar year that an applicant has income in excess of the maximum described in § 208-2, he/she shall notify the municipal Tax Collector on or before the next filing date and shall be denied tax relief under § 208-2 for that fiscal year and any subsequent year until he/she has reapplied and again qualified for relief under § 208-2 of this article.

F.

Such person shall have individually, if unmarried, or jointly, if married, Calculate income eligibility by adding together the modified income, as described here in after.

(1) Modified income shall be computed for each includable household member as follows:

Federal adjusted gross income (AGI)	\$XXX
ADD:	
Social security/Rail Road Retirement Benefits not included in federal AGI	\$XXX
Tax-exempt interest income	\$XXX
Net losses per Form 1040 (used to arrive at AGI)	\$XXX
Business losses per Form 1040	\$XXX
Capital losses per Form 1040	\$XXX
Other losses per Form 1040	\$XXX
Schedule E losses per Form 1040	\$XXX
Farm losses per Form 1040	\$XXX
Net operating losses per Form 1040	\$XXX
Disability income not included in federal AGI	\$XXX
SUBTRACT (only if itemized for federal):	
Medical expenses in excess of 7.5% of AGI (per form 1040, Schedule A)	(\$XXX)
RESULT EQUALS modified income	\$XXX

For the 2014-2015 fiscal year, the income level for the prior calendar year and the respective credits for those levels shall be as follows:

Reference Designation	Income Level	Tax Credits
Group A	\$0 to \$45,000	\$2,000
Group B	\$45,001 to \$55,000	\$1,500
Group C	\$55,001 to \$65,000	\$1,300
Group D	\$65,001 to \$70,000	\$800

Income levels are subject to change at the discretion of the Legislative Council based on the recommendations to the Legislative Council from Tax Collector. Current income level ranges will be available through the Tax Collector's Office.

G.

An applicant will be disqualified if he/she owes delinquent taxes in the Town of Newtown more than six months delinquent.

H.

Any application for tax relief must be filed by any person who fulfills the eligibility requirements in this article.

I.

The tax credit on real property as provided herein shall only apply to the residence itself, the lot on which the residence is located and improvements on said lot.

J.

All applications and supporting information filed with the Town shall be treated as confidential documents.

K.

Any applicant and spouse who qualify for property tax relief under this article shall have a qualifying total asset value (QTAV) not exceeding \$650,000. Qualifying total asset value shall consist of any and all assets of the applicant and spouse as of the date of the application but shall specifically exclude the value of the applicant's primary legal residence and all tangible personal property contained therein. Each applicant to whom the QTAV applies shall make a sworn statement in a form satisfactory to the Assessor that such applicant's QTAV does not exceed \$650,000.

L.

The property tax relief available hereunder shall be available for one (1) residence only collectively for each applicant and spouse and shall not be available to any residence with an assessed value in excess of one hundred and fifty (150) percent of the highest median assessed value of residences assessed and sold during each of the prior assessment years, October 1 to September 30, since the inception of the last town-wide revaluation as calculated by the assessor.

M.

~~Should the home owner move to a nursing home on a permanent basis and there is a spouse living in the home who is sixty (60) years of age and or older, and who meets all the other qualifications, the owner's tax relief may continue.~~

Comment [RK2]: Moved into "A"

§ 208-3 Application deadline.

In order to be entitled to the benefits provided herein, an application must be filed with the Tax Collector of the Town of Newtown not earlier than March 1 nor later than May 15 (June 15, 201400, in the case of 201400 fiscal year applications) to obtain the benefits provided herein for the next fiscal year. The application for tax relief must be made after such person becomes eligible to apply as set forth above.

Comment [RK3]: Extending the deadline for this year as there will be a shorter application period.

§ 208-4 Maximum allowable tax credit.

~~[Intentionally left blank] The total of all credits granted under the provisions of this article shall not in any taxable year exceed an amount equal to 10% of the total real property tax assessed in Newtown in the preceding tax year.~~

§ 208-5 Limitations on credit.

Only one tax credit as heretofore set forth shall be allowed for each parcel of land eligible for the tax relief under this article. In any case where title to real property is recorded in the name of the taxpayer or his or her spouse who are eligible for tax relief and any other person or persons, the tax relief under this article shall be prorated to allow a tax credit equivalent to the fractional share in the property of

such tax payer or spouse, and the persons not otherwise eligible for tax relief shall not receive any tax credit.

§ 208-6 Waiver of lien rights.

The Town of Newtown hereby waives any lien rights given to it by § 12-129n of the General Statutes of the State of Connecticut.

§ 208-7 Limitation on reduction in total tax.

No person's normal real estate tax shall be reduced by more than 75% by virtue of said credit provided by this article, together with all tax relief benefits obtained by said person from the State of Connecticut pursuant to state law.

§ 208-8 Limitation on total amount of relief granted.

For each fiscal year the total revenue loss to the Town from the program, together with all other elderly real property tax relief benefit programs pursuant to state law, exclusive of any tax deferral programs that may from time to time be enacted, shall not exceed the amount appropriated in said fiscal year's annual budget. In the event that applications for relief filed would result in revenue loss exceeding that amount, each applicable credit shall be reduced on a pro-rata basis so as to equal, but not exceed, the amount of the cap while ensuring that those who need the benefit most shall receive it. This cap amount, and the method to address the situation in which applications in excess of the cap amount are received, may be revised by the Legislative Council in the same manner as individual credit amounts may be revised pursuant to § 208-2.

Additionally, the collective benefit of applicants in income Group D is not to exceed an amount set by the Legislative Council, up to 10% of the total amount appropriated in said fiscal year's annual budget (for the fiscal year 2014-2015 that amount shall be \$150,000). Should the number of applicants within income Group D be such that the sum total of their tax credits at the given year's full amount would exceed the Group D allocation as set by the Legislative Council, those applicants will be eligible for a benefit separately pro-rated from the amount set by the Legislative Council, up to 10% of the total amount appropriated in said fiscal year's annual budget.

Should total expenditures for Tax Relief for all groups fall under the total cap amounts allocated for such purpose, the tax credits will be paid in full and any remaining money will be moved to fund balance.

Should the total number of applicants in Group D exceeded the Group D allocation amount set by the Legislative Council, but the number of applicants in Groups A, B, and C does not exceed the remaining funds under the total cap amount, the Tax Credits paid to applicants in Group D shall be of a prorated amount based on the number of applicants in Group D and the Group D allocation, while the applicants in Groups A, B and C will receive full tax credits with any additional funds being moved to fund balance.

Should the tax credits for applicants in Groups A, B and C utilize more than the total amount allocated, less the Group D allocation, and based on the applicants in Group D, the Group D allocation is not utilized, those remaining funds in the Group D allocation maybe put towards funding Groups A, B and C so that they are not prorated.

In the event that the previous scenario does not fully fund the applicants in Groups A, B and C, regardless of if those applicants in Group D would require proration or not, the Tax Collector will perform two calculations, prorating Group D from the Group D allocation and separately prorating groups A, B and C from the balance of allocated tax relief funds up to the cap, as well as prorating them collectively from the total funds allocated for tax abatement. The equation that results in a higher credit for Groups A, B and C shall be applied to ensure that the higher portion of the funds go to those who need it most.

~~This cap amount, and the method to address the situation in which applications in excess of the cap amount are received, may be revised by the Legislative Council in the same manner as individual credit amounts may be revised pursuant to 5-208-2.~~

DRAFT



Ryan Knapp <ryan.w.knapp@gmail.com>

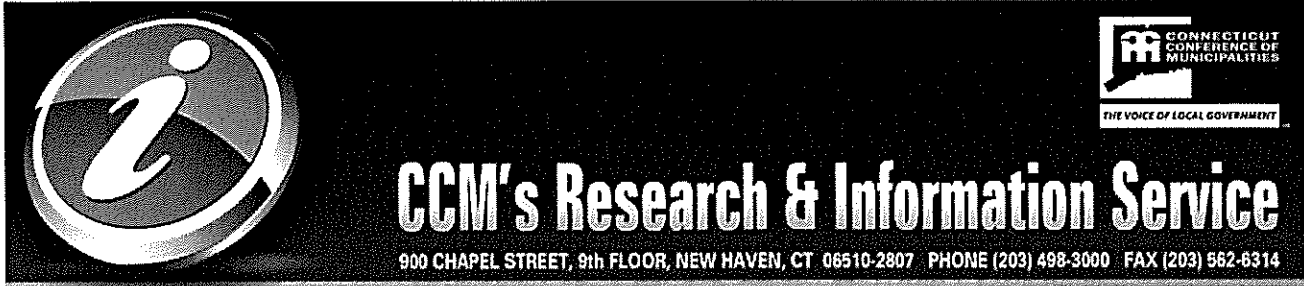
Response to your request regarding local property tax exemptions pursuant to 12-124a

REBECCA ADAMS <RADAMS@ccm-ct.org>

Tue, Mar 25, 2014 at 11:55 AM

To: "ryan.w.knapp@gmail.com" <ryan.w.knapp@gmail.com>

Cc: "first.selectman@newtown-ct.gov" <first.selectman@newtown-ct.gov>



March 25, 2014

The Honorable Ryan Knapp
Newtown Councilmember
Town of Newtown
11 Jeremiah Road
Newtown, CT 06482

Dear Councilman Knapp,

I am writing in response to your request for information regarding municipal tax deferral programs offered via ordinance pursuant to the provisions of CGS 12-124a. More specifically, a list of municipalities that offer this abatement and the ordinances they have adopted to enact the relief program.

Attached please find a spreadsheet containing the results of the survey and research I conducted. Based on this survey and other research, I have identified five municipalities offering that deferral, Groton, Hebron Milford, Monroe, and New London. The Towns of Groton and Hebron and the Cities of Milford and New London, have enacted an ordinances, attached, offering the abatement. The Town of Monroe has granted deferrals based on the statutory authority alone.

It is important to note that the statute allows any municipality to abate residential property taxes, by approval of the vote of legislative body, or in any town where the legislative body is the town meeting, by the board of selectmen, in any year where the tax is greater than 8% of the of the resident's total income. The statute requires only the vote of the legislative body or, where applicable, the board of selectmen, and, therefore, a municipality may grant this deferral without first adopting an ordinance.

One of disincentives to adopting the program through ordinance or approving applications is that 12-124a(b) states: "[n]o lien recorded under the provisions of this subsection shall take precedence over any mortgage recorded in the land records prior to such certificate of lien." Therefore, the deferred tax lien cannot occupy the first position in relationship to mortgages or other liens in place at the time the deferral is granted and many towns do not want to take the chance on being unable to recover the taxes upon the sale of the property.

I hope that this information is helpful to you and fully responsive to your inquiry.

Please call me at (203) 498-3019 or email me at radams@ccm-ct.org if you have any questions or would like further information.

As always, it is a pleasure working with you.

Best regards,

Rebecca Adams

Rebecca E. Adams, Esq.

CT Conference of Municipalities (CCM)

The Voice of Local Government

900 Chapel Street, 9th Floor

New Haven, CT 06510



Direct Dial: (203) 498-3019

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2 attachments

-  Tax deferral 12-124a survey results for Newton.pdf
50K
-  Tax deferral ordinances under 12-124a for Newtown.pdf
284K

Survey Results

Tax Deferral Ordinances pursuant to CGS 12-124a

Municipality	Tax Deferral Ordinance 12-124a
Ashford	No
Avon	No
Barkhamsted	No
Darien	No
East Granby	No
Farmington	No
Glastonbury	No
Griswold	No
Groton	Yes
Guilford	No
Hampton	No
Hebron	Yes
Kent	No
Killingly	No
Killingworth	No
Middletown	No
Milford	Yes
Monroe	Offers without ordinance
Newtown	No
North Haven	No
Norwalk	No
Old Saybrook	No
Plainfield	No
Plainville	Yes
Plymouth	No
Simsbury	No
Southington	No
South Windsor	No
Sterling	No
Stratford	No
Thomaston	No
Trumbull	No
Voluntown	No
Watertown	No
Windsor	No
Woodbury	No



Town of Groton, Connecticut

Text File

45 Fort Hill Road
Groton, CT 06340-4394
Town Clerk 860-441-6640
Town Manager 860-441-6630

Introduced: 12/20/1999

File Number: 1999-0291

Version: 1

Status: Passed

RESOLUTION ESTABLISHING A TAX ABATEMENT PROGRAM

WHEREAS, Connecticut General Statutes 12-124a allows a municipality to abate the property taxes of a taxpayer to the extent that such property taxes exceed eight percent or more of the total income from any source of the occupants of such dwelling, and

WHEREAS, tax abatement in appropriate situations would help taxpayers stabilize their property tax obligation and maintain dignity in their homes, and

WHEREAS, the taxpayers must make application for such abatement not later than thirty days preceding the tax due date and shall provide executed agreements as required by the Town not later than ten days following the tax due date, and

WHEREAS, that amounts of taxes due and abated shall be secured by a tax deferral lien and shall accrue annual interest of 6% for as long as the taxes remain unpaid therefore be it

RESOLVED, that the Town Manager shall establish and execute a tax abatement program in conformance with State of Connecticut General Statute 12-124a.

[Adopted 4-6-2000 by Ord. No. 2000-2; amended 7-15-2004]

Chapter 320: TAXATION AND ASSESSMENTS Article XII: Abatement (Deferral) of Property Taxes for Persons of Limited Income

§ 320-18 Authority; abatement authorized.

§ 320-19 Definitions.

§ 320-20 Application for abatement.

§ 320-21 Agreement.

§ 320-22 Interest.

§ 320-18 Authority; abatement authorized.

Pursuant to the authority of General Statutes § 12-124a, property taxes due for any tax year with respect to any residential dwelling occupied by the owner or owners and for whom such dwelling is the primary place of residence may be abated to the extent that such property taxes exceed 8% of the total income from any source, adjusted for self-employed persons to reflect the allowance for expenses in determining adjusted gross income, of such owner or owners, and any other person for whom such dwelling is the primary place of residence, for the calendar year immediately preceding the beginning of the tax year for which such taxes are due.

§ 320-19 Definitions.

For purposes of this article, "total income from any source" shall have the same meaning as "gross income," as defined in Regulations of Connecticut State Agencies § 46b-215a-1(11), as the same may from time to time hereafter be amended.

§ 320-20 Application for abatement.

Applications for abatement under this article signed by all of the owners of the property shall be filed in the office of the Town Manager by not later than May 31 in the tax year for which such abatement is sought, provided that if the amount of taxes due with respect to the residence has not by then been determined, then such application shall be filed not later than 10 days following the determination of the amount of such taxes. Applications shall be on such forms as may be prescribed by the Town Manager and shall be accompanied by such affidavits, tax returns and other evidence of income as the Town Manager may reasonably require.

§ 320-21 Agreement.

Upon a determination that an applicant or applicants, as the case may be, are eligible for abatement of taxes under this article by the office of the Town Manager, the applicant or applicants, as the case may be, shall execute and acknowledge an agreement, on a form prescribed by the Town Manager, which form shall contain a legal description of the real property with respect to which such abatement is approved, shall be executed, witnessed and acknowledged in the form and manner required for the transfer of an interest in real property, and shall convey a lien to the Town, creating and securing an obligation to reimburse the Town in the amount of the taxes abated, with interest at the rate per annum applicable to each fiscal year as determined in accordance with § 320-22 of this article, by not later than the date of sale or transfer of such real property or upon the earlier death of the last surviving owner. Such agreement shall be delivered to the Revenue Collector by not later than July 10 in the tax year for which such abatement is granted, provided that if the amount of taxes has not by then been determined, then not later than 10 days following the date on which such taxes, as finally determined, become due and payable. Such agreement shall be recorded upon the Land Records and shall constitute a lien upon such real property which shall remain valid until paid. Upon payment, the Revenue Collector shall furnish a release of the lien.

§ 320-22 Interest.

[Amended 5-7-2009; 3-25-2010]

The interest on the obligation to reimburse the Town under § 320-21 of this article, for the fiscal year beginning July 1, 2010, and for each fiscal year thereafter until changed by the Board of Selectmen, shall be 1.5% per annum. The Board of Selectmen may by resolution adopted by May 1 in any year thereafter alter the interest to be paid on such obligation for the next ensuing fiscal years until further altered in accordance herewith.

CITY OF NEW LONDON
ADOPTED TAX ABATEMENT POLICY
FOLLOWING STATE STATUTE
SECTIONS 12-124 AND 12-124a

WHEREAS the City of New London (The City) has been granted the authority to abate property taxes under the State of Connecticut's General Statutes Sections 12-124 and 12-124a, copies of which are attached to this policy as Appendix A and Appendix B respectively; and

WHEREAS the City already has an adopted policy pertaining to the granting of tax abatements and tax deferments, a copy of which is attached to this policy as Appendix C; and

WHEREAS the City desires to maintain fair and equitable treatment of all taxpayers and their respective liabilities to the City for property taxes;

Utilizing the authority it has been granted under the State of Connecticut's General Statute Section 12-124a, the City hereby adopts the following policy which will be used when addressing all abatement requests made by taxpayers under either Section 12-124 or Section 12-124a.

The City Council of the City of New London, at its discretion, may abate the portion of real property taxes which exceeds eight percent of the total income from all sources (adjusted for self-employed persons to reflect the allowance for expenses in determining, adjusted gross income for federal income tax purposes) of the owner(s) of such dwelling and any other person for whom such dwelling is the primary place of residence, for the calendar year immediately preceding the beginning of the tax year for which such taxes are due. This abatement may be granted for any given year, providing the following requirements are met:

- 1) Annual taxes on the real property must exceed the eight percent limitations as presented in the preceding paragraph.
- 2) The real property must be zoned residential, must be owner occupied and must be the primary place of residence for the owner(s).
- 3) A request must be made in writing by the owner(s) to the Director of Finance prior to 30 days preceding the tax due date for such tax year. If the amount of such taxes has not been determined on such date, within ten days following the determination of the amount of such taxes.

- 4) The land records of the City Clerk of New London must indicate that the property does not have existing liens or encumbrances recorded against it. In addition, those records must indicate that the property does not have mortgages in excess of the assessed value of the property. It will be the responsibility of the Director of Finance to provide such documentation prior to the Council's reviewing such requests.
- 5) In accordance with the City's existing policy on tax abatements and tax deferments the following items must be submitted with any request for the abatement of taxes:
 - A) The last three consecutive years' Federal and State Tax Returns filed by the applicant, all other owners of the property, and all other persons for whom such dwelling is the primary place of residence.
 - B) A listing of all real estate holdings owned either individually or in combination with others or by Corporations of which the applicant, all other owners of the property and all other persons for whom such dwelling is the primary place of residence have a financial interest, certified as to its completeness and its correctness.
 - C) The City reserves the right to request additional information from the applicant in order to properly evaluate an abatement request.
- 6) If an abatement is granted by the City Council of New London, the owner(s) shall deliver to the Tax Collector of the City of New London, not later than ten days following the tax due date or ten days following the granting of the abatement whichever ever is later, an agreement to reimburse the City of New London the amount of taxes abated with interest accruing at 6% per annum from the due date of the taxes. (*A copy of the agreement to be executed will be attached to this policy as Appendix D.*)
 - A) This agreement will constitute a lien on such real property which will remain valid until paid in full. Such lien shall become due and payable, in full, upon the sale or transfer of such real property or upon the death of the owner, or if owned by more than one person at the time the lien is created, upon the death of the last of such owners surviving.
 - B) Such lien shall be released by the Tax Collector of the City of New London when the taxes secured by the lien and all accrued interest have been paid in full.
 - C) Liens recorded under this policy do not take precedence over any mortgage recorded in the land records prior to such certificate of lien.

- 7) The abatements granted under this policy are only for one specific year's taxes. If the applicant continues to qualify for another abatement, another request must be made.

Those tax abatement requests submitted to the Director of Finance which meet all of the above requirements will be forwarded to the City Council, through the City Manager's Office, along with all pertinent supporting documentation.

Abatepcy

Adopted by City Council 9/5/95

**ORDINANCE PROVIDING ABATEMENT (DEFERRAL)
OF RESIDENTIAL PROPERTY TAX FOR PERSONS
OF LIMITED INCOME**

Be it ordained by the Town Council of the Town of Plainville in meeting duly assembled pursuant to the Charter of the Town of Plainville and Section 7-136 of the Connecticut General Statutes, as amended, the following Ordinance is adopted:

Section 1. Authority: Abatement Authorized.

Pursuant to the authority of General Statutes § 12-124a, as amended, property taxes due for any tax year with respect to any residential dwelling occupied by the owner or owners and for whom such dwelling is the primary place of residence may be abated to the extent that such property taxes exceed 8% of the total income from any source, adjusted for self-employed persons to reflect the allowance for expenses in determining adjusted gross income, of such owner or owners, and any other person for whom such dwelling is the primary place of residence, for the calendar year immediately preceding the beginning of the tax year for which such taxes are due.

Section 2. Definitions.

For purposes of this Ordinance, "total income from any source" shall have the same meaning as "gross income", as defined in Regulations of Connecticut State Agencies § 46b-215a-1(11), as the same may from time to time hereafter be amended.

Section 3. Application for Abatement.

Applications for abatement under this article signed by all of the owners of the property shall be filed in the office of the Town Manager by not later than May 31 in the tax year for which such abatement is sought, provided that if the amount of taxes due with respect to the residence has not by then been determined, then such application shall be filed not later than 10 days following the determination of the amount of such taxes. Applications shall be on such forms as may be prescribed by the Town Manager and shall be accompanied by such affidavits, tax returns and other evidence of total income as the Town Manager may reasonably require.

Section 4. Agreement.

Upon a determination that an application or applicants, as the case may be, are eligible for abatement of taxes under this Ordinance by the office of the Town Manager, the

applicant or applicants, as the case may be, shall execute and acknowledge an agreement, on a form prescribed by the Town Manager, which form shall contain a legal description of the real property with respect to which such abatement is approved, shall be executed, witnessed and acknowledged in the form and manner required for the transfer of an interest in real property, and shall grant a lien to the Town, creating and securing an obligation to reimburse the Town in the amount of the taxes abated, with interest at the rate per annum applicable to each fiscal year as determined in accordance with Section 5 of this Ordinance by not later than the date of sale or transfer of such real property or upon the earlier death of the last surviving owner. Additionally, the applicant or applicants shall pay to the Town the cost of recording said lien in the office of the Town Clerk. Such agreement shall be delivered to the Revenue Collector by not later than July 10 in the tax year for which such abatement is granted, provided that if the amount of taxes has not by then been determined, then not later than 10 days following the date on which such taxes, as finally determined, become due and payable. Such agreement shall be recorded upon the Land Records and shall constitute a lien upon such real property which shall remain valid until paid. Upon payment, the Revenue Collector shall furnish a release of the lien to be recorded in the office of the Town Clerk.

Section 5. Interest.

The interest on the obligation to reimburse the Town under Section 4 of this Ordinance, for the fiscal year beginning July 1, 2012, and for each fiscal year thereafter until changed by the Town Council, shall be 5% (five percent) per annum (not compounded). The Town Council may by resolution adopted by May 1, in any year thereafter alter the interest to be paid on such obligation for the next ensuing fiscal years until further altered in accordance herewith.

Section 6. No Conflict with State Statutes.

This Ordinance shall not be construed to conflict with any State Statute or Regulation.

Section 7. Effective Date.

This Ordinance shall take effect after passage and thirty (30) days after publication.

Adopted by the Town Council October 17, 2011



Ryan Knapp <ryan.w.knapp@gmail.com>

Eureka?

Lisa Romano <lisawromano@gmail.com>

Wed, Mar 19, 2014 at 11:08 PM

To: Ryan Knapp <ryan.w.knapp@gmail.com>, Mary Ann Jacob <mjacob4404@charter.net>, Philip Carroll <ppcarroll13@gmail.com>, Joe Girgasky <jgctusa@yahoo.com>

Cc: "Tait, Bob" <robert.tait@newtown-ct.gov>

Hi all,

On the way home, after a restorative breath of fresh air (and rain), I came up with a concept that might solve the problems of dollar amount allocated, number of people applying to the senior tax relief program, and number in each "group."

Maybe it would be possible to devise a formula that creates a sliding scale for everyone eligible between 0 and \$70k in income, assigning each applicant a unique amount of tax credit based on the entire pool. This would allow us to use the entire amount budgeted (something the seniors will like) and also avoid the questions that were stumping us. I cannot volunteer to create this formula, but I'm sure it can be done.

Cheers,

Lisa Romano

lisa4ct@gmail.com