

## **ORDINANCE PROVIDING TAX STABILIZATION FOR ELDERLY HOMEOWNERS**

BE IT ORDAINED by the Town Council of the Town of Plainville in meeting duly assembled that 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. PURPOSE.** The Town of Plainville hereby enacts tax stabilization for the elderly pursuant to Sections 12-170v and 12-170w of the Connecticut General Statutes, for an owner of real property or any tenant for life or for a term of years liable for property taxes under Section 12-48 of the Connecticut General Statutes who meets the qualifications set forth hereinafter.

**SECTION 2. ELIGIBILITY.** To qualify for the tax relief, a taxpayer shall meet all the following requirements:

- a. On December 31<sup>st</sup> of the calendar year preceding the year in which a claim is filed, be
  - i. 70 years of age or over;
  - ii. The spouse of a person, 70 years of age or over, provided such spouse is domiciled with such person, or
  - iii. 62 years of age or over and the surviving spouse of a taxpayer who at the time of such taxpayer's death had qualified and was entitled to the relief under this Ordinance.
- b. Occupy such real property as his or her home.
- c. Either spouse shall have resided within the Town of Plainville for at least one year before filing the claim under this Ordinance.
- d. The taxable and nontaxable income of such taxpayer, the total of which shall hereinafter be called "qualifying income", in the tax year of such homeowner ending immediately preceding the date of application for benefits was not in excess of limits set forth in Section 12-170aa of the Connecticut General

Statutes, as adjusted annually, evidence of which income shall be submitted to the Assessor in such form and manner as the Assessor prescribes. The amount of any Medicaid payments made on behalf of such homeowner or spouse of the homeowner shall not constitute income. The income of the spouse of the homeowner shall not be included in the qualifying income of such homeowner for purposes of determining eligibility for tax relief, if such spouse is a resident of a health care or nursing facility on Connecticut, and such facility receives payment related to such spouse under Title XIX.

- e. The net value of the homeowner's assets not to exceed \$250,000.00.
- f. After the initial qualification the taxpayer shall file biennially thereafter on forms prepared by the Assessor.

### **SECTION 3. TAX BENEFIT**

a. A homeowner who meets the qualifications stated above shall be entitled to pay the tax levied on the property, calculated below for the first year the claim for tax relief is filed and approved, and shall be entitled to continue to pay the amount of such tax or such lesser amount as may be levied in any year during each subsequent year that such person meets the qualifications and the surviving spouses or any or tenant possessing a joint interest in such property at the time of the owner's death and qualified at such time shall be entitled to pay the amount of such tax as long as the surviving spouse, joint tenant or joint owner continues to be qualified.

b. The tax for which benefits are claimed shall be the lower of the tax due for the assessment year commencing October first of the year immediately preceding the initial claim for tax relief, or the tax due for any subsequent assessment year. If title to the real property is recorded in the name of the person or spouse making a claim and qualifying and any other person(s), the claimant shall be entitled to pay the claimants' functional share of the tax or such property and such other person(s) shall pay the person(s') functional share of the tax without regard for this Ordinance. A "mobile manufactured home" shall be deemed to be real

property.

**SECTION 4. TRANSFER OF PROPERTY.** A person to whom a claim for tax relief has been approved for any assessment year transfers, assigns, grants or otherwise conveys subsequent to the first day of October, but prior to the first day of August in such assessment year the interest in real property to which such claim for tax relief is related, regardless of whether such transfer, assignment, grant or conveyance is voluntary or involuntary, the amount of such tax relief benefit, determined as the amount by which the tax payable without benefit of this Ordinance exceeds the tax payable under the provisions of this Ordinance, shall be a pro rata portion of the amount otherwise applicable in such assessment year to be determined by a fraction of the numerator of which shall be the number of full months from the first day of October in such assessment year to the date of such conveyance and the denominator of which shall be twelve. If such conveyance occurs in the month of October the grantor shall be disqualified for such tax relief in such assessment year. The grantee shall be required within a period not exceeding ten days immediately following the date of such conveyance to notify the Assessor, or in the absence of such notice, upon determination by the Assessor that such transfer, assignment, grant or conveyance has occurred, the Assessor shall determine the amount of tax relief benefit to which the grantor is entitled for such assessment year with respect to the interest in real property conveyed and notify the Tax Collector of the reduced amount of such benefit. Upon receipt of such notice from the Assessor, the Tax Collector shall, if such notice is received after the tax due date in the municipality, no later than ten days thereafter mail or hand a bill to the grantee stating the additional amount of tax due as determined by the Assessor. Such tax shall be due and payable and collectible as other property taxes and subject to the same liens and processes of collection, provided such tax shall be due and payable in an initial or single installment not sooner than thirty days after the date such bill is mailed or handed to the grantee and in equal amounts in any remaining, regular installments as the same are due and payable.

**SECTION 5. APPLICATION.**

a. No claim shall be accepted unless the taxpayer or authorized agent of such taxpayer files an application with the Assessor in such form and manner as the Assessor may prescribe,

during the period from February first to and including May fifteenth of any year in which benefits are first claimed, including such information as is necessary to substantiate such claim in accordance with requirements in such application. A taxpayer may make application to the Assessor prior to August fifteenth of the claim year for an extension of the application period. The Assessor may grant such extension in the case of extenuating circumstance due to illness or incapacitation as evidenced by a physician's certificate to that extent, or if the Assessor determines there is good cause for doing so. The taxpayer shall present to the Assessor a copy of such taxpayer's federal income tax return and the federal income tax return of such taxpayer's spouse, if filed separately, for such taxpayer's taxable year ending immediately prior to the submission of the taxpayer's application, or if not required to file a federal income tax return, such other evidence of qualifying income in respect to such taxable year as the Assessor may require. Each such application, together with the federal income tax return and any other information submitted in relation hereto, shall be examined by the Assessor and a determination shall be made as to whether the application is approved. Upon determination by the Assessor that the applying homeowner is entitled to tax relief, the Assessor shall notify the homeowner and the Tax Collector of the approval of such application. The Tax Collector shall determine the maximum amount of the tax due with respect to such homeowner's residence and thereafter the property tax with respect to such homeowner's residence shall not exceed such amount. After a taxpayer's claim for the first year has been filed and approved such taxpayer shall file such an application biennially. In respect to such application required after the filing and approval for the first year the Assessor in each municipality shall notify each such taxpayer concerning application requirements by regular mail not later than February first of the assessment year in which such taxpayer is required to reapply, enclosing a copy of the required application form. Such taxpayer may submit such application to the Assessor by mail provided it is received by the Assessor not later than March fifteenth in the assessment year with respect to which such tax relief is claimed. Not later than April first of such year the Assessor shall notify, by certified mail, any such taxpayer for whom such application was not received by said March fifteenth concerning application requirements and such taxpayer shall submit not later than May fifteenth such application personally or for reasonable cause, by a person acting in behalf of such taxpayer as approved by the Assessor.

b. Any person knowingly making a false application for the purpose of claiming property tax relief shall be fined not more than five hundred dollars. Any person who fails to disclose all matters relating thereto or with intent to defraud makes a false statement shall refund to the municipality all tax relief improperly taken.

**SECTION 6. LIEN.**

a. The Town shall have a lien on the property in the amount of the total tax relief granted, plus interest applicable to the total of unpaid taxes, represented by such tax relief. Such lien shall have a priority in the settlement of the taxpayer's estate.

b. The interest rate shall be simple interest at the rate of 2% (not compounded). The lien together with interest shall be due and payable upon termination of the program for the taxpayer.

**SECTION 7. NO CONFLICT WITH STATE STATUTES.** This Ordinance shall not be construed to conflict with any State Statute or Regulation.

**SECTION 8.** This Ordinance shall take effect after passage and thirty (30) days after publication.

Adopted by the Town Council October 15, 2007  
Amended September 19, 2011