



General Assembly

January Session, 2021

Raised Bill No. 1102

LCO No. 6675



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING A LOAN PROGRAM TO ASSIST TAXPAYERS WITH THE PAYMENT OF CERTAIN REAL PROPERTY TAXES.

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

1 Section 1. (*Effective July 1, 2021*) (a) There is established a property tax
2 payment loan program under which eligible taxpayers may receive
3 loans for the payment of certain real property taxes that are delinquent
4 or of real property taxes due for the 2021 grand list, or both. The
5 Secretary of the Office of Policy and Management shall use the proceeds
6 of the sale of the bonds under section 2 of this act to provide such loans
7 in accordance with the provisions of this section. Any loan provided
8 under the program shall be amortized over a five-year period
9 commencing January 1, 2023. The secretary shall provide each
10 municipality with an amortization schedule for such loans, to be
11 distributed to taxpayers participating in the program.

12 (b) (1) To be eligible to receive a loan under the program, a taxpayer
13 shall have been current on all property taxes prior to January 1, 2020.
14 Each eligible taxpayer wishing to participate in the loan program shall

15 register, not later than July 31, 2021, with the municipality to which such
16 taxpayer owes or will owe real property taxes for any tax period on or
17 after July 1, 2020, through June 30, 2022. Such taxpayer may request a
18 loan in the amount of the delinquent real property taxes and interest
19 owing or the amount of real property taxes due for the 2021 grand list,
20 or both, as applicable, provided no additional interest shall accrue on or
21 after August 1, 2021, on delinquent real property taxes for which an
22 eligible taxpayer has requested a loan pursuant to this section.

23 (2) Any amount paid by the Office of Policy and Management to a
24 municipality pursuant to subsection (c) of this section on behalf of a
25 taxpayer shall constitute a loan made to the taxpayer and each such
26 taxpayer shall execute, in such form and manner as prescribed by the
27 Secretary of the Office of Policy and Management, a loan repayment
28 agreement upon approval of the distribution of funds by the secretary
29 under subsection (c) of this section. The amount paid to a municipality
30 on behalf of a taxpayer under the program shall constitute a property
31 tax lien upon the real property against which the real property tax is
32 assessed.

33 (3) Each taxpayer that receives a loan under the program shall remit
34 each payment required under the repayment agreement to the tax
35 collector of the municipality to which the real property tax is owed. Each
36 tax collector shall remit any such payments received to the
37 Commissioner of Revenue Services, in a form and manner prescribed by
38 the commissioner.

39 (c) (1) Each municipality with which a taxpayer has registered for the
40 loan program shall apply to the Office of Policy and Management, in
41 such form and manner as the Secretary of the Office of Policy and
42 Management prescribes, for the amount of property taxes and interest
43 due such municipality from taxpayers that have registered for the loan
44 program, and including such information regarding the amounts
45 requested and each requesting taxpayer as the secretary may require.
46 The secretary shall promptly review the applications received and
47 distribute the amount of funds sought to municipalities.

48 (2) Each municipality shall publicize the availability of and eligibility
49 requirements for the loan program to its taxpayers and provide
50 instructions on how an eligible taxpayer may register with the
51 municipality to receive a loan under the program.

52 Sec. 2. (*Effective July 1, 2021*) (a) For the purposes described in
53 subsection (b) of this section, the State Bond Commission shall have the
54 power from time to time to authorize the issuance of bonds of the state
55 in one or more series and in principal amounts not exceeding in the
56 aggregate three billion dollars.

57 (b) The proceeds of the sale of such bonds, to the extent of the amount
58 stated in subsection (a) of this section, shall be used by the Office of
59 Policy and Management for the purpose of providing loans for the
60 payment of certain delinquent real property taxes and certain real
61 property taxes for the 2021 grand list, in accordance with the provisions
62 of section 1 of this act.

63 (c) All provisions of section 3-20 of the general statutes, or the exercise
64 of any right or power granted thereby, that are not inconsistent with the
65 provisions of this section are hereby adopted and shall apply to all
66 bonds authorized by the State Bond Commission pursuant to this
67 section. Temporary notes in anticipation of the money to be derived
68 from the sale of any such bonds so authorized may be issued in
69 accordance with section 3-20 of the general statutes and from time to
70 time renewed. Such bonds shall mature at such time or times not
71 exceeding five years from their respective dates as may be provided in
72 or pursuant to the resolution or resolutions of the State Bond
73 Commission authorizing such bonds. None of such bonds shall be
74 authorized except upon a finding by the State Bond Commission that
75 there has been filed with it a request for such authorization that is signed
76 by or on behalf of the Secretary of the Office of Policy and Management
77 and states such terms and conditions as said commission, in its
78 discretion, may require. Such bonds issued pursuant to this section shall
79 be general obligations of the state and the full faith and credit of the state
80 of Connecticut are pledged for the payment of the principal of and

81 interest on such bonds as the same become due, and accordingly and as
82 part of the contract of the state with the holders of such bonds,
83 appropriation of all amounts necessary for punctual payment of such
84 principal and interest is hereby made, and the State Treasurer shall pay
85 such principal and interest as the same become due.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	New section
Sec. 2	<i>July 1, 2021</i>	New section

Statement of Purpose:

To establish a loan program to assist taxpayers with the payment of certain real property taxes.

[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.]