



Substitute House Bill No. 5168

Public Act No. 22-73

**AN ACT CONCERNING PROPERTY TAX EXEMPTIONS FOR
PROPERTY USED FOR CHARITABLE PURPOSES.**

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

Section 1. Subdivision (7) of section 12-81 of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022, and applicable to assessment years commencing on or after October 1, 2022*):

(7) (A) Subject to the provisions of sections 12-87 and 12-88, the real property of, or held in trust for, a corporation organized exclusively for scientific, educational, literary, historical or charitable purposes or for two or more such purposes and used exclusively for carrying out one or more of such purposes or for the purpose of preserving open space land, as defined in section 12-107b, for any of the uses specified in said section, that is owned by any such corporation, and the personal property of, or held in trust for, any such corporation, provided (i) any officer, member or employee thereof does not receive or at any future time shall not receive any pecuniary profit from the operations thereof, except reasonable compensation for services in effecting one or more of such purposes or as proper beneficiary of its strictly charitable purposes, and (ii) in 1965, and quadrennially thereafter, a statement shall be filed on or before [the first day of] November first with the assessor or board of

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assessors of any town, consolidated town and city or consolidated town and borough, in which any of its property claimed to be exempt is situated. Such statement shall be filed on a form provided by such assessor or board of assessors. Such form shall be posted on the Internet web site of such assessor or board of assessors, if applicable. The real property shall be eligible for the exemption regardless of whether it is used by another corporation organized exclusively for scientific, educational, literary, historical or charitable purposes or for two or more such purposes;

(B) On and after [July 1, 1967] October 1, 2022, housing subsidized, in whole or in part, by federal, state or local government and housing for persons or families of low and moderate income shall not constitute a charitable purpose under this section. As used in this subdivision, "housing" shall not include real property used for [temporary] housing belonging to, or held in trust for, any corporation organized exclusively for charitable purposes and exempt from taxation for federal income tax purposes, the primary use of which property is one or more of the following: (i) An orphanage; (ii) a drug or alcohol treatment or rehabilitation facility; (iii) housing for persons who are homeless, persons with a mental health disorder, persons with intellectual or physical disability or victims of domestic violence; (iv) housing for ex-offenders or for individuals participating in a program sponsored by the state Department of Correction or Judicial Branch; [and] or (v) short-term housing operated by a charitable organization where the average length of stay is less than six months. The operation of such housing, including the receipt of any rental payments, by such charitable organization shall be deemed to be an exclusively charitable purpose. For the purposes of this subdivision, payments made by federal, state or local government for the treatment, support or care of individuals housed in the real property described in subparagraphs (B)(i) to (B)(v), inclusive, of this subdivision shall not constitute housing subsidies;

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Sec. 2. Section 12-89 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2022, and applicable to assessment years commencing on or after October 1, 2022*):

The board of assessors of each town, consolidated town and city or consolidated town and borough shall inspect the statements filed with it [and required by] pursuant to sections 12-81, as amended by this act, and 12-87 from scientific, educational, literary, historical, charitable, agricultural and cemetery organizations, and shall determine what part, if any, of the property claimed to be exempt by the organization [shall be] is in fact exempt. [and] The board of assessors shall place a valuation upon [all] any such property [, if any, as is] found to be taxable. [, provided any] Any property acquired by any tax-exempt organization after [the first day of] October first shall first become exempt on the assessment date next succeeding the date of acquisition. For assessment years commencing on or after October 1, 2022, if the board of assessors determines that property claimed to be exempt is taxable, the board of assessors shall state upon its records the rationale for such determination. Any organization filing a tax-exempt statement, aggrieved at the action of the assessor or board of assessors, may appeal, within the time prescribed by law for such appeals, to the board of assessment appeals. Any such organization claiming to be aggrieved by the action of the board of assessment appeals may, within two months from the time of such action, make application in the nature of an appeal therefrom to the superior court for the judicial district in which such property is situated.

Approved May 24, 2022