



House of Representatives

General Assembly

File No. 596

February Session, 2022

Substitute House Bill No. 5043

House of Representatives, April 25, 2022

The Committee on Finance, Revenue and Bonding reported through REP. SCANLON of the 98th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT REFORMING MOTOR VEHICLE ASSESSMENT.

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

1 Section 1. Subsections (a) and (b) of section 14-33 of the general
2 statutes are repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2022, and applicable to assessment years commencing on or*
4 *after October 1, 2023*):

5 (a) ~~[If]~~ (1) For assessment years commencing prior to October 1, 2023,
6 if any property tax, or any installment thereof, laid by any city, town,
7 borough or other taxing district upon a registered motor vehicle or
8 snowmobile remains unpaid, the tax collector of such city, town,
9 borough or other taxing district shall notify the Commissioner of Motor
10 Vehicles of such delinquency in accordance with subsection (e) of this
11 section and guidelines and procedures established by the commissioner.
12 The commissioner shall not issue registration for such motor vehicle or
13 snowmobile for the next registration period if, according to the
14 commissioner's records, it is then owned by the person against whom

15 such tax has been assessed or by any person to whom such vehicle has
16 not been transferred by bona fide sale. Unless notice has been received
17 by the commissioner under the provisions of section 14-33a, no such
18 registration shall be issued until the commissioner receives notification
19 that the tax obligation has been legally discharged; nor shall the
20 commissioner register any other motor vehicle, snowmobile, all-terrain
21 vehicle or vessel in the name of such person, except that the
22 commissioner may continue to register other vehicles owned by a
23 leasing or rental firm licensed pursuant to section 14-15, and may issue
24 such registration to any private owner of three or more paratransit
25 vehicles in direct proportion to the percentage of total tax due on such
26 vehicles which has been paid and notice of payment on which has been
27 received. The Commissioner of Motor Vehicles may immediately
28 suspend or cancel all motor vehicle, snowmobile, all-terrain vehicle or
29 vessel registrations issued in the name of any person [(1)] (A) who has
30 been reported as delinquent and whose registration was renewed
31 through an error or through the production of false evidence that the
32 delinquent tax on any motor vehicle or snowmobile had been paid, or
33 [(2)] (B) who has been reported by a tax collector as having paid a
34 property tax on a motor vehicle or snowmobile with a check which was
35 dishonored by a bank and such tax remains unpaid. Any person
36 aggrieved by any action of the commissioner under this section may
37 appeal therefrom in the manner provided in section 14-134. For the
38 purposes of this subsection, "paratransit vehicle" means a motor bus,
39 taxicab or motor vehicle in livery service operated under a certificate of
40 convenience and necessity issued by the Department of Transportation
41 or by a transit district and which is on call or demand or used for the
42 transportation of passengers for hire.

43 (2) For assessment years commencing on or after October 1, 2023, if
44 any property tax, or any installment thereof, laid by any city, town,
45 borough or other taxing district upon a motor vehicle remains unpaid,
46 regardless of whether such motor vehicle is classified on the grand list
47 as a registered motor vehicle or personal property pursuant to section
48 12-41, as amended by this act, the tax collector of such city, town,
49 borough or other taxing district shall notify the Commissioner of Motor

50 Vehicles of such delinquency in accordance with subsection (e) of this
51 section and guidelines and procedures established by the commissioner.
52 The commissioner shall not issue registration for such motor vehicle for
53 the next registration period if, according to the commissioner's records,
54 it is then owned by the person against whom such tax has been assessed
55 or by any person to whom such vehicle has not been transferred by bona
56 fide sale. Unless notice has been received by the commissioner under
57 the provisions of section 14-33a, no such registration shall be issued
58 until the commissioner receives notification that the tax obligation has
59 been legally discharged; nor shall the commissioner register any other
60 motor vehicle, snowmobile, all-terrain vehicle or vessel in the name of
61 such person, except that the commissioner may continue to register
62 other vehicles owned by a leasing or rental firm licensed pursuant to
63 section 14-15, and may issue such registration to any private owner of
64 three or more paratransit vehicles in direct proportion to the percentage
65 of total tax due on such vehicles which has been paid and notice of
66 payment on which has been received. The Commissioner of Motor
67 Vehicles may immediately suspend or cancel all motor vehicle,
68 snowmobile, all-terrain vehicle or vessel registrations issued in the
69 name of any person (A) who has been reported as delinquent and whose
70 registration was renewed through an error or through the production of
71 false evidence that the delinquent tax on any motor vehicle had been
72 paid, or (B) who has been reported by a tax collector as having paid a
73 property tax on a motor vehicle with a check which was dishonored by
74 a bank and such tax remains unpaid.

75 (b) [Notwithstanding] (1) For assessment years commencing prior to
76 October 1, 2023, notwithstanding the provisions of subsection (a) of this
77 section, the Commissioner of Motor Vehicles, in consultation with the
78 Treasurer and the Secretary of the Office of Policy and Management,
79 may enter into an agreement with the tax collector of any city, town,
80 borough or other taxing district whereby the commissioner shall collect
81 any property tax or any installment thereof on a registered motor
82 vehicle which remains unpaid from any person against whom such tax
83 has been assessed who makes application for registration for such motor
84 vehicle. [Each such]

85 (2) For assessment years commencing on and after October 1, 2023,
86 notwithstanding the provisions of subsection (a) of this section, the
87 Commissioner of Motor Vehicles, in consultation with the Treasurer and
88 the Secretary of the Office of Policy and Management, may enter into an
89 agreement with the tax collector of any city, town, borough or other
90 taxing district whereby the commissioner shall collect any property tax
91 or any installment thereof on any motor vehicle which remains unpaid
92 from any person against whom such tax has been assessed who makes
93 application for registration for such motor vehicle.

94 (3) Any agreement entered into pursuant to subdivision (1) or (2) of
95 this subsection shall include a procedure for the remission of taxes
96 collected to the city, town, borough or other taxing district, on a regular
97 basis, and may provide that a fee be paid by the city, town, borough or
98 other taxing district to the commissioner to cover any costs associated
99 with the administration of the agreement. In the event an agreement is
100 in effect, the commissioner shall immediately issue a registration for a
101 motor vehicle owned by a person against whom such tax has been
102 assessed upon receipt of payment of such tax and a service fee of two
103 dollars, in addition to the fee prescribed for the renewal of the
104 registration.

105 Sec. 2. Section 14-163 of the general statutes is repealed and the
106 following is substituted in lieu thereof (*Effective July 1, 2022, and*
107 *applicable to assessment years commencing on or after October 1, 2023*):

108 (a) ~~[The]~~ (1) For assessment years commencing prior to October 1,
109 2023, the commissioner shall compile information concerning motor
110 vehicles and snowmobiles subject to property taxation pursuant to
111 section 12-71, as amended by this act, using the records of the
112 Department of Motor Vehicles and information reported by owners of
113 motor vehicles and snowmobiles. In addition to any other information
114 the owner of a motor vehicle or snowmobile is required to file with the
115 commissioner by law, such owner shall provide the commissioner with
116 the name of the town in which such owner's motor vehicle or
117 snowmobile is to be set in the list for property tax purposes, pursuant to

118 section 12-71, as amended by this act. On or before December 1, 2004,
119 and annually thereafter until and including December 1, 2022, the
120 commissioner shall provide to each assessor in this state a list
121 identifying motor vehicles and snowmobiles that are subject to property
122 taxation in each such assessor's town. Said list shall include the names
123 and addresses of the owners of such motor vehicles and snowmobiles,
124 and the vehicle identification numbers for all such vehicles for which
125 such numbers are available.

126 (2) For assessment years commencing on or after October 1, 2023, the
127 commissioner shall compile information concerning motor vehicles
128 subject to property taxation pursuant to section 12-71, as amended by
129 this act, using the records of the Department of Motor Vehicles and
130 information reported by owners of motor vehicles. In addition to any
131 other information the owner of a motor vehicle is required to file with
132 the commissioner by law, such owner shall provide the commissioner
133 with the name of the town in which such owner's motor vehicle is to be
134 set in the list for property tax purposes, pursuant to section 12-71, as
135 amended by this act. On or before November 1, 2023, and annually
136 thereafter, the commissioner shall provide to each assessor in this state
137 a list identifying motor vehicles that are subject to property taxation in
138 each such assessor's town. Such list shall include the names and
139 addresses of the owners of such motor vehicles and the vehicle
140 identification numbers and manufacturer's suggested retail price for all
141 such vehicles for which such information is available.

142 (b) (1) On or before October 1, 2004, and annually thereafter until and
143 including October 1, 2023, the commissioner shall provide to each
144 assessor in this state a list identifying motor vehicles and snowmobiles
145 in each such assessor's town that were registered subsequent to the first
146 day of October of the assessment year immediately preceding, but prior
147 to the first day of August in such assessment year, and that are subject
148 to property taxation on a supplemental list pursuant to section 12-71b₂,
149 as amended by this act. In addition to the information for each such
150 vehicle and snowmobile specified under subdivision (1) of subsection
151 (a) of this section that is available to the commissioner, the list provided

152 under this subsection shall include a code related to the date of
153 registration of each such vehicle or snowmobile.

154 (2) Not later than November 15, 2023, and monthly thereafter, the
155 commissioner shall provide to each assessor in this state a list
156 identifying motor vehicles in each such assessor's town that were
157 registered during the immediately preceding month and that are subject
158 to property taxation on a supplemental list pursuant to section 12-71b,
159 as amended by this act, except that no such supplemental list shall be
160 provided during the months of September and October. In addition to
161 the information for such vehicle specified under subdivision (2) of
162 subsection (a) of this section that is available to the commissioner, the
163 list provided under this subsection shall include a code related to the
164 date of registration of each such vehicle.

165 (c) No assessor or tax collector shall disclose any information
166 contained in any list provided by the commissioner pursuant to
167 subsections (a) and (b) of this section if the commissioner is not required
168 to provide such information or if such information is protected from
169 disclosure under state or federal law.

170 Sec. 3. Section 12-71d of the general statutes is repealed and the
171 following is substituted in lieu thereof (*Effective July 1, 2022, and*
172 *applicable to assessment years commencing on or after October 1, 2023*):

173 [On] (a) Prior to and including October 1, 2022, on or before the first
174 day of October each year, the Secretary of the Office of Policy and
175 Management shall recommend a schedule of motor vehicle values
176 which shall be used by assessors in each municipality in determining
177 the assessed value of motor vehicles for purposes of property taxation.
178 For every vehicle not listed in the schedule the determination of the
179 assessed value of any motor vehicle for purposes of the property tax
180 assessment list in any municipality shall continue to be the
181 responsibility of the assessor in such municipality, provided the
182 legislative body of the municipality may, by resolution, approve any
183 change in the assessor's method of valuing motor vehicles. Any appeal
184 from the findings of assessors concerning motor vehicle values shall be

185 made in accordance with provisions related to such appeals under this
186 chapter. Such schedule of values shall include, to the extent that
187 information for such purpose is available, the value for assessment
188 purposes of any motor vehicle currently in use. The value for each motor
189 vehicle as listed shall represent one hundred per cent of the average
190 retail price applicable to such motor vehicle in this state as of the first
191 day of October in such year as determined by said secretary in
192 cooperation with the Connecticut Association of Assessing Officers.

193 (b) Not later than October 1, 2023, and annually thereafter, the
194 Secretary of the Office of Policy and Management shall, in consultation
195 with the Connecticut Association of Assessing Officers, recommend a
196 schedule of motor vehicle plate classes, which shall be used by assessors
197 in each municipality in determining the classification of motor vehicles
198 for purposes of property taxation. The value for each motor vehicle shall
199 be determined by the schedule of depreciation described in subdivision
200 (7) of subsection (b) of section 12-63, as amended by this act. The
201 determination of the assessed value of any vehicle for which a
202 manufacturer's suggested retail price cannot be obtained for purposes
203 of the property tax assessment list in any municipality shall be the
204 responsibility of the assessor in such municipality, in consultation with
205 the Connecticut Association of Assessing Officers. Any appeal from the
206 findings of assessors concerning motor vehicle values shall be made in
207 accordance with provisions related to such appeals under this chapter.

208 Sec. 4. Section 12-63 of the general statutes is repealed and the
209 following is substituted in lieu thereof (*Effective July 1, 2022*):

210 (a) The present true and actual value of land classified as farm land
211 pursuant to section 12-107c, as forest land pursuant to section 12-107d,
212 as open space land pursuant to section 12-107e, or as maritime heritage
213 land pursuant to section 12-107g shall be based upon its current use
214 without regard to neighborhood land use of a more intensive nature,
215 provided in no event shall the present true and actual value of open
216 space land be less than it would be if such open space land comprised a
217 part of a tract or tracts of land classified as farm land pursuant to section

218 12-107c. The present true and actual value of all other property shall be
219 deemed by all assessors and boards of assessment appeals to be the fair
220 market value thereof and not its value at a forced or auction sale.

221 (b) (1) For the purposes of this subsection, (A) "electronic data
222 processing equipment" means computers, printers, peripheral computer
223 equipment, bundled software and any computer-based equipment
224 acting as a computer, as defined in Section 168 of the Internal Revenue
225 Code of 1986, or any subsequent corresponding internal revenue code
226 of the United States, as from time to time amended; (B) "leased personal
227 property" means tangible personal property which is the subject of a
228 written or oral lease or loan on the assessment date, or any such
229 property which has been so leased or loaned by the then current owner
230 of such property for three or more of the twelve months preceding such
231 assessment date; and (C) "original selling price" means the price at
232 which tangible personal property is most frequently sold in the year that
233 it was manufactured.

234 (2) Any municipality may, by ordinance, adopt the provisions of this
235 subsection to be applicable for the assessment year commencing
236 October first of the assessment year in which a revaluation of all real
237 property required pursuant to section 12-62 is performed in such
238 municipality, and for each assessment year thereafter. If so adopted, the
239 present true and actual value of tangible personal property, other than
240 motor vehicles, shall be determined in accordance with the provisions
241 of this subsection. If such property is purchased, its true and actual
242 value shall be established in relation to the cost of its acquisition,
243 including transportation and installation, and shall reflect depreciation
244 in accordance with the schedules set forth in subdivisions (3) to (6),
245 inclusive, of this subsection. If such property is developed and produced
246 by the owner of such property for a purpose other than wholesale or
247 retail sale or lease, its true and actual value shall be established in
248 relation to its cost of development, production and installation and shall
249 reflect depreciation in accordance with the schedules provided in
250 subdivisions (3) to (6), inclusive, of this subsection. The provisions of
251 this subsection shall not apply to property owned by a public service

252 company, as defined in section 16-1.

253 (3) The following schedule of depreciation shall be applicable with
254 respect to electronic data processing equipment:

255 (A) Group I: Computer and peripheral hardware, including, but not
256 limited to, personal computers, workstations, terminals, storage
257 devices, printers, scanners, computer peripherals and networking
258 equipment:

T1		Depreciated Value
T2		As Percentage
T3	Assessment Year	Of Acquisition
T4	Following Acquisition	Cost Basis
T5	First year	Seventy per cent
T6	Second year	Forty per cent
T7	Third year	Twenty per cent
T8	Fourth year and thereafter	Ten per cent

259 (B) Group II: Other hardware, including, but not limited to, mini-
260 frame and main-frame systems with an acquisition cost of more than
261 twenty-five thousand dollars:

T9		Depreciated Value
T10		As Percentage
T11	Assessment Year	Of Acquisition
T12	Following Acquisition	Cost Basis
T13	First year	Ninety per cent
T14	Second year	Sixty per cent
T15	Third year	Forty per cent
T16	Fourth year	Twenty per cent
T17	Fifth year and thereafter	Ten per cent

262 (4) The following schedule of depreciation shall be applicable with
263 respect to copiers, facsimile machines, medical testing equipment, and
264 any similar type of equipment that is not specifically defined as

265 electronic data processing equipment, but is considered by the assessor
266 to be technologically advanced:

T18		Depreciated Value
T19		As Percentage
T20	Assessment Year	Of Acquisition
T21	Following Acquisition	Cost Basis
T22	First year	Ninety-five per cent
T23	Second year	Eighty per cent
T24	Third year	Sixty per cent
T25	Fourth year	Forty per cent
T26	Fifth year and thereafter	Twenty per cent

267 (5) The following schedule of depreciation shall be applicable with
268 respect to machinery and equipment used in the manufacturing process:

T27		Depreciated Value
T28		As Percentage
T29	Assessment Year	Of Acquisition
T30	Following Acquisition	Cost Basis
T31	First year	Ninety per cent
T32	Second year	Eighty per cent
T33	Third year	Seventy per cent
T34	Fourth year	Sixty per cent
T35	Fifth year	Fifty per cent
T36	Sixth year	Forty per cent
T37	Seventh year	Thirty per cent
T38	Eighth year and thereafter	Twenty per cent

269 (6) The following schedule of depreciation shall be applicable with
270 respect to all tangible personal property other than that described in
271 subdivisions (3) to (5), inclusive, and subdivision (7) of this subsection:

T39		Depreciated Value
T40		As Percentage
T41	Assessment Year	Of Acquisition

T42	Following Acquisition	Cost Basis
T43	First year	Ninety-five per cent
T44	Second year	Ninety per cent
T45	Third year	Eighty per cent
T46	Fourth year	Seventy per cent
T47	Fifth year	Sixty per cent
T48	Sixth year	Fifty per cent
T49	Seventh year	Forty per cent
T50	Eighth year and thereafter	Thirty per cent

272 (7) For assessment years commencing on or after October 1, 2023, the
 273 following schedule of depreciation shall be applicable with respect to
 274 motor vehicles based on the manufacturer's suggested retail price of
 275 such motor vehicles, provided no motor vehicle shall be valued at an
 276 amount less than two thousand dollars:

T51		<u>Percentage of</u>
T52		<u>Manufacturer's Suggested</u>
T53	<u>Age of Vehicle</u>	<u>Retail Price</u>
T54	<u>Up to year one</u>	<u>Eighty per cent</u>
T55	<u>Year two</u>	<u>Seventy-five per cent</u>
T56	<u>Year three</u>	<u>Seventy per cent</u>
T57	<u>Year four</u>	<u>Sixty-five per cent</u>
T58	<u>Year five</u>	<u>Sixty per cent</u>
T59	<u>Year six</u>	<u>Fifty-five per cent</u>
T60	<u>Year seven</u>	<u>Fifty per cent</u>
T61	<u>Year eight</u>	<u>Forty-five per cent</u>
T62	<u>Year nine</u>	<u>Forty per cent</u>
T63	<u>Year ten</u>	<u>Thirty-five per cent</u>
T64	<u>Year eleven</u>	<u>Thirty per cent</u>
T65	<u>Year twelve</u>	<u>Twenty-five per cent</u>
T66	<u>Year thirteen</u>	<u>Twenty per cent</u>
T67	<u>Year fourteen</u>	<u>Fifteen per cent</u>
T68	<u>Years fifteen to nineteen</u>	<u>Ten per cent</u>
T69	<u>Years twenty and beyond</u>	<u>Not less than two</u>

T70

thousand dollars

277 [(7)] (8) The present true and actual value of leased personal property
278 other than motor vehicles shall be determined in accordance with the
279 provisions of this subdivision. Such value for any assessment year shall
280 be established in relation to the original selling price for self-
281 manufactured property or acquisition cost for acquired property and
282 shall reflect depreciation in accordance with the schedules provided in
283 subdivisions (3) to (6), inclusive, of this subsection. If the assessor is
284 unable to determine the original selling price of leased personal
285 property, the present true and actual value thereof shall be its current
286 selling price.

287 [(8)] (9) With respect to any personal property which is prohibited by
288 law from being sold, the present true and actual value of such property
289 shall be established with respect to such property's original
290 manufactured cost increased by a ratio the numerator of which is the
291 total proceeds from the manufacturer's salable equipment sold and the
292 denominator of which is the total cost of the manufacturer's salable
293 equipment sold. Such value shall then be depreciated in accordance
294 with the appropriate schedule in this subsection.

295 [(9)] (10) The schedules of depreciation set forth in subdivisions (3) to
296 (6), inclusive, of this subsection shall not be used with respect to
297 videotapes, horses or other taxable livestock or electric cogenerating
298 equipment.

299 [(10)] (11) If the assessor determines that the value of any item of
300 personal property, other than a motor vehicle, produced by the
301 application of the schedules set forth in this subsection does not
302 accurately reflect the present true and actual value of such item, the
303 assessor shall adjust such value to reflect the present true and actual
304 value of such item.

305 [(11)] (12) Nothing in this subsection shall prevent any taxpayer from
306 appealing any assessment made pursuant to this subsection if such

307 assessment does not accurately reflect the present true and actual value
308 of any item of such taxpayer's personal property.

309 Sec. 5. Section 12-41 of the general statutes is repealed and the
310 following is substituted in lieu thereof (*Effective July 1, 2022, and*
311 *applicable to assessment years commencing on or after October 1, 2023*):

312 (a) "Municipality", whenever used in this section, includes each town,
313 consolidated town and city, and consolidated town and borough.

314 (b) [No] (1) For assessment years commencing prior to October 1,
315 2023, no person required by law to file an annual declaration of personal
316 property shall include in such declaration motor vehicles that are
317 registered in the office of the state Commissioner of Motor Vehicles.
318 With respect to any vehicle subject to taxation in a town other than the
319 town in which such vehicle is registered, pursuant to section 12-71, as
320 amended by this act, information concerning such vehicle may be
321 included in a declaration filed pursuant to this section or section 12-43,
322 as amended by this act, or on a report filed pursuant to section 12-57a.

323 (2) For assessment years commencing on or after October 1, 2023, any
324 person required to file an annual declaration of tangible personal
325 property shall include in such declaration the motor vehicle listing,
326 pursuant to subdivision (2) of subsection (f) of section 12-71, as amended
327 by this act, of any motor vehicle owned by such person. If, after the
328 annual deadline for filing a declaration, a motor vehicle is deemed
329 personal property by the assessor, such motor vehicle shall be added to
330 the declaration of the owner of such vehicle or included on a new
331 declaration if no declaration was submitted in the prior year. The value
332 of the motor vehicle shall be determined pursuant to section 12-63, as
333 amended by this act. If applicable, the value of the motor vehicle for the
334 current assessment year shall be prorated pursuant to section 12-71b, as
335 amended by this act, and shall not be considered omitted property, as
336 defined in section 12-53, as amended by this act, or subject to a penalty
337 pursuant to subsection (e) of this section.

338 (c) The annual declaration of the tangible personal property owned

339 by such person on the assessment date, shall include, but is not limited
340 to, the following property: Machinery used in mills and factories, cables,
341 wires, poles, underground mains, conduits, pipes and other fixtures of
342 water, gas, electric and heating companies, leasehold improvements
343 classified as other than real property and furniture and fixtures of stores,
344 offices, hotels, restaurants, taverns, halls, factories and manufacturers.
345 Tangible personal property does not include a sign placed on a property
346 indicating that the property is for sale or lease. On and after October 1,
347 2023, tangible personal property shall include motor vehicles listed on
348 the schedule of motor vehicle plate classes recommended pursuant to
349 section 12-71d, as amended by this act. Commercial or financial
350 information in any declaration filed under this section, except for
351 commercial or financial information which concerns motor vehicles,
352 shall not be open for public inspection but may be disclosed to
353 municipal officers for tax collection purposes.

354 (d) For assessment years commencing on or after October 1, 2023, the
355 Office of Policy and Management shall, in consultation with the
356 Connecticut Association of Assessing Officers, prescribe a form for the
357 annual declaration of personal property.

358 ~~[(d)]~~ (e) Any person required by law to file an annual declaration of
359 personal property may sign and file such declaration electronically, [on
360 a form provided by the assessor of a municipality,] provided [such] the
361 municipality in which such declaration is to be filed (1) has the
362 technological ability to accept electronic signatures, and (2) agrees to
363 accept electronic signatures for annual declarations of personal
364 property.

365 ~~[(e)]~~ (f) (1) Any person who fails to file a declaration of personal
366 property on or before the first day of November, or on or before the
367 extended filing date as granted by the assessor pursuant to section 12-
368 42, as amended by this act, shall be subject to a penalty equal to twenty-
369 five per cent of the assessment of such property; (2) any person who files
370 a declaration of personal property in a timely manner, but has omitted
371 property, as defined in section 12-53, as amended by this act, shall be

372 subject to a penalty equal to twenty-five per cent of the assessment of
373 such omitted property. The penalty shall be added to the grand list by
374 the assessor of the town in which such property is taxable; and (3) any
375 declaration received by the municipality to which it is due that is in an
376 envelope bearing a postmark, as defined in section 1-2a, showing a date
377 within the allowed filing period shall not be deemed to be delinquent.

378 Sec. 6. Subsection (a) of section 12-53 of the general statutes is
379 repealed and the following is substituted in lieu thereof (*Effective July 1,*
380 *2022, and applicable to assessment years commencing on or after October 1,*
381 *2023*):

382 (a) For purposes of this section: (1) "Omitted property" means
383 property for which complete information is not included in the
384 declaration required to be filed by law with respect to [either] (A) the
385 total number and type of all items subject to taxation, [or] (B) the true
386 original cost and year acquired of all such items, or (C) on or after
387 October 1, 2023, the manufacturer's suggested retail price of a motor
388 vehicle plus any applicable after-market alterations to such motor
389 vehicle, (2) "books", "papers", "documents" and "other records" includes,
390 but is not limited to, federal tax forms relating to the acquisition and cost
391 of fixed assets, general ledgers, balance sheets, disbursement ledgers,
392 fixed asset and depreciation schedules, financial statements, invoices,
393 operating expense reports, capital and operating leases, conditional
394 sales agreements and building or leasehold ledgers, and (3) "designee of
395 an assessor" means a Connecticut municipal assessor certified in
396 accordance with subsection (b) of section 12-40a, a certified public
397 accountant, a revaluation company certified in accordance with section
398 12-2c for the valuation of personal property, or an individual certified
399 as a revaluation company employee in accordance with section 12-2b for
400 the valuation of personal property.

401 Sec. 7. Section 12-71 of the general statutes is repealed and the
402 following is substituted in lieu thereof (*Effective July 1, 2022, and*
403 *applicable to assessment years commencing on or after October 1, 2023*):

404 (a) [All] (1) For assessment years commencing prior to October 1,

405 2023, goods, chattels and effects or any interest therein, including any
406 interest in a leasehold improvement classified as other than real
407 property, belonging to any person who is a resident in this state, shall
408 be listed for purposes of property tax in the town where such person
409 resides, subject to the provisions of sections 12-41, as amended by this
410 act, 12-43, as amended by this act, and 12-59. Any such property
411 belonging to any nonresident shall be listed for purposes of property tax
412 as provided in section 12-43, as amended by this act. Motor vehicles and
413 snowmobiles shall be listed for purposes of the property tax in
414 accordance with subsection (f) of this section.

415 (2) For assessment years commencing on or after October 1, 2023,
416 goods, chattels and effects or any interest therein, including any interest
417 in a leasehold improvement classified as other than real property,
418 belonging to any person who is a resident in this state, shall be listed for
419 purposes of property tax in the town where such person resides, subject
420 to the provisions of sections 12-41, as amended by this act, 12-43, as
421 amended by this act, and 12-59. Any such property belonging to any
422 nonresident shall be listed for purposes of property tax as provided in
423 section 12-43, as amended by this act.

424 (b) Except as otherwise provided by the general statutes, property
425 subject to this section shall be valued at the same percentage of its then
426 actual valuation as the assessors have determined with respect to the
427 listing of real estate for the same year, except that any antique, rare or
428 special interest motor vehicle, as defined in section 14-1, shall be
429 assessed at a value of not more than five hundred dollars. The owner of
430 such antique, rare or special interest motor vehicle may be required by
431 the assessors to provide reasonable documentation that such motor
432 vehicle is an antique, rare or special interest motor vehicle, provided any
433 motor vehicle for which special number plates have been issued
434 pursuant to section 14-20 shall not be required to provide any such
435 documentation. The provisions of this section shall not include money
436 or property actually invested in merchandise or manufacturing carried
437 on out of this state or machinery or equipment which would be eligible
438 for exemption under subdivision (72) of section 12-81 once installed and

439 which cannot begin or which has not begun manufacturing, processing
440 or fabricating; or which is being used for research and development,
441 including experimental or laboratory research and development, design
442 or engineering directly related to manufacturing or being used for the
443 significant servicing, overhauling or rebuilding of machinery and
444 equipment for industrial use or the significant overhauling or
445 rebuilding of other products on a factory basis or being used for
446 measuring or testing or metal finishing or in the production of motion
447 pictures, video and sound recordings.

448 (c) [Upon] For assessment years commencing prior to October 1, 2023,
449 upon payment of the property tax assessed with respect to any property
450 referred to in this section, owned by a resident or nonresident of this
451 state, which is currently used or intended for use in relation to
452 construction, building, grading, paving or similar projects, including,
453 but not limited to, motor vehicles, bulldozers, tractors and any
454 trailer-type vehicle, excluding any such equipment weighing less than
455 five hundred pounds, and excluding any motor vehicle subject to
456 registration pursuant to chapter 246 or exempt from such registration
457 by section 14-34, the town in which such equipment is taxed shall issue,
458 at the time of such payment, for display on a conspicuous surface of
459 each such item of equipment for which such tax has been paid, a
460 validation decal or sticker, identifiable as to the year of issue, which will
461 be presumptive evidence that such tax has been paid in the appropriate
462 town of the state.

463 (d) (1) Personal property subject to taxation under this chapter shall
464 not include computer software, except when the cost thereof is included,
465 without being separately stated, in the cost of computer hardware.
466 "Computer software" shall include any program or routine used to
467 cause a computer to perform a specific task or set of tasks, including
468 without limitation, operational and applicational programs and all
469 documentation related thereto.

470 (2) The provisions of subdivision (1) of this subsection shall be
471 applicable (A) to the assessment year commencing October 1, 1988, and

472 each assessment year thereafter, and (B) to any assessment of computer
473 software made after September 30, 1988, for any assessment year
474 commencing before October 1, 1988.

475 (3) Nothing contained in this subsection shall create any implication
476 related to liability for property tax with respect to computer software
477 prior to July 1, 1989.

478 (4) A certificate of correction in accordance with section 12-57 shall
479 not be issued with respect to any property described in subdivision (1)
480 of this subsection for any assessment year commencing prior to October
481 1, 1989.

482 (e) For assessment years commencing on or after October 1, 1992,
483 each municipality shall exempt aircraft, as defined in section 15-34, from
484 the provisions of this chapter.

485 (f) (1) [Property] For assessment years commencing prior to October
486 1, 2023, property subject to taxation under this chapter shall include each
487 registered and unregistered motor vehicle and snowmobile that, in the
488 normal course of operation, most frequently leaves from and returns to
489 or remains in a town in this state, and any other motor vehicle or
490 snowmobile located in a town in this state, which motor vehicle or
491 snowmobile is not used or is not capable of being used.

492 (2) (A) For assessment years commencing on or after October 1, 2023,
493 each municipality shall list motor vehicles registered and classified in
494 accordance with section 12-71d, as amended by this act, and such motor
495 vehicles shall be valued in the same manner as motor vehicles valued
496 pursuant to section 12-63, as amended by this act.

497 (B) For assessment years commencing on or after October 1, 2023, any
498 unregistered motor vehicle or motor vehicle that is not used or capable
499 of being used that is located in a municipality in this state, shall be listed
500 and valued in the manner described in subparagraph (A) of this
501 subdivision.

502 [(2) Any] (3) (A) For assessment years commencing prior to October

503 1, 2023, any motor vehicle or snowmobile registered in this state subject
504 to taxation in accordance with the provisions of this subsection shall be
505 set in the list of the town where such vehicle in the normal course of
506 operation most frequently leaves from and returns to or in which it
507 remains. It shall be presumed that any such motor vehicle or
508 snowmobile most frequently leaves from and returns to or remains in
509 the town in which the owner of such vehicle resides, unless a provision
510 of this subsection otherwise expressly provides. As used in this
511 [subsection] subparagraph, "the town in which the owner of such
512 vehicle resides" means the town in this state where [(A)] (i) the owner,
513 if an individual, has established a legal residence consisting of a true,
514 fixed and permanent home to which such individual intends to return
515 after any absence, or [(B)] (ii) the owner, if a company, corporation,
516 limited liability company, partnership, firm or any other type of public
517 or private organization, association or society, has an established site for
518 conducting the purposes for which it was created. In the event such an
519 entity resides in more than one town in this state, it shall be subject to
520 taxation by each such town with respect to any registered or
521 unregistered motor vehicle or snowmobile that most frequently leaves
522 from and returns to or remains in such town.

523 (B) For assessment years commencing on or after October 1, 2023, any
524 motor vehicle subject to taxation in this state in accordance with the
525 provisions of this subsection shall be set in the list of the town where
526 such vehicle in the normal course of operation most frequently leaves
527 from and returns to or in which it remains. It shall be presumed that any
528 such motor vehicle most frequently leaves from and returns to or
529 remains in the town in which the owner of such vehicle resides, unless
530 a provision of this subsection otherwise expressly provides. As used in
531 this subparagraph, "the town in which the owner of such vehicle
532 resides" means the town in this state where (i) the owner, if an
533 individual, has established a legal residence consisting of a true, fixed
534 and permanent home to which such individual intends to return after
535 any absence, or (ii) the owner, if a company, corporation, limited
536 liability company, partnership, firm or any other type of public or
537 private organization, association or society, has an established site for

538 conducting the purposes for which it was created. In the event such an
539 entity resides in more than one town in this state, it shall be subject to
540 taxation by each such town with respect to any registered or
541 unregistered motor vehicle that most frequently leaves from and returns
542 to or remains in such town.

543 [(3)] (4) Any motor vehicle owned by a nonresident of this state shall
544 be set in the list of the town where such vehicle in the normal course of
545 operation most frequently leaves from and returns to or in which it
546 remains. If such vehicle in the normal course of operation most
547 frequently leaves from and returns to or remains in more than one town,
548 it shall be set in the list of the town in which such vehicle is located for
549 the three or more months preceding the assessment day in any year,
550 except that, if such vehicle is located in more than one town for three or
551 more months preceding the assessment day in any year, it shall be set in
552 the list of the town where it is located for the three months or more in
553 such year nearest to such assessment day. In the event a motor vehicle
554 owned by a nonresident is not located in any town for three or more of
555 the months preceding the assessment day in any year, such vehicle shall
556 be set in the list of the town where such vehicle is located on such
557 assessment day.

558 [(4) Notwithstanding] (5) (A) For assessment years commencing prior
559 to October 1, 2023, notwithstanding any provision of subdivision [(2)]
560 (3) of this subsection: [(A)] (i) Any registered motor vehicle that is
561 assigned to an employee of the owner of such vehicle for the exclusive
562 use of such employee and which, in the normal course of operation most
563 frequently leaves from and returns to or remains in such employee's
564 town of residence, shall be set in the list of the town where such
565 employee resides; [(B)] (ii) any registered motor vehicle that is being
566 operated, pursuant to a lease, by a person other than the owner of such
567 vehicle, or such owner's employee, shall be set in the list of the town
568 where the person who is operating such vehicle pursuant to said lease
569 resides; [(C)] (iii) any registered motor vehicle designed or used for
570 recreational purposes, including, but not limited to, a camp trailer,
571 camper or motor home, shall be set in the list of the town such vehicle,

572 in the normal course of its operation for camping, travel or recreational
573 purposes in this state, most frequently leaves from and returns to or the
574 town in which it remains. If such a vehicle is not used in this state in its
575 normal course of operation for camping, travel or recreational purposes,
576 such vehicle shall be set in the list of the town in this state in which the
577 owner of such vehicle resides; and [(D)] (iv) any registered motor
578 vehicle that is used or intended for use for the purposes of construction,
579 building, grading, paving or similar projects, or to facilitate any such
580 project, shall be set in the list of the town in which such project is
581 situated if such vehicle is located in said town for the three or more
582 months preceding the assessment day in any year, provided [(i)] if such
583 vehicle is located in more than one town in this state for three or more
584 months preceding the assessment day in any year, such vehicle shall be
585 set in the list of the town where it is located for the three months or more
586 in such year nearest to such assessment day, and [(ii)] if such vehicle is
587 not located in any town for three or more of the months preceding the
588 assessment day in any year, such vehicle shall be set in the list of the
589 town where such vehicle is located on such assessment day.

590 (B) For assessment years commencing on or after October 1, 2023,
591 notwithstanding any provision of subdivision (3) of this subsection: (i)
592 Any motor vehicle that is assigned to an employee of the owner of such
593 vehicle for the exclusive use of such employee and which, in the normal
594 course of operation most frequently leaves from and returns to or
595 remains in such employee's town of residence, shall be set in the list of
596 the town where such employee resides; (ii) any motor vehicle that is
597 being operated, pursuant to a lease, by a person other than the owner of
598 such vehicle, or such owner's employee, shall be set in the list of the
599 town where the person who is operating such vehicle pursuant to said
600 lease resides; (iii) any motor vehicle designed or used for recreational
601 purposes, including, but not limited to, a camper or motor home, shall
602 be set in the list of the town such vehicle, in the normal course of its
603 operation for camping, travel or recreational purposes in this state, most
604 frequently leaves from and returns to or the town in which it remains.
605 If such a vehicle is not used in this state in its normal course of operation
606 for camping, travel or recreational purposes, such vehicle shall be set in

607 the list of the town in this state in which the owner of such vehicle
608 resides; and (iv) any motor vehicle that is used or intended for use for
609 the purposes of construction, building, grading, paving or similar
610 projects, or to facilitate any such project, shall be set in the list of the
611 town in which such project is situated if such vehicle is located in said
612 town for the three or more months preceding the assessment day in any
613 year, provided if such vehicle is located in more than one town in this
614 state for three or more months preceding the assessment day in any
615 year, such vehicle shall be set in the list of the town where it is located
616 for the three months or more in such year nearest to such assessment
617 day, and if such vehicle is not located in any town for three or more of
618 the months preceding the assessment day in any year, such vehicle shall
619 be set in the list of the town where such vehicle is located on such
620 assessment day.

621 [(5)] (6) The owner of a motor vehicle subject to taxation in
622 accordance with the provisions of subdivision [(4)] (5) of this subsection
623 in a town other than the town in which such owner resides may register
624 such vehicle in the town in which such vehicle is subject to taxation.

625 [(6) Information] (7) (A) For assessment years commencing prior to
626 October 1, 2023, information concerning any vehicle subject to taxation
627 in a town other than the town in which it is registered may be included
628 on any declaration or report filed pursuant to section 12-41, as amended
629 by this act, 12-43, as amended by this act, or 12-57a. If a motor vehicle or
630 snowmobile is registered in a town in which it is not subject to taxation,
631 pursuant to the provisions of subdivision [(4)] (5) of this [section]
632 subsection, the assessor of the town in which such vehicle is subject to
633 taxation shall notify the assessor of the town in which such vehicle is
634 registered of the name and address of the owner of such motor vehicle
635 or snowmobile, the vehicle identification number and the town in which
636 such vehicle is subject to taxation. The assessor of the town in which said
637 vehicle is registered and the assessor of the town in which said vehicle
638 is subject to taxation shall cooperate in administering the provisions of
639 this section concerning the listing of such vehicle for property tax
640 purposes.

641 (B) For assessment years commencing on or after October 1, 2023,
642 information concerning any vehicle subject to taxation in a town other
643 than the town in which it is registered may be included on any
644 declaration or report filed pursuant to section 12-41, as amended by this
645 act, 12-43, as amended by this act, or 12-57a. If a motor vehicle is listed
646 in a town in which it is not subject to taxation, pursuant to the provisions
647 of subdivision (5) of this subsection, the assessor of the town in which
648 such vehicle is listed shall notify the assessor of the town in which such
649 vehicle is listed of the name and address of the owner of such motor
650 vehicle, the vehicle identification number and the town in which such
651 vehicle is taxed. The assessor of the town in which said vehicle is
652 registered and the assessor of the town in which said vehicle is listed
653 shall cooperate in administering the provisions of this section
654 concerning the listing of such vehicle for property tax purposes.

655 Sec. 8. Section 12-71b of the general statutes is repealed and the
656 following is substituted in lieu thereof (*Effective July 1, 2022, and*
657 *applicable to assessment years commencing on or after October 1, 2023*):

658 (a) [Any] (1) For assessment years commencing prior to October 1,
659 2023, any person who owns a motor vehicle which is not registered with
660 the Commissioner of Motor Vehicles on the first day of October in any
661 assessment year and which is registered subsequent to said first day of
662 October but prior to the first day of August in such assessment year shall
663 be liable for the payment of property tax with respect to such motor
664 vehicle in the town where such motor vehicle is subject to property tax,
665 in an amount as hereinafter provided, on the first day of January
666 immediately subsequent to the end of such assessment year. The
667 property tax payable with respect to such motor vehicle on said first day
668 of January shall be in the amount which would be payable if such motor
669 vehicle had been entered in the taxable list of the town where such
670 motor vehicle is subject to property tax on the first day of October in
671 such assessment year if such registration occurs prior to the first day of
672 November. If such registration occurs on or after the first day of
673 November but prior to the first day of August in such assessment year,
674 such tax shall be a pro rata portion of the amount of tax payable if such

675 motor vehicle had been entered in the taxable list of such town on
676 October first in such assessment year to be determined [(1)] (A) by a
677 ratio, the numerator of which shall be the number of months from the
678 date of such registration, including the month in which registration
679 occurs, to the first day of October next succeeding and the denominator
680 of which shall be twelve, or [(2)] (B) upon the affirmative vote of the
681 legislative body of the municipality, by a ratio the numerator of which
682 shall be the number of days from the date of such registration, including
683 the day on which the registration occurs, to the first day of October next
684 succeeding and the denominator of which shall be three hundred sixty-
685 five. For purposes of this section the term "assessment year" means the
686 period of twelve full months commencing with October first each year.

687 (2) For assessment years commencing on or after October 1, 2023, any
688 person who owns a motor vehicle which is not registered with the
689 Commissioner of Motor Vehicles on the first day of October in any
690 assessment year and which is registered subsequent to said first day of
691 October but prior to the first day of April in such assessment year shall
692 be liable for the payment of property tax with respect to such motor
693 vehicle in the town where such motor vehicle is subject to property tax,
694 in an amount as hereinafter provided, on the first day of July in such
695 assessment year. Any person who owns a motor vehicle which is
696 registered with the Commissioner of Motor Vehicles on or after the first
697 day of April in any assessment year but prior to the first day of October
698 next succeeding shall be liable for the payment of property tax with
699 respect to such motor vehicle in the town where such motor vehicle is
700 subject to property tax, in an amount hereinafter provided, on the first
701 day of January immediately subsequent to the end of such assessment
702 year. The property tax payable with respect to a motor vehicle described
703 in this subdivision shall be in the amount which would be payable if
704 such motor vehicle had been entered into the taxable list of the town
705 where such motor vehicle is subject to property tax on the first day of
706 October in such assessment year if such registration occurs prior to the
707 first day of November. If such registration occurs on or after the first day
708 of November but prior to the first day of October next succeeding, such
709 tax shall be a pro rata portion of the amount of tax payable if such motor

710 vehicle had been entered in the taxable list of such town on October first
711 in such assessment year to be determined (A) by a ratio, the numerator
712 of which shall be the number of months from the date of such
713 registration, including the month in which registration occurs, to the
714 first day of October next succeeding and the denominator of which shall
715 be twelve, or (B) upon the affirmative vote of the legislative body of the
716 municipality, by a ratio the numerator of which shall be the number of
717 days from the date of such registration, including the day on which the
718 registration occurs, to the first day of October next succeeding and the
719 denominator of which shall be three hundred sixty-five.

720 (b) [Whenever] (1) For assessment years commencing prior to
721 October 1, 2023, whenever any person who owns a motor vehicle which
722 has been entered in the taxable list of the town where such motor vehicle
723 is subject to property tax in any assessment year and who, subsequent
724 to the first day of October in such assessment year but prior to the first
725 day of August in such assessment year, replaces such motor vehicle with
726 another motor vehicle, hereinafter referred to as the replacement
727 vehicle, which vehicle may be in a different classification for purposes
728 of registration than the motor vehicle replaced, and provided one of the
729 following conditions is applicable with respect to the motor vehicle
730 replaced: [(1)] (A) The unexpired registration of the motor vehicle
731 replaced is transferred to the replacement vehicle, [(2)] (B) the motor
732 vehicle replaced was stolen or totally damaged and proof concerning
733 such theft or total damage is submitted to the assessor in such town, or
734 [(3)] (C) the motor vehicle replaced is sold by such person within forty-
735 five days immediately prior to or following the date on which such
736 person acquires the replacement vehicle, such person shall be liable for
737 the payment of property tax with respect to the replacement vehicle in
738 the town in which the motor vehicle replaced is subject to property tax,
739 in an amount as hereinafter provided, on the first day of January
740 immediately subsequent to the end of such assessment year. If the
741 replacement vehicle is replaced by such person with another motor
742 vehicle prior to the first day of August in such assessment year, the
743 replacement vehicle shall be subject to property tax as provided in this
744 subsection and such other motor vehicle replacing the replacement

745 vehicle, or any motor vehicle replacing such other motor vehicle in such
746 assessment year, shall be deemed to be the replacement vehicle for
747 purposes of this subsection and shall be subject to property tax as
748 provided herein. The property tax payable with respect to the
749 replacement vehicle on said first day of January shall be the amount by
750 which [(A)] (i) is in excess of [(B)] (ii) as follows: [(A)] (i) The property
751 tax which would be payable if the replacement vehicle had been entered
752 in the taxable list of the town in which the motor vehicle replaced is
753 subject to property tax on the first day of October in such assessment
754 year if such registration occurs prior to the first day of November,
755 however if such registration occurs on or after the first day of November
756 but prior to the first day of August in such assessment year, such tax
757 shall be a pro rata portion of the amount of tax payable if such motor
758 vehicle had been entered in the taxable list of such town on October first
759 in such assessment year to be determined by a ratio, the numerator of
760 which shall be the number of months from the date of such registration,
761 including the month in which registration occurs, to the first day of
762 October next succeeding and the denominator of which shall be twelve,
763 provided if such person, on said first day of October, was entitled to any
764 exemption under section 12-81, as amended by this act, which was
765 allowed in the assessment of the motor vehicle replaced, such
766 exemption shall be allowed for purposes of determining the property
767 tax payable with respect to the replacement vehicle as provided herein;
768 [(B)] (ii) the property tax payable by such person with respect to the
769 motor vehicle replaced, provided if the replacement vehicle is registered
770 subsequent to the thirty-first day of October but prior to the first day of
771 August in such assessment year such property tax payable with respect
772 to the motor vehicle replaced shall, for purposes of the computation
773 herein, be deemed to be a pro rata portion of such property tax to be
774 prorated in the same manner as the amount of tax determined under
775 [(A)] (i) above.

776 (2) For assessment years commencing on or after October 1, 2023,
777 whenever any person who owns a motor vehicle which has been entered
778 in the taxable list of the town where such motor vehicle is subject to
779 property tax in any assessment year and who, subsequent to the first

780 day of October in such assessment year but prior to the first day of April
781 in such assessment year, replaces such motor vehicle with another
782 motor vehicle, hereinafter referred to as the replacement vehicle, which
783 vehicle may be in a different classification for purposes of registration
784 than the motor vehicle replaced, and provided one of the following
785 conditions is applicable with respect to the motor vehicle replaced: (A)
786 The unexpired registration of the motor vehicle replaced is transferred
787 to the replacement vehicle, (B) the motor vehicle replaced was stolen or
788 totally damaged and proof concerning such theft or total damage is
789 submitted to the assessor in such town, or (C) the motor vehicle replaced
790 is sold by such person within forty-five days immediately prior to or
791 following the date on which such person acquires the replacement
792 vehicle, such person shall be liable for the payment of property tax with
793 respect to the replacement vehicle in the town in which the motor
794 vehicle replaced is subject to property tax pursuant to subdivision (4) of
795 this subsection, on the first day of July in such assessment year. If a
796 replacement vehicle is replaced by the owner of such replacement
797 vehicle prior to the first day of October next succeeding such assessment
798 year, the replacement vehicle shall be subject to property tax as
799 provided in this subdivision and such other motor vehicle replacing the
800 replacement vehicle, or any motor vehicle replacing such other motor
801 vehicle in such assessment year, shall be deemed to be the replacement
802 vehicle for purposes of this subdivision.

803 (3) For assessment years commencing on or after October 1, 2023,
804 whenever any person who owns a motor vehicle which has been entered
805 into the taxable list of the town where such motor vehicle is subject to
806 property tax in any assessment year and who, on or after the first day of
807 April of such assessment year but prior to the first day of October next
808 succeeding, replaces such motor vehicle with another motor vehicle,
809 hereinafter referred to as the replacement vehicle, which vehicle may be
810 in a different classification for purposes of registration than the motor
811 vehicle replaced, and provided one of the following conditions is
812 applicable with respect to the motor vehicle replaced: (A) The unexpired
813 registration of the motor vehicle replaced is transferred to the
814 replacement vehicle, (B) the motor vehicle replaced was stolen or totally

815 damaged and proof concerning such theft or total damage is submitted
816 to the assessor in such town, or (C) the motor vehicle replaced is sold by
817 such person within forty-five days immediately prior to or following the
818 date on which such person acquires the replacement vehicle, such
819 person shall be liable for the payment of property tax with respect to the
820 replacement vehicle in the town in which the motor vehicle replaced is
821 subject to property tax pursuant to subdivision (4) of this subsection, on
822 the first day of January immediately succeeding such assessment year.
823 If a replacement vehicle is replaced by the owner of such replacement
824 vehicle prior to the first day of October next succeeding such assessment
825 year, the replacement vehicle shall be subject to property tax as
826 provided in this subdivision and such other motor vehicle replacing the
827 replacement vehicle, or any motor vehicle replacing such other motor
828 vehicle in such assessment year, shall be deemed to be the replacement
829 vehicle for purposes of this subdivision.

830 (4) The property tax payable with respect to a replacement vehicle
831 described in subdivision (2) or (3) of this subsection shall be the amount
832 by which (A) is in excess of (B) as follows: (A) The property tax which
833 would be payable if the replacement vehicle had been entered in the
834 taxable list of the town in which the motor vehicle replaced is subject to
835 property tax on the first day of October in such assessment year if such
836 registration occurs prior to the first day of November, however, if such
837 registration occurs on or after the first day of November but prior to the
838 first day of October next succeeding, such tax shall be a pro rata portion
839 of the amount of tax payable if such motor vehicle had been entered in
840 the taxable list of such town on October first in such assessment year to
841 be determined by ratio, the numerator of which shall be the number of
842 months from the date of such registration, including the month in which
843 registration occurs, to the first day of October next succeeding and the
844 denominator of which shall be twelve, provided if such person, on said
845 first day of October, was entitled to any exemption under section 12-81,
846 as amended by this act, which was allowed in the assessment of the
847 motor vehicle replaced, such exemption shall be allowed for purposes
848 of determining the property tax payable with respect to the replacement
849 vehicle as provided herein; (B) the property tax payable by such person

850 with respect to the motor vehicle replaced, provided if the replacement
851 vehicle is registered subsequent to the thirty-first day of October but
852 prior to the first day of October next succeeding such property tax
853 payable with respect to the motor vehicle replaced shall, for purposes of
854 the computation herein, be deemed to be a pro rata portion of such
855 property tax to be prorated in the same manner as the amount of tax
856 determined under (A) above.

857 (c) [Any] (1) For assessment years commencing prior to October 1,
858 2023, any person who owns a commercial motor vehicle which has been
859 temporarily registered at any time during any assessment year and
860 which has not during such period been entered in the taxable list of any
861 town in the state for purposes of the property tax and with respect to
862 which no permanent registration has been issued during such period,
863 shall be liable for the payment of property tax with respect to such motor
864 vehicle in the town where such motor vehicle is subject to property tax
865 on the first day of January immediately following the end of such
866 assessment year, in an amount as hereinafter provided. The property tax
867 payable shall be in the amount which would be payable if such motor
868 vehicle had been entered in the taxable list of the town where such
869 motor vehicle is subject to property tax on the first day of October in
870 such assessment year.

871 (2) For assessment years commencing on or after October 1, 2023, any
872 person who owns a commercial motor vehicle which has been
873 temporarily registered at any time during any assessment year and
874 which has not during such period been entered in the taxable list of any
875 town in the state for purposes of the property tax and with respect to
876 which no permanent registration has been issued during such period,
877 shall be liable for the payment of property tax with respect to such motor
878 vehicle in the town where such motor vehicle is subject to property tax
879 on the first day of July of such assessment year or the first day of January
880 immediately following such assessment year, as applicable, pursuant to
881 subdivisions (2) and (3) of subsection (b) of this section. The property
882 tax payable shall be in the amount which would be payable if such
883 motor vehicle had been entered in the taxable list of the town where

884 such motor vehicle is subject to property tax on the first day of October
885 in such assessment year.

886 (d) Any motor vehicle subject to property tax as provided in this
887 section shall, except as otherwise provided in subsection (b) of this
888 section, be subject to such property tax in the town in which such motor
889 vehicle was last registered in the assessment year ending immediately
890 preceding the day on which such property tax is payable as provided in
891 this section.

892 (e) Whenever any motor vehicle subject to property tax as provided
893 in this section has been replaced by the owner with another motor
894 vehicle in the assessment year immediately preceding the day on which
895 such property tax is payable, each such motor vehicle shall be subject to
896 property tax as provided in this section.

897 (f) Upon receipt by the assessor in any town of notice from the
898 Commissioner of Motor Vehicles, in a manner as prescribed by said
899 commissioner, with respect to any motor vehicle subject to property tax
900 in accordance with the provisions of this section and which has not been
901 entered in the taxable grand list of such town, such assessor shall
902 determine the value of such motor vehicle for purposes of property tax
903 assessment and shall add such value to the taxable grand list in such
904 town for the immediately preceding assessment date and the tax
905 thereon shall be levied and collected by the tax collector. Such property
906 tax shall be payable not later than the first day of (1) February following
907 the first day of January on which the owner of such motor vehicle
908 becomes liable for the payment of property tax, for assessment years
909 commencing prior to October 1, 2023, and (2) the month succeeding the
910 month in which such property tax became due and payable, for
911 assessment years commencing on or after October 1, 2023, with respect
912 to such motor vehicle in accordance with the provisions of this section,
913 subject to any determination in accordance with section 12-142 that such
914 tax shall be due and payable in installments. Said owner may appeal the
915 assessment of such motor vehicle, as determined by the assessor in
916 accordance with this subsection, to the board of assessment appeals next

917 succeeding the date on which the tax based on such assessment is
918 payable, and thereafter, to the Superior Court as provided in section 12-
919 117a. If the amount of such tax is reduced upon appeal, the portion
920 thereof which has been paid in excess of the amount determined to be
921 due upon appeal shall be refunded to said owner.

922 (g) Any motor vehicle which is not registered in this state shall be
923 subject to property tax in this state if such motor vehicle in the normal
924 course of operation most frequently leaves from and returns to or
925 remains in one or more points within this state, and such motor vehicle
926 shall be subject to such property tax in the town within which such
927 motor vehicle in the normal course of operation most frequently leaves
928 from and returns to or remains, provided when the owner of such motor
929 vehicle is a resident in any town in the state, it shall be presumed that
930 such motor vehicle most frequently leaves from and returns to or
931 remains in such town unless evidence, satisfactory to the assessor in
932 such town, is submitted to the contrary.

933 Sec. 9. Subsection (b) of section 12-71c of the general statutes is
934 repealed and the following is substituted in lieu thereof (*Effective July 1,*
935 *2022, and applicable to assessment years commencing on or after October 1,*
936 *2023*):

937 (b) Any person claiming a property tax credit with respect to a motor
938 vehicle in accordance with subsection (a) of this section [for any
939 assessment year shall, not later than the thirty-first day of December
940 immediately following the end of the assessment year which next
941 follows the assessment year in which such motor vehicle is so sold,
942 damaged, stolen or removed and registered,] shall file with the assessor
943 in the town in which such person is entitled to such property tax credit,
944 documentation satisfactory to the assessor concerning the sale, total
945 damage, theft or removal and registration of such motor vehicle. For
946 assessment years commencing prior to October 1, 2023, such
947 documentation shall be filed not later than the thirty-first day of
948 December immediately following the end of the assessment year which
949 next follows the assessment year in which such motor vehicle was sold,

950 damaged, stolen or removed and registered. For assessment years
951 commencing on or after October 1, 2023, such documentation shall be
952 filed not later than three years after the date upon which such tax was
953 due and payable for such motor vehicle. Failure to file such claim and
954 documentation as prescribed herein shall constitute a waiver of the right
955 to such property tax credit.

956 Sec. 10. Subdivision (74) of section 12-81 of the 2022 supplement to
957 the general statutes is repealed and the following is substituted in lieu
958 thereof (*Effective July 1, 2022, and applicable to assessment years commencing*
959 *on or after October 1, 2023*):

960 (74) (A) (i) For a period not to exceed five assessment years following
961 the assessment year in which it is first registered, any new commercial
962 truck, truck tractor, tractor and semitrailer, and vehicle used in
963 combination therewith, which is used exclusively to transport freight for
964 hire and: Is either subject to the jurisdiction of the United States
965 Department of Transportation pursuant to Chapter 135 of Title 49,
966 United States Code, or any successor thereto, or would otherwise be
967 subject to said jurisdiction except for the fact that the vehicle is used
968 exclusively in intrastate commerce; has a gross vehicle weight rating in
969 excess of twenty-six thousand pounds; and prior to August 1, 1996, was
970 not registered in this state or in any other jurisdiction but was registered
971 in this state on or after said date. (ii) For a period not to exceed five
972 assessment years following the assessment year in which it is first
973 registered, any new commercial truck, truck tractor, tractor and
974 semitrailer, and vehicle used in combination therewith, not eligible
975 under subparagraph (A)(i) of this subdivision, that has a gross vehicle
976 weight rating in excess of fifty-five thousand pounds and was not
977 registered in this state or in any other jurisdiction but was registered in
978 this state on or after August 1, 1999. As used in this subdivision, "gross
979 vehicle weight rating" has the same meaning as provided in section 14-
980 1;

981 (B) Any person who on October first in any year holds title to or is
982 the registrant of a vehicle for which such person intends to claim the

983 exemption provided in this subdivision shall file with the assessor or
984 board of assessors in the municipality in which the vehicle is subject to
985 property taxation, on or before the first day of November in such year,
986 a written application claiming such exemption on a form prescribed by
987 the Secretary of the Office of Policy and Management. Such person shall
988 include information as to the make, model, year and vehicle
989 identification number of each such vehicle, and any appurtenances
990 attached thereto, in such application. The person holding title to or the
991 registrant of such vehicle for which exemption is claimed shall furnish
992 the assessor or board of assessors with such supporting documentation
993 as said secretary may require, including, but not limited to, evidence of
994 vehicle use, acquisition cost and registration. Failure to file such
995 application in this manner and form within the time limit prescribed
996 shall constitute a waiver of the right to such exemption for such
997 assessment year, unless an extension of time is allowed as provided in
998 section 12-81k. Such application shall not be required for any assessment
999 year following that for which the initial application is filed, provided if
1000 the vehicle is modified, such modification shall be deemed a waiver of
1001 the right to such exemption until a new application is filed and the right
1002 to such exemption is established as required initially. With respect to
1003 any vehicle for which the exemption under this subdivision has
1004 previously been claimed in a town other than that in which the vehicle
1005 is registered on any assessment date, the person shall not be entitled to
1006 such exemption until a new application is filed and the right to such
1007 exemption is established in said town;

1008 (C) With respect to any vehicle which is not registered on the first day
1009 of October in any assessment year and which is registered subsequent
1010 to said first day of October but prior to the first day of August in such
1011 assessment year, the value of such vehicle for property tax exemption
1012 purposes shall be a pro rata portion of the value determined in
1013 accordance with subparagraph (D) of this subdivision, to be determined
1014 by a ratio, the numerator of which shall be the number of months from
1015 the date of such registration, including the month in which registration
1016 occurs, to the first day of October next succeeding and the denominator
1017 of which shall be twelve. For purposes of this subdivision, "assessment

1018 year" means the period of twelve full months commencing with October
1019 first each year;

1020 (D) [Notwithstanding] For assessment years commencing prior to
1021 October 1, 2023, notwithstanding the provisions of section 12-71d, as
1022 amended by this act, the assessor or board of assessors shall determine
1023 the value for each vehicle with respect to which a claim for exemption
1024 under this subdivision is approved, based on the vehicle's cost of
1025 acquisition, including costs related to the modification of such vehicle,
1026 adjusted for depreciation;

1027 Sec. 11. Section 12-81 of the 2022 supplement to the general statutes
1028 is amended by adding subdivision (80) as follows (*Effective July 1, 2022,*
1029 *and applicable to assessment years commencing on or after October 1, 2023*):

1030 (NEW) (80) For assessment years commencing on or after October 1,
1031 2023, any snowmobile, all-terrain vehicle or residential utility trailer,
1032 provided such property is exclusively for personal use.

1033 Sec. 12. Subsection (a) of section 12-42 of the general statutes is
1034 repealed and the following is substituted in lieu thereof (*Effective July 1,*
1035 *2022*):

1036 (a) Any person required by law to file an annual declaration of
1037 personal property may request a filing extension with the assessor of the
1038 municipality. Such request shall be made on or before the first day of
1039 November in writing, including by electronic filing if the municipality
1040 is able to and agrees to accept electronic filing under subsection [(d)] (e)
1041 of section 12-41, as amended by this act. When the first day of November
1042 is a Saturday or Sunday, the declaration or extension request may be
1043 filed or postmarked the next business day following. The assessor may
1044 grant an extension of not more than forty-five days to file the declaration
1045 required pursuant to section 12-41, as amended by this act, upon
1046 determination that there is good cause.

1047 Sec. 13. Section 12-43 of the general statutes is repealed and the
1048 following is substituted in lieu thereof (*Effective July 1, 2022*):

1049 Each owner of tangible personal property located in any town for
1050 three months or more during the assessment year immediately
1051 preceding any assessment day, who is a nonresident of such town, shall
1052 file a declaration of such personal property with the assessors of the
1053 town in which the same is located on such assessment day, if located in
1054 such town for three months or more in such year, otherwise, in the town
1055 in which such property is located for the three months or more in such
1056 year nearest to such assessment day, under the same provisions as apply
1057 to residents, and such personal property shall not be liable to taxation
1058 in any other town in this state. The declaration of each nonresident
1059 taxpayer shall contain the nonresident's post-office and street address.
1060 At least thirty days before the expiration of the time for filing such
1061 declaration, the assessors shall mail blank declaration forms to each
1062 nonresident, or to such nonresident's attorney or agent having custody
1063 of the nonresident's taxable property, or send such forms electronically
1064 to such nonresident's electronic mail address or the electronic mail
1065 address of such nonresident's attorney or agent, provided such
1066 nonresident has requested, in writing, to receive such forms
1067 electronically. If the identity or mailing address of a nonresident
1068 taxpayer is not discovered until after the expiration of time for filing a
1069 declaration, the assessor shall, not later than ten days after determining
1070 the identity or mailing address, mail a declaration form to the
1071 nonresident taxpayer. Said taxpayer shall file the declaration not later
1072 than fifteen days after the date such declaration form is sent. Each
1073 nonresident taxpayer who fails to file a declaration in accordance with
1074 the provisions of this section shall be subject to the penalty provided in
1075 subsection [(e)] (f) of section 12-41, as amended by this act. As used in
1076 this section, "nonresident" means a person who does not reside in the
1077 town in which such person's tangible personal property is located on the
1078 assessment day, or a company, corporation, limited liability company,
1079 partnership or any other type of business enterprise that does not have
1080 an established place for conducting business in such town on the
1081 assessment day.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	14-33(a) and (b)
Sec. 2	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	14-163
Sec. 3	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-71d
Sec. 4	<i>July 1, 2022</i>	12-63
Sec. 5	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-41
Sec. 6	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-53(a)
Sec. 7	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-71
Sec. 8	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-71b
Sec. 9	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-71c(b)
Sec. 10	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-81(74)

Sec. 11	<i>July 1, 2022, and applicable to assessment years commencing on or after October 1, 2023</i>	12-81
Sec. 12	<i>July 1, 2022</i>	12-42(a)
Sec. 13	<i>July 1, 2022</i>	12-43

PD *Joint Favorable Subst. C/R*

FIN

FIN *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: See Below

Explanation

The bill makes several changes to the assessment process for motor vehicle property taxes. It 1) establishes a depreciation schedule for motor vehicle taxes; 2) exempts all-terrain vehicles, snowmobiles and certain utility trailers from property taxes; 3) expands the supplemental motor vehicle tax to vehicles registered in August and September; and 4) makes other motor vehicle assessment changes.

The bill results in a shift in municipal grand lists to real and personal property by establishing a depreciation schedule for motor vehicles. This precludes any increase in a municipality's motor vehicle grand list that would otherwise occur by assessing vehicles based on manufacturer's suggested retail price (MSRP).

The bill results in a grand list reduction to municipalities by exempting all-terrain vehicles, snowmobiles and utility trailers. This grand list reduction is at least partially offset by the expansion of the supplemental motor vehicle tax to vehicles registered in August and September. The net impact of these two changes on municipal grand lists is expected to be minimal.

The other changes made in the bill to the motor vehicle assessment process have no fiscal impact. The bill also makes various changes to the process by which DMV reports registered vehicles to municipal assessors, which has no fiscal impact.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to changes in municipal grand lists.

OLR Bill Analysis**sHB 5043*****AN ACT REFORMING MOTOR VEHICLE ASSESSMENT.*****SUMMARY**

This bill makes numerous changes in motor vehicle property tax assessment laws. Beginning in the 2023 assessment year, the bill principally:

1. exempts from property tax snowmobiles, all-terrain vehicles, and utility trailers used exclusively for personal purposes (§ 11);
2. requires municipalities to value motor vehicles based on the manufacturer's suggested retail price (MSRP) and a 20-year depreciation schedule, rather than the schedule of values annually recommended by the Office of Policy Management (OPM);
3. increases the frequency with which the Department of Motor Vehicles (DMV) must provide motor vehicle registration information to municipalities;
4. modifies the timeline for supplemental property taxes due on motor vehicles registered after each assessment year starts and extends the supplemental tax bill requirement to vehicles registered in August and September of each assessment year;
5. extends the period during which taxpayers may claim a property tax credit for motor vehicles that were stolen, sold, totaled, or moved out of state; and
6. requires taxpayers to include on personal property declarations motor vehicles that are included in a schedule of motor vehicle plate classes established by OPM.

Under current law, DMV generally cannot issue a vehicle registration to anyone who owes property taxes on a registered vehicle, and DMV may revoke the registrations of other vehicles owned by the delinquent taxpayer under specified circumstances. The bill extends these provisions to anyone who owes property taxes on any taxable motor vehicle, including unregistered ones.

The bill also eliminates a provision requiring municipalities to issue a validation sticker showing property taxes have been paid on certain commercial motor vehicles used for construction, paving, or other similar purposes (§ 7) and makes other conforming and technical changes.

EFFECTIVE DATE: July 1, 2022, and applicable to assessment years beginning October 1, 2023, except the provision on motor vehicle valuations (§ 4) and two sections making conforming changes (§§ 12 & 13) are effective July 1, 2022, irrespective of the assessment year.

§§ 3, 4, 7 & 10 — MOTOR VEHICLE VALUATIONS

Schedule of Values

Under current law, the OPM secretary must annually recommend a schedule of motor vehicle values based on their average retail price. (In practice, OPM generally recommends the National Automobile Dealers Association's appraisal guides.) Current law requires municipalities to use this schedule when determining a motor vehicle's value for tax purposes unless the vehicle is not listed in the schedule. For vehicles that are not listed (e.g., older or modified vehicles), the assessor must generally determine their values.

The bill instead requires vehicles to be valued for property tax purposes as a percentage of their MSRP, based on a 20-year depreciation schedule, as shown in Table 1. Under the bill, vehicles that are 20 or more years old must be valued at no less than \$2,000. (Existing law, unchanged by the bill, caps the assessed value of eligible antique, rare, or special interest motor vehicles at \$500.)

Table 1: Motor Vehicle Valuations Under the Bill

Vehicle Age (in years)	% of MSRP	Vehicle Age (in years)	% of MSRP
Up to 1	80	9	40
2	75	10	35
3	70	11	30
4	65	12	25
5	60	13	20
6	55	14	15
7	50	15-19	10
8	45	20+	≥ \$2,000

Under the bill, assessors must determine the value of vehicles for which the MSRP is unavailable in consultation with the Connecticut Association of Assessing Officers (CAAO).

Vehicles Types Subject to the Valuation Method

The bill requires municipalities to value motor vehicles added to its grand list (as described below) using the MSRP and depreciation schedule. These motor vehicles are those that are (1) registered, (2) classified in OPM's plate class schedule (also described below), or (3) unregistered or unusable and located in the state.

The bill also applies the valuation method to certain commercial trucks, truck tractors, and tractors and semitrailers used exclusively to transport freight for hire. Under the current law, assessors value these motor vehicles based on their purchase cost and any costs related to modifications, adjusted for depreciation.

§ 2 — DMV REGISTERED VEHICLE REPORT TO MUNICIPALITIES

DMV Annual Report of Motor Vehicles Taxable in the Municipality

Under current law, the DMV commissioner must annually report to each municipal tax assessor the motor vehicles and snowmobiles that are registered in the municipality. (In practice, this list covers all of the vehicles registered in each town on October 1, the start of the assessment year.) The list must include the owners' names and addresses and each vehicle's identification number.

The bill (1) moves up the date by which DMV must annually provide the report, from December 1 to November 1, and (2) requires the report to also include the MSRP for each vehicle for which it is available. The bill also removes the reporting requirement for snowmobiles, which the bill exempts from the property tax.

Supplemental List of Taxable Motor Vehicles

By law, DMV must also provide tax assessors with a supplemental report that lists taxable motor vehicles registered after October 1 (i.e., those not included on the annual report). Under current law, DMV must provide the supplemental report annually by October 1 and include vehicles registered between October 2 and July 31 of the prior year.

Under the bill, DMV must instead provide the supplemental list monthly, beginning by November 15, except for the months of September and October. Each report must identify motor vehicles registered during the prior month and taxable in each municipality.

Under existing law and the bill, the supplemental list must include all the same information provided in the annual report (e.g., each vehicle's identification number) as well as a code indicating the date each vehicle was registered.

§§ 8-10 — SUPPLEMENTAL MOTOR VEHICLE TAX BILLS AND CREDITS

By law, property taxes on motor vehicles that are registered as of the assessment date (October 1) are due the following July 1. Under current law, property taxes for vehicles registered after the assessment date (between October 2 and July 31) are due the following January 1 in a supplemental tax bill. The taxes due for vehicles registered from November 1 through July 31 are prorated based on the vehicle's registration date. Vehicles registered from August 1 to September 30, however, are currently exempt from property tax for the remainder of the assessment year in which they are registered.

The bill makes property taxes on motor vehicles registered between (1) October 2 and March 31 due on July 1 of same assessment year and

(2) April 1 and September 30 due January 1 of the next assessment year. In doing so, the bill (1) generally advances the tax payment date for vehicles registered after the assessment date but before April 1 and (2) subjects vehicles registered in August or September to tax for those months.

As under current law, the taxes due for vehicles registered between October 1 and October 31 of the assessment year are not prorated. Under the bill, taxes due for vehicles registered from November 1 through September 30 are prorated according to the same formula that applies under current law to vehicles registered from November 1 through July 31. As under current law, municipalities may opt to prorate the taxes on a daily, rather than monthly basis, by vote of their legislative bodies.

Replacement Vehicles

The bill similarly changes the supplemental billing schedule for replacement vehicles (i.e., vehicles that, after the start of the assessment year, replace a taxpayer's registered vehicle that is sold, stolen, or had an unexpired registration that is transferred to the replacement vehicle).

Under current law, supplemental property taxes on replacement vehicles acquired between October 2 and July 31 are due January 1 of the next assessment year. Under the bill, supplemental property taxes on replacement vehicles acquired between October 2 and March 31 are due July 1 of the same assessment year, and those on replacement vehicles acquired between April 1 and September 30 are due January 1 of the next assessment year.

The bill makes a conforming change by subjecting the taxes due for replacement vehicles registered between November 1 and September 30 to proration, rather than just those registered between November 1 and July 31.

Temporarily Registered Commercial Vehicles

Under existing law, property taxes on temporarily registered commercial motor vehicles that were not permanently registered or added to any town's grand list are due on January 1 during the next

assessment year. The bill makes these property taxes due according to the same timeframes described above for replacement vehicles (i.e., July 1 of the same assessment year for vehicles registered between October and March 31, and January 1 of the next assessment year for vehicles registered between April 1 and September 30). As under current law, the taxes due for these vehicles are not prorated.

Property Tax Credit for Stolen, Sold, Removed, or Totaled Vehicles

The bill extends the period during which taxpayers may claim a pro rata credit against their property taxes for motor vehicles that were sold, totaled, stolen, or removed from this state and registered in another state to which the taxpayer moved.

Under current law, the taxpayer must claim the credit by the December 31 following the first full assessment year after the assessment year in which the event occurred (e.g., if a theft occurred November 1, 2022, the taxpayer must claim the credit by December 31, 2024). The bill instead requires the taxpayer to claim the credit within three years after the vehicle's tax bill was due.

Under both current law and the bill, taxpayers waive their right to the credit if they fail to submit a claim within the allowable period.

§§ 3, 5 & 6 — PERSONAL PROPERTY DECLARATIONS

By law, taxpayers that own taxable personal property must annually file with the assessor a personal property declaration listing this property. This requirement generally applies only to business taxpayers since personal property, other than motor vehicles, used by individuals and families is generally exempt from property tax (CGS § 12-81).

OPM-Recommended Plate Classes

Beginning by October 1, 2023, the bill requires the OPM secretary to annually recommend a schedule of motor vehicle plate classes, in consultation with CAAO. It requires municipal assessors to use the schedule to determine the classification of motor vehicles for property tax purposes.

The bill makes motor vehicles listed on the schedule (1) personal property that must be listed in taxpayers' personal property declarations and (2) valued in the same manner as other motor vehicles, as described above, for property tax purposes.

Expanded Types of Personal Property That Must be Declared

The bill expands the types of personal property that taxpayers must include in their personal property declarations.

Under current law, taxpayers must generally exclude from their personal property declarations motor vehicles that are registered with DMV. (These motor vehicles are reported to assessors on the annual and supplemental reports provided by DMV.) The bill instead requires taxpayers to include any motor vehicles they own that are listed on OPM's schedule of motor vehicle plate classes, as described above.

Under the bill, any person who must file a personal property declaration must include in the declaration motor vehicles that are (1) registered in the town and included on OPM's schedule of motor vehicle plate classes, as described above, or (2) unregistered or incapable of being used and located in the town. The bill also allows filers to include in their declarations vehicles that are taxable in a town other than the town it is registered in with DMV. The bill specifies that these motor vehicles are valued and prorated in the same way as other motor vehicles under the bill (i.e., based on the MSRP and depreciated according to a schedule).

After the declaration filing deadline (November 1, annually), the bill requires the assessor to add to a taxpayer's existing declaration, or to a new one if one does not exist, any motor vehicle the assessor determines is personal property as defined under the bill (i.e., including motor vehicles that are listed on OPM's schedule of motor vehicle plate classes). Generally, under existing law, property a filer wrongly excluded from their declaration is considered "omitted property" and subject to a penalty. But under the bill, the value of a motor vehicle for the current assessment year is not considered omitted property or

subject to the penalty.

Commercial or financial information included in a declaration cannot be made public under current law. The bill provides an exception, allowing this information to be made public if it concerns motor vehicles.

Property Wrongly Omitted From a Declaration

By law, municipal assessors must add to a filer's declaration any taxable property that they believe the filer owns but omitted from the declaration. The assessor must also add a 25% penalty to the added property's assessed value.

Under the bill, omitted property includes the MSRP of a vehicle and any after-market alterations to the vehicle. (Presumably, this means that filers must include after-market alterations in their declarations.) As described above, under the bill, a motor vehicle's value in the current assessment year is not considered omitted property and is not subject to the penalty.

Declaration Filing Form

The bill requires OPM, rather than each municipality's assessor as current law requires, to create the form that taxpayers must use to file their annual personal property declarations. It requires OPM to create the form in consultation with CAAO.

§ 7 — LISTING MOTOR VEHICLES ON MUNICIPAL GRAND LISTS

Situs Rule

Under current law, any registered or unregistered motor vehicle (including a snow mobile) that most frequently leaves from and returns to, or remains in, a Connecticut town is subject to property tax in this state, regardless of whether the vehicle works or is used. Under the "situs rule" a registered motor vehicle is taxable, and added to the grand list, by the town the vehicle most frequently leaves from and returns to or remains in. The law presumes this town is the same town in which the owner resides or has an established business site, as applicable, and

sets out rules for determining which town should add a vehicle when its owner lives in more than one town or out of state.

The bill generally retains the current law's situs rule and expands it to cover unregistered vehicles, as well as registered ones. It specifies municipalities must include in their grand list (1) registered motor vehicles, (2) motor vehicles that are registered and classified in OPM's plate class schedule, and (3) unregistered or unusable motor vehicles that are located in the state.

Motor Vehicles Taxable in a Town Other Than the Listing Town

Under current law, if a motor vehicle (or snow mobile) is registered in one town but taxable in another, the assessor of the town in which the vehicle is taxable (the "taxing assessor") must notify the assessor of the town in which it is registered (the "listing assessor"). The taxing assessor must provide to the listing assessor the vehicle owner's name and address and the vehicle's identification number, as well as the name of the town it is taxable in. The law requires the taxing assessor and registered assessor to cooperate in listing the vehicle for property tax purposes.

Under the bill, if a motor vehicle is listed in one town but taxable in another, the listing assessor must notify the listing assessor, and provide the same information current law requires. (Presumably this means the taxing assessor must notify the listing assessor, not that the listing assessor must notify him or herself.) It requires the assessor of the town in which the vehicle is registered and the listing assessor to cooperate in listing the vehicle for property tax purposes. (Presumably this means the listing assessor and taxing assessor.)

§ 1 — DMV ENFORCEMENT OF UNPAID PROPERTY TAXES

The bill expands the DMV's authority with respect to unpaid property taxes to cover both registered and unregistered vehicles, rather than only registered vehicles.

Current law prohibits DMV from issuing a registration to anyone who a municipality reports as owing property taxes on a registered

snowmobile or motor vehicle. DMV may also, among other things, (1) collect the unpaid property taxes owed on the registered motor vehicle if DMV has entered an agreement with the municipality, OPM secretary, and state treasurer to do so and (2) immediately suspend or cancel the registrations of all vehicles registered to the reported delinquent taxpayer if the registration was granted due to error, false evidence, or a dishonored check.

The bill instead requires municipalities to report to DMV delinquent property taxes on all motor vehicles, regardless of whether the vehicle is listed on the grand list as a registered vehicle or personal property (e.g., an unregistered and unusable vehicle). (However, the bill does not make a conforming change to the statute requiring tax collectors to provide delinquent property tax information to DMV on a monthly basis.) It also allows DMV to collect delinquent property taxes on all motor vehicles, rather than only those that are registered, if it has entered an agreement to do so.

Existing law and the bill provide an exception for licensed leasing or rental firms and private owners of three or more paratransit vehicles, allowing DMV to continue to register specified vehicles they own under certain circumstances even when property taxes are owed.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute Change of Reference - FIN
Yea 19 Nay 7 (03/25/2022)

Finance, Revenue and Bonding Committee

Joint Favorable
Yea 38 Nay 13 (04/06/2022)