

Planning and Development Committee JOINT FAVORABLE REPORT

Bill No.: SB-223

AN ACT CONCERNING CERTAIN TAX ASSESSMENT APPEAL
PROCEEDINGS AND PENALTIES FOR FAILURE TO FILE CERTAIN

Title: PROPERTY TAX ASSESSMENT INFORMATION.

Vote Date: 3/11/2022

Vote Action: Joint Favorable Substitute

PH Date: 3/4/2022

File No.:

***Disclaimer:** The following JOINT FAVORABLE Report is prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose.*

SPONSORS OF BILL:

Planning and Development Committee

REASONS FOR BILL:

Many towns have seen hundreds or even thousands of property tax appeals. With no evidence that the property has been valued too highly the owner reaches a settlement that lowers his tax bill. This is not fair to those who have a factual assessment dispute with supporting documentation.

Joint Favorable Substitute, LCO 2927: Amends Section 1, lines 12-63c and establishes a penalty equal to a 10% increase in the assessed value of property for any owner who submits false information or a false form intentionally. Removes Sections 2 and 3.

RESPONSE FROM ADMINISTRATION/AGENCY:

State of Connecticut, Office of Policy and Management, Intergovernmental Policy and Planning Division, Martin Heft, Undersecretary, Office of Policy and Management: The Office of Policy and Management agreed to remove HB 5169 sections 11 and 12 pertaining to contingency fee agreements and opt to work with all stakeholders through SB 223 on a unified approach. It is a violation of Uniform Standards Professional Appraiser Practices (USPAP) and violation for a Connecticut licensed Real Estate Appraiser to work on a contingency fee (most of the "experts" currently used are located out of state and hence, skirting this rule). Mr. Heft recommends language that would require taxpayers to produce legitimate independent appraisals as evidence, the taxpayer needs to refute the municipal assessor's evaluation, establish a property tax appeals division of the Superior Court that could be staffed by independent appraisers to assist judges, and clarify that the taxpayer who

is appealing their valuation to the Superior Court cannot have any witness that is compensated on a contingency basis testify on their behalf.

NATURE AND SOURCES OF SUPPORT:

The following individuals and groups support SB 223:

Luke Bronin, Mayor, Hartford, CT

Ryan J. Aylesworth, Town Manager, Mansfield, CT

Angela Sanchez, CCMA 11, Assessor, Putnam, CT

Jeff Caggiano, Mayor and Tom DeNotto, CCMAII, Assessor, Bristol, CT

Danielle Chesebrough, First Selectwoman, Stonington, Ct

Jennifer Lineaweaver, CCMA ii, Director of Assessment, Stonington, CT

David Gardner, Assessor Farmington, CT,

Betsy Gara, Executive Director, Connecticut Council of Small Towns, West Hartford, CT

John Chaponis, CCMA II, Jennifer Lineaweaver, CCMA II, Connecticut Association of Assessing Officers, Inc.

Joshua A. Gaston, CCMA II, Connecticut Association of Assessing Officers

Donna Hamzy Carroccia, Advocacy Manager of CCM

Mary Gardner, CCMAII, Assessor Groton, Ct

In their testimony, supporters noted that SB 223 creates a fair process for taxpayers and municipalities. The prohibition of contingency agreements for expert testimony is more ethical and equitable to all parties. The bill requires Plaintiffs to file an appraisal of their property within 90 days and must be completed by an appraisal management company or a certified or provisionally licensed real estate appraiser. Failure to file an appraisal would constitute grounds for dismissal of the appraisal. These changes will assist municipalities with unfounded appeals, preserve limited staff resources and ensure assessments are just and accurate. Section 3 clarifies the implementation of an existing penalty for rental property owners. Under current law penalties are not billed or collected until more than a year after their failure to make a timely filing. This legislation will shorten the time frame to only a few months.

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Maureen O'Reilly

Date: March 24, 2022