

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200
Hartford, CT 06106 ◊ (860) 240-0200
<http://www.cga.ct.gov/ofa>

HB-6751

AN ACT CONCERNING THE ASSIGNMENT OF TAX LIENS.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill 1) reduces the interest rate on municipal tax liens that are sold to a third party from 18% to 12% in FY 25, 2) limits the validity and enforceability of the lien assignments, and 3) caps attorney's fees in connection with each aspect of a foreclosure, sale, or other disposition of these liens. This potentially reduces the number of third parties willing to purchase municipal tax liens. To the extent that this occurs, it restricts a municipality's option to sell tax liens to recoup outstanding debt beginning in FY 25.

The Out Years

State Impact: None

Municipal Impact: None