

Amendments to Tax Relief Ordinance
(Approved by Town Council 1-11-06; effective 1-27-06)

Chapter 57, Article I of the New Canaan Code is hereby amended as follows. Deletions are marked by ~~strikeouts~~, and new language is marked by underlined italics.

ARTICLE I
Tax Relief for the Elderly

§ 57-1. Program of tax relief adopted.

The Town of New Canaan hereby adopts a program of tax relief for the elderly or disabled, pursuant to Section 12-129n of the General Statutes of Connecticut, as amended.

§ 57-2. Qualifications.

- A. Any person who owns real property in the Town of New Canaan or is liable for the payment of taxes thereon or who is the unit owner of a cooperative in the Town of New Canaan and who occupies such real property or unit as such person's principal residence shall be ~~entitled to a real property tax credit~~ eligible for tax relief as hereafter set forth, provided that all of the conditions and restrictions set forth in Section 12-129n of the General Statutes of Connecticut, as amended, are met.
- B. Applicants must be either (1) sixty-five years of age or older, or whose spouse, living with them, is sixty-five years of age or over or over sixty years of age and the surviving spouse of a taxpayer qualified under this section at the time of his or her death, or (2) under sixty-five years of age and eligible to receive permanent total disability benefits under Social Security or comparable program. Age shall be determined as of the close of the preceding calendar year.
- C. Applicants must have had, as applicable, in the last concluded calendar year an income not exceeding \$60,000. This income shall be construed as adjusted gross income as defined by the Internal Revenue Service, plus 100% of Social Security benefits and all nontaxable income.
- D. Applicants must have been a resident of the Town of New Canaan for one year immediately preceding receipt of benefits, and must have paid the full amount due in the year previous to the first application.
- E. Applicants must have applied for and accepted any real property tax relief from the State of Connecticut that may be available to such taxpayer under the provisions of the Connecticut General Statutes for the year of application.
- F. The subject property must be the principal residence of the applicant, which shall mean, for purposes hereof, occupancy of the property by the applicant for at least one hundred eighty three (183) days of the fiscal year for which tax relief is claimed. The subject property must also be the only real property owned by the applicant and his or her spouse.
- G. Failure to confirm eligibility by presenting such relevant documentation as may be required by the Assessor without good and reasonable cause shall result in disqualification for benefits hereunder.
- H. The value of the subject property cannot exceed the average sale price of all residential properties sold in the Town of New Canaan during the previous tax year, as determined by the Town's Tax Assessor.

§ 57-3. Amount of property tax relief; income requirements.

A. Subject to the provisions of paragraph C, persons who otherwise qualify for real property tax relief under this article ~~shall~~ may receive a real property tax credit of ~~\$700 or \$800~~ in accordance with the following income schedule:

Annual Income	Tax Credit
\$40,000 and over	\$ 0
22,0000 to \$39,999	700
0 to 21,999	800
<u>\$0-19,999</u>	<u>Single \$1,500</u>
	<u>Couple \$1,700</u>
<u>\$20,000-39,999</u>	<u>Single \$1,200</u>
	<u>Couple \$1,500</u>
<u>\$40,000-60,000</u>	<u>Single \$1,000</u>
	<u>Couple \$1,200</u>

~~B.~~ Such schedule sets forth the maximum income allowable during the calendar year immediately preceding the year in which application is made for the tax relief provided in this Article.

B. In addition to the real property tax credit available under paragraph A, a qualified applicant, as defined in §57-2 may request deferral of real property taxes on the following conditions:

1. The amount of the real property tax relief available to a qualifying taxpayer shall be determined by application of the following formula:
(Normal tax on qualified assessed value X tax relief factor) – state tax relief = tax relief adjustment. The tax relief factor shall be the applicant’s fractional share in the following circumstances: in any case where title to the real property is recorded in the name of the applicant and/or his/her spouse and any other person or persons, the tax relief granted herein shall be prorated to reflect the fractional share of such applicant and/ or spouse; and, furthermore, if such property is a multiple family dwelling, such relief shall be prorated to reflect the fractional portion of such property occupied by the applicant.
2. Tax deferral is available only on the first 75% of the assessed value of the property.
3. At least a minimum of twenty-five per cent (25%) of the normal tax and interest on the amount of the deferral shall be due and payable.
4. The interest rate is to be calculated annually using the investment earnings rate of the State of Connecticut plus 1/2%.

5. Property owners electing to take a tax deferral must consent to accepting a lien on the property to cover the deferral plus accrued interest. If expenses are incurred to collect the lien, the town shall be entitled to any legal costs allowed by law.
6. The amount of the total accrued deferral, at any point in time, cannot exceed the assessed value of the property.
7. Tax deferral granted under this article shall be in each case for a maximum term of one year only. A complete and timely application shall be required for each subsequent year of claimed eligibility.
8. Upon conveyance of the subject property or the death of the qualified taxpayer, the tax credit or deferral of tax payments shall cease. The current year's tax credit or deferral shall be adjusted pro rata. Any property lien for current or prior years' deferred taxes and interest thereon shall become due and payable immediately upon conveyance or death.

C. The total amount of tax relief provided under this program in each year shall be capped at one-half of one percent (1/2 %) of the amount to be raised by taxation. In any year in which the total amount of tax relief for eligible applicants would exceed the cap, then the total benefits shall be reduced and the tax relief shall be provided to eligible applicants on a pro rata basis.

D. A committee shall be appointed by the chairman of the Town Council every two years to reassess the real property tax credit and deferral programs.

§ 57-4. Application.

In order to receive any property tax relief provided for by this Article, each person who claims to be qualified shall file an application between January 1 and October 1 with the Assessor of the Town of New Canaan. Such application shall be on a form prescribed by the Assessor and shall set forth the basis for qualification. If the Assessor finds such applicant to be qualified, the Assessor shall grant such ~~credit as may apply for so long as such applicant remains qualified~~ application, subject to the provisions of § 57-3 C, provided that the applicant must re-apply each year.

§ 57-5. Elimination of tax ~~credit~~ relief.

If at any time it is found and determined by the Assessor of the Town of New Canaan that any person who has been granted a ~~tax credit~~ tax relief under this Article no longer meets the requirements therefor, the Assessor shall thereupon issue a certificate of error to the Tax Collector removing such tax ~~credit~~ relief in full on the applicable Grand List. If at any time it shall come to the attention of either the Tax Collector or the Town Clerk of the Town of New Canaan that the requirements therefor of any person receiving the benefits hereunder are no longer met, the Tax Assessor shall be notified forthwith. If any person entitled to the tax ~~credit~~ relief pursuant to this ordinance transfers, assigns, grants or otherwise conveys the property on which the tax ~~credit~~ relief is granted, no additional ~~credit~~ tax relief shall be allowed for his or her interest in the property commencing after the date of the conveyance of the property, provided further that the new owner of such property shall pay the town a prorated share of the tax ~~credit~~ relief as provided by Section 12-129b(d) of the Connecticut General Statutes, as amended.

§ 57-6. Notifications to Tax Collector.

The Assessor of the Town of New Canaan shall notify the Tax Collector, on appropriate forms, of the total grant to be given to each person for tax relief under the provisions of this ordinance, and a copy of the grant computation shall be provided to each qualifying person.

§ 57-7. List of qualified persons.

The Assessor of the Town of New Canaan shall annually prepare a certified list of all persons whom ~~he~~ *the Assessor* shall find to be eligible for tax relief under this ordinance, copies of which shall be filed annually in the Tax Assessor's office and the Town Clerk's office by the Assessor upon completion of the applicable Grand List.

§ 57-8. Lien on real property.

The property tax ~~relief~~ *credit* provided by this article shall not result in a lien against the property in an equivalent amount except as required by Section 12-129n of the General Statutes of Connecticut, as amended. *The property tax deferral shall result in a lien in accordance with the statute and § 57-3 B., above.*

§ 57-9. Appeal.

Any person aggrieved by the decision of the Assessor as to tax relief under this ordinance may appeal to the Board of ~~Tax Review~~ *Assessment Appeals*, in accordance with the provisions of Section 12-111 and 12-112 of the General Statutes of Connecticut, as amended.

§ 5-10. When effective.

This Article I, as amended, shall be effective with respect to real property taxes relating to the Grand List of each year commencing with the year beginning October 1, ~~1994~~ 2005.