

Extension of Circuit Breaker and Other Property Tax Relief by Executive Orders

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Issue

Provide an overview of the Executive Orders (EOs) that suspend recertification requirements for recipients of the Circuit Breaker Program and certain other municipal-option property tax relief programs for older adults and those with disabilities. **This report has been updated by OLR Report [2021-R-0056](#).**

Summary

[EOs 7S](#), §8, and [7JJ](#), §1, suspend biennial recertification requirements under several property tax relief programs, including the (1) Circuit Breaker Program, (2) municipal option tax freeze program, and (3) municipal option programs that provide property tax relief to certain older adults and individuals with disabilities. Generally, individuals enrolled in these programs must biennially recertify their eligibility to continue receiving the programs' benefits. Under the EOs, individuals who were granted relief under these programs for the 2017 assessment year are not required to refile this year and automatically retain their benefits through the 2021 assessment year.

Impacted Programs

Circuit Breaker Program

The Circuit Breaker Program entitles older adults and individuals with a permanent and total disability to a property tax reduction (up to \$1,250 for married couples and \$1,000 for individuals). An applicant must (1) be age 65 or older, have a spouse age 65 or older, or be at least age 50 and a surviving spouse of someone who, at the time of his or her death, was eligible for the program; (2)

occupy the property to which the tax applies as his or her home; (3) live in Connecticut at least one year before applying; and (4) have a qualifying annual income that does not exceed certain limits ([CGS §§ 12-170aa to 12-170cc](#)). For 2019, the qualifying income limit is \$37,000 for individuals and \$45,100 for married couples. The Office of Policy Management's [Question and Answer Booklet](#) provides additional information on this program.

Generally, program enrollees must biennially file a form with the town assessor certifying they still qualify for the program.

Tax Freeze for Seniors

Municipalities may, by ordinance, establish a program to freeze the property taxes on homes whose owner, or owner's spouse, is at least age 70 and has been a state resident for at least one year. The freeze continues for a surviving spouse who is at least age 62 when the homeowner dies. Homeowners must meet the Circuit Breaker Tax Relief Program income thresholds. Municipalities may also impose asset limits for eligibility and put a lien on the property ([CGS §§ 12-170v & 12-170w](#)).

Generally, program enrollees must biennially file a form with the town assessor certifying they still qualify for the program.

Municipal Local Option Property Tax Relief

Municipalities may, by ordinance, establish a program that provides tax relief to older adults (at least age 65), or an enrollee's surviving spouse, and individuals with permanent and total disabilities for property they occupy as their principal residence. Individuals are only eligible if their qualifying income is below a certain threshold, which is set by the municipality.

The tax relief may take any form, including freezing tax payments at specified levels. The program may relieve up to 100% of an enrollee's property tax. But the total value of tax relief under this and the tax freeze and Circuit Breaker programs cannot exceed the homeowner's annual tax and the total amount of relief a municipality provides in a year must not exceed 10% of the prior year's taxable real property value ([CGS § 12-129n](#)).

Tax Freeze Program

As part of a 1967 state-funded program, municipalities were required to cap the property taxes of elderly homeowners, but the program has been closed to new applicants since 1980. An enrolled homeowner's property tax liability is capped at the amount they paid in their first year in the program.

In order to have qualified, applicants had to be at least 65 years or older and have an adjusted gross income of under \$6,000. Surviving spouses of taxpayers who qualified at the time of their death must have been at least 50 years old to qualify. In addition, they must have occupied the eligible property as their primary home and have lived in the state for at least one year ([CGS § 12-129b](#)).

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