

OFFICE OF FISCAL ANALYSIS

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sHB-5979

AN ACT EXEMPTING CONVEYANCES AND SALES OR
TRANSFERS OF CONTROLLING INTEREST TO PUBLIC HOUSING
AUTHORITIES FROM THE REAL ESTATE CONVEYANCE TAX
AND THE CONTROLLING INTEREST TRANSFER TAX.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Revenue Serv., Dept.	GF - Revenue Loss	2.2 million	2.2 million

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
All Municipalities	Revenue Loss	Potential	Potential

Explanation

The bill, which exempts public housing authorities from (1) real estate conveyance taxes¹ and (2) the controlling interest transfer tax, results in a General Fund revenue loss of approximately \$2.2 million annually beginning in FY 26.

The bill also results in a revenue loss to municipalities by exempting certain deeds from the municipal real estate conveyance tax and exempting certain sales or transfers from the controlling interest transfer

¹ There is both a state and municipal real estate conveyance tax; the bill exempts public housing authorities from each.

tax.^{2,3}

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

Sources: Council of Large Public Housing Authorities "Public Housing Facts"
Federal Reserve Bank of St. Louis Housing Inventory Estimates

² The conveyance tax has a municipal component and ranges from 1% to 2.75%.

³ The controlling interest tax is 1.11% and is first collected by the state. The state then remits 0.11% to the municipality in which the property is located.