

OFFICE OF FISCAL ANALYSIS

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sSB-1316

AN ACT REDUCING INTEREST DUE ON CERTAIN DELINQUENT
MUNICIPAL PROPERTY TAXES.

OFA Fiscal Note

State Impact: None

Municipal Impact: See Below

Explanation

The bill reduces the interest due on municipal tax liens that are sold to a third party from eighteen per cent to twelve per cent in FY 27. 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 27.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number of liens assigned by municipalities.