



General Assembly

February Session, 2026

**Raised Bill No. 5407**

LCO No. 1985



Referred to Committee on VETERANS' AND MILITARY  
AFFAIRS

Introduced by:  
(VA)

***AN ACT CONCERNING STATE REIMBURSEMENT TO  
MUNICIPALITIES FOR REVENUE LOST DUE TO THE PROPERTY TAX  
EXEMPTION FOR VETERANS WITH A ONE HUNDRED PER CENT  
PERMANENT AND TOTAL DISABILITY RATING.***

Be it enacted by the Senate and House of Representatives in General  
Assembly convened:

1       Section 1. (NEW) (*Effective January 1, 2027*) On or before July first,  
2 annually, the assessor of each municipality shall certify to the Secretary  
3 of the Office of Policy and Management, on a form furnished by said  
4 secretary, the amount of tax revenue which such municipality, except  
5 for the provisions of subdivision (83) of section 12-81 of the general  
6 statutes, would have received for the assessment year ending  
7 immediately preceding. Any municipality which neglects to transmit to  
8 said secretary such claim and supporting documentation as required by  
9 this section shall forfeit two hundred fifty dollars to the state, provided  
10 said secretary may waive such forfeiture in accordance with procedures  
11 and standards adopted by regulation in accordance with chapter 54 of  
12 the general statutes. Said secretary shall review each such claim as  
13 provided in section 12-120b of the general statutes. Any claimant

14 aggrieved by the results of the secretary's review shall have the rights of  
15 appeal as set forth in section 12-120b of the general statutes. The  
16 secretary shall, on or before December fifteenth, annually, certify to the  
17 Comptroller the amount due each municipality under the provisions of  
18 this section, including any modification of such claim made prior to  
19 December fifteenth, and the Comptroller shall draw an order on the  
20 Treasurer on the fifth business day following and the Treasurer shall  
21 pay the amount thereof to such municipality on or before the thirty-first  
22 day of December following. If any modification is made as the result of  
23 the provisions of this section on or after the December fifteenth  
24 following the date on which the assessor has provided the amount of  
25 tax revenue in question, any adjustments to the amount due to any  
26 municipality for the period for which such modification was made shall  
27 be made in the next payment the Treasurer shall make to such  
28 municipality pursuant to this section. For the purposes of this section,  
29 "municipality" means a town, city, borough, consolidated town and city  
30 or consolidated town and borough.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2027</i>	New section

**VA**      *Joint Favorable*