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## **OLR Bill Analysis**

### **sSB 362**

#### ***AN ACT CONCERNING REVISIONS TO STATUTES RELATING TO MUNICIPAL PROPERTY TAX ASSESSMENT.***

#### **SUMMARY**

This bill makes changes in laws on property tax assessments, including:

1. delaying the annual reporting deadlines for digital parcel filings;
2. changing the membership requirements for the committee that trains, examines, and certifies tax assessors;
3. allowing assessors to use certain imaging tools when doing full revaluation inspections and requiring them to notify taxpayers about assessment increases, even in revaluation years;
4. capping the taxable value of older motor vehicles and changing how commercial vehicles are valued;
5. expanding what proof taxpayers may file for a veterans property tax exemption;
6. requiring all municipalities to use the uniform personal property valuation method;
7. clarifying that municipalities may continue tax liens while a court appeal is pending;
8. broadly delaying the due dates for property tax filings that fall on a weekend or holiday; and
9. repealing a requirement that assessors annually report on exemptions granted for certain machinery and equipment.

The bill also requires that, when the Office of Policy and Management

(OPM) notifies a municipality that it is revaluing a Payment In Lieu of Taxes-eligible property in the municipality, it must send the notice electronically, rather than by certified or registered mail as current law requires (§§ 2 & 3).

Lastly, it makes minor technical changes, including conforming changes to reflect prior changes in the law (§ 19).

EFFECTIVE DATE: October 1, 2026, and applicable to assessment years starting on and after that date, unless a different date is indicated below, and the provisions summarized above on OPM revaluation notifications are effective July 1, 2026.

**§ 1 — DEADLINE FOR SUBMITTING DIGITAL PARCEL FILINGS**

The bill delays, from May 1 to September 1, the date by which each town must annually give its digital parcel files (data about plots of land) to its council of governments (COG) or, if it is not a member of one, to OPM. It correspondingly delays, from July 1 to October 1, the annual deadline for COGs to report to OPM and the Planning and Development Committee on towns that did not submit or do not have digital parcel files.

EFFECTIVE DATE: October 1, 2026

**§ 4 — CERTIFIED CONNECTICUT MUNICIPAL ASSESSOR COMMITTEE**

To align with existing regulations, the bill specifies that the Certified Connecticut Municipal Assessor Committee (CCMA) may recommend applicants for CCMA I or II certification.

The bill also changes the committee membership requirements by: (1) removing the requirement that one member be an OPM employee, instead requiring the OPM secretary or someone he selects be a member and (2) requiring that all other committee members have a CCMA II certification, rather than any certification as current law allows. Under the bill, if any of these committee members lose their CCMA II designation, the OPM secretary must choose a replacement to finish their terms.

EFFECTIVE DATE: October 1, 2026

## **§§ 5 & 6 — REVALUATION INSPECTIONS AND NOTIFICATIONS**

### ***Assessment Increase Notifications (§ 5)***

When setting their municipality’s annual grand lists, the law generally requires assessors to notify taxpayers about any increases in their property assessments. The bill removes an exception to this requirement that allows assessors, during revaluation years, to send a revaluation notice instead. Thus, the bill requires assessors to send these notices any time assessments increase.

### ***Full Inspections (§ 6)***

By law, assessors must generally do revaluations every five years, and every 10 years, either (1) fully inspect buildings and structures or (2) require a questionnaire about them be completed. (They may also fully inspect them at other times to verify their records are accurate, such as after a renovation.) The bill adds to the ways assessors can do full inspections.

Under current law, when assessors are doing a full inspection, they must enter a building or structure, if given permission, to see its characteristics and condition. They must also verify its exterior dimensions. The bill appears to limit the purpose of entering the building, and assessing its interior, to verifying its exterior dimensions.

Under the bill, assessors may also use imaging tools that meet the International Association of Assessing Officers’ guidance on alternatives to on-site inspections to do a full inspection.

EFFECTIVE DATE: October 1, 2026

## **§§ 7, 9 & 11-14 — MOTOR VEHICLE PROPERTY TAX ASSESSMENTS**

### ***Assessed Value (§§ 7, 9 & 12)***

Generally, property must be assessed at and taxed on 70% of its present true and actual (fair market) value. To align with recent changes in the law, the bill clarifies that motor vehicles are assessed at 70% of the manufacturer’s suggested retail price (MSRP), if there is one, instead.

(By law, if there is no MSRP, the assessor must consult with the Connecticut Association of Assessing Officers and set the vehicle's value.)

For vehicles that are assessed using an MSRP, the bill clarifies that people may only appeal the MSRP used and may not base an appeal on the vehicle's present true and actual value (for example, vehicles in a similar condition having sold for a different amount).

EFFECTIVE DATE: October 1, 2026, for the main provision clarifying vehicles are assessed using their MSRP (§ 7).

***Valuing Older Vehicles (§ 11)***

The bill caps the taxable value of motor vehicles that are at least 20 years old. Currently, these vehicles must be valued at \$500 or more. Under the bill, they must be valued at the lesser of \$500 or 10% of their MSRP (15% of their MSRP in municipalities that have chosen to use the modified depreciation schedule existing law allows).

***Commercial Vehicles (§ 12)***

By law, when assessing commercial motor vehicles and any additions to them (modifications and attachments), assessors must decide whether they should be valued like other motor vehicle property, taking into consideration whether the additions are permanent. Under current law, assessors may instead value them like other (primarily non-motor vehicle) personal property listed on a personal property declaration. The bill removes this option and instead allows them to use another existing law that primarily determines which municipality may levy tax on a property, among other things. (It is unclear whether this law provides an alternative way to value commercial vehicles.)

**§§ 8, 17, 18, 20 & 21 — VETERANS' PROPERTY TAX EXEMPTIONS**

***Adjusting Amounts After a Revaluation (§ 8)***

By law, municipalities must increase certain property tax exemption amounts for veterans and their families if, after a revaluation, their grand lists increase by a certain amount. When calculating this increase, municipalities must compare their net grand list for that year (post-

revaluation) to their net grand list for the prior year (pre-revaluation).

The bill specifies that municipalities, when doing this calculation, must use the grand lists that are set following a process existing law requires.

EFFECTIVE DATE: October 1, 2026

***WWII Veterans Who Served With Foreign Nations (§ 17)***

Existing law generally entitles U.S. citizens who served with an allied or associated nation's military during World War II (WWII) to a property tax exemption (of at least \$1,500) if he or she received an honorable discharge.

The bill expands eligibility to also cover these individuals who served with another nation if they received (1) a general discharge under honorable conditions or (2) an other than honorable (OTH) discharge if they have a qualifying condition (broadly, PTSD, a traumatic brain injury, or a military sexual trauma or a determination that sexual orientation, gender identity, or gender expression was more likely than not the primary reason for the OTH discharge (CGS § 27-103)). (It is unclear if other nations historically (in the WWII era) issued the same discharge characterizations as the United States currently does, so it is unclear if anyone could claim benefits under this expanded eligibility.)

***Submitting Proof of Eligibility (§§ 18, 20 & 21)***

By law, veterans and their families claiming a property tax exemption based on military service must generally show the town clerk proof of the qualifying service. Under current law, this proof must show the veteran has an honorable discharge from military service. By law, other discharge characterizations may qualify a veteran (or his or her family) for an exemption, though.

The bill expands what proof claimants may show to also cover these other eligible discharge characterizations (a general discharge under honorable conditions or an OTH discharge based on qualifying conditions, as described above).

The bill also makes the assessor, rather than the tax collector, responsible for receiving proof a claimant is retroactively eligible for an exemption based on his or her service-connected disability rating.

EFFECTIVE DATE: October 1, 2026, for the provision expanding what proof may be provided to the town clerk.

### **§ 10 — STATEWIDE DEPRECIATION SCHEDULE**

This bill requires, rather than allows, assessors to use a uniform personal property valuation method set in the law. Current law sets a valuation method, including depreciation schedules, that municipalities may adopt to value most types of personal property. The bill instead requires municipalities to use this method. (In practice, most municipalities already use it.)

By law, this method requires assessors to value most types of personal property based on their acquisition or development cost (plus certain additional costs, such as for installation), and then depreciate it based on its property type and age, according to statutory schedules.

### **§ 15 — MUNICIPAL TAX LIENS**

By law, real estate on which property taxes are owed is subject to an unrecorded (“silent”) lien for those taxes. If taxes on the property remain unpaid for a period set in law, the tax collector may file a certificate to continue the lien (formalize it in the land records) (CGS § 12-172 et seq.). The bill clarifies that the tax collector may do so even if the taxpayer has appealed the taxes to Superior Court and the case is still pending (see BACKGROUND).

### **§§ 16 & 22 — TAXPAYER FILINGS WITH THE MUNICIPALITY**

#### ***Weekend and Holiday Deadlines (§ 22)***

The bill broadly delays the deadline for taxpayers to file any property tax-related application or extension if the deadline falls on a weekend or a legally recognized holiday. Under the bill, the filings are considered on-time if they are filed or postmarked on the next day that is not a weekend or holiday.

Existing law similarly allows property tax bills that are due on a weekend or holiday to be paid on the next business day without being considered late (CGS § 12-169).

***Circuit Breaker Program Extensions (§ 16)***

The bill also requires taxpayers who want an extension on the deadline to apply for the Circuit Breaker Program to request it with the assessor rather than the OPM secretary, as current law requires.

EFFECTIVE DATE: October 1, 2026

**§ 23 — REPEAL OF MACHINERY AND EQUIPMENT REPORTING REQUIREMENT**

The bill repeals the requirement that each assessor annually report to OPM on the amount of claims the municipality granted under certain existing exemptions for machinery and equipment.

EFFECTIVE DATE: October 1, 2026

**BACKGROUND**

***Related Bill***

sHB 5498, §§ 8 & 9, favorably reported by the Planning and Development Committee, makes it mandatory for tax collectors to continue property tax liens (by filing a certificate in the land records).

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/13/2026)