



# House of Representatives

General Assembly

**File No. 336**

February Session, 2026

Substitute House Bill No. 5500

*House of Representatives, April 1, 2026*

The Committee on Planning and Development reported through REP. KAVROS DEGRAW of the 17th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

***AN ACT CONCERNING THE ABATEMENT OR REFUND OF INTEREST ON DELINQUENT MUNICIPAL PROPERTY TAXES OWED BY CERTAIN COMMON INTEREST COMMUNITIES.***

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

1 Section 1. (NEW) (*Effective from passage*) Notwithstanding the  
2 provisions of chapter 204 of the general statutes, a municipality may, by  
3 vote of its legislative body, (1) abate all or a portion of the total amount  
4 of interest on any delinquent real property taxes owed to the  
5 municipality by a common interest community, as defined in section 47-  
6 202 of the general statutes, that is composed of more than five hundred  
7 units, or (2) refund all or a portion of the total amount of such interest  
8 paid on such taxes by such community, provided to be eligible for such  
9 abatement or such refund pursuant to this section, such community  
10 shall be in receivership pursuant to an order of the Superior Court.

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

**Statement of Legislative Commissioners:**

In Subdiv. (2), "to be eligible for such abatement or such refund pursuant to this section," was added after "provided" and "such community is" was changed to "such community shall be" for clarity.

**PD**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:**

Municipalities	Effect	FY 27 \$	FY 28 \$
Various Municipalities	Potential Revenue Loss	Potential	Potential
Various Municipalities	Potential Cost	Potential	Potential

**Explanation**

The bill allows municipalities to abate all or a portion of interest on certain delinquent property taxes owed by a common interest community that meets certain requirements. This results in a revenue loss to municipalities beginning in FY 27 that choose to abate any delinquent property taxes.

The bill also allows municipalities to refund all or a portion of interest that has already been paid if the common interest community meets certain requirements. This results in a cost to municipalities beginning in FY 27 to the extent interest payments are refunded.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to the number and value of abatements and refunds.

**OLR Bill Analysis**

**sHB 5500**

***AN ACT CONCERNING THE ABATEMENT OR REFUND OF INTEREST ON DELINQUENT MUNICIPAL PROPERTY TAXES OWED BY CERTAIN COMMON INTEREST COMMUNITIES.***

**SUMMARY**

This bill allows municipalities, by a vote of their legislative bodies, to waive some or all of the interest on delinquent property taxes owed by a common interest community that has more than 500 units and is in a Superior Court-ordered receivership. Under the bill, municipalities may also refund all or some of the interest the common interest community has already paid.

EFFECTIVE DATE: Upon passage

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/13/2026)