

# Property Tax Brief

**Cities and Towns:** Connecticut is divided into 169 contiguous towns and cities; these are the major units of local government in the state. The entire area of Connecticut is included within the boundaries of these towns and cities.

Towns and cities provide various services (e.g., public school education, police and fire protection, public road maintenance, and etc.) to their taxpayers. To a large extent, these services are financed by the property tax.

**Lesser taxing districts** exist in some towns and cities. A lesser taxing district (such as a borough, a fire district or a sewer district) provides services to taxpayers that are not provided by the town or city in which the district is located.

**Powers of cities and towns:** The state's towns and cities have no powers except those conferred upon them by Connecticut's legislative branch of government. The general scope of these powers, including the authority to assess property and levy taxes, is set forth in §7-148 of the Connecticut General Statutes (CGS). Lesser taxing districts are empowered to tax property, but the assessors of the towns or cities in which these districts are located determine the property assessments on which such taxes are based.

**Assessment:** Property is assessed in each town or city as of the October 1 assessment date, pursuant to CGS §12-62a. Taxable property includes real estate, motor vehicles, personal property owned by business enterprises and certain personal property owned by residents (such as horses and unregistered snowmobiles or motor vehicles). All property is assessed at 70% of its value, pursuant to CGS §12-63. State law requires different basis for such values, reflecting the distinct natures of the type of property being appraised. There are also statutory differences in the frequency with which property valuations are established.

**The Grand List** is a record of all taxable and tax exempt property in a taxing jurisdiction. Regardless of the basis of a property's valuation or the time when it is updated, assessors must ensure that the Grand List contains information concerning all the property subject to taxation by their taxing jurisdictions. Assessors must also ensure that all property tax

exemptions they have granted to eligible individuals or business enterprises are reflected on the Grand List, since net assessments are used to calculate property tax bills.

Generally, the assessor of each town or city must complete the Grand List and file it with the town or city clerk by the last day of January each year. The period of time prescribed by law for the completion of the duties of assessors may be extended by a town's chief executive officer. That official may also extend the deadline for the completion of the duties of the Board of Assessment Appeals.

**Appeals:** As its name implies, the Board of Assessment Appeals is the body that hears and decides upon appeals related to assessment matters. Assessment appeals must be filed in accordance with CGS §12-111. Once the Board of Assessment Appeals adjudicates the assessment appeals brought before it, the taxing jurisdiction's property tax rate is determined.

**The property tax rate** is calculated after all other anticipated revenue (e.g., federal or state grants and receipts from licenses and fees) has been deducted from a taxing jurisdiction's total projected budget expenditure for the upcoming fiscal year. The property tax rate is the rate that, when multiplied by the assessed value of all taxable property in the jurisdiction, will produce the additional revenue needed to balance its budget.

In Connecticut, the property tax rate is expressed in mills, or thousandths of a dollar. A tax rate of 58 mills, for example, is equivalent to the payment of \$58.00 for each \$1,000 of a taxable property's assessed value. Property taxes are calculated by multiplying a property's net assessment by the property tax rate.

**Additional information** concerning the assessment and taxation of property is available from the Handbook for Connecticut Assessors (updated in November, annually), a publication that is available in some public libraries in the state.

In addition, the sections of the Connecticut General Statutes mentioned above, as well as others affecting property assessment and taxation, are available on the Internet and may be accessed or downloaded via the following address:

<http://www.opm.state.ct.us/igp/services/sgat.HTM>