

Legislative History for Connecticut Act

HB 3056	PA 649	1967
House 4377-4379, 4904-4906		(6)
Senate 2472		(1)
Finance 280-281, 287.#		(3)
General Law 221-222		(2)
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CONNECTICUT  
GENERAL ASSEMBLY

HOUSE

PROCEEDINGS

1967

VOL. 12

PART 9

3813 - 4447

Sat., June 3, 1967

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Question is on acceptance and passage, will you remark?

mbs

MR. RING, 79th:

This bill strengthens the Conn. law concerning unstamped cigarettes and the sale thereof within the state. It gives the tax commissioner the authority necessary to insure that the law in this area is carried out strictly enforced. Stricter penalties are set forth in this bill than are presently in effect, definition and clarified on the procedure must be followed in rendering reports to the commissioner are clearly set up in this bill, the purpose of this bill is to give the tax commissioner greater control over unstamped cigarettes and to combat the illegal importation of smuggling thereof within this state. This is just a bill that will be of great benefit to the state when it is passed into law. I move the passage of this bill.

MR. SPEAKER:

Will you remark further? If not, the question is on acceptance and passage of the bill, all those in favor say Aye, all those opposed. The bill is passed.

THE CLERK:

Calendar 1207, HB 3056. An Act concerning the Liability of a Purchaser of Tax-Exempt Property.

B. MORRIS, 111th:

I move the committee's favorable report and passage of the bill.

MR. SPEAKER:

Question is on acceptance and passage of the bill, will you remark?

Sat., June 3, 1967

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mbs

B. MORRIS, 111th:

HB 3056 provides that the purchaser of tax-exempt property shall be liable for taxes on that property from the date of purchase and it also establishes a simple and orderly procedure for administering this bill. This bill gives the state and municipalities the mechanics to issue back the purchase of tax-exempt property is recorded with the proper official. Reasses and put on the proper grand list immediately and the taxes billed to the proper owner. The right of the purchaser are protected by their right to appeal assesment to the board of tax review and the court of common pleas, many of the deficits and shortcomings of our present law are corrected by this bill, there is an amendment to this bill.

THE CLERK:

House Amendment Schedule A as offered by Mr. Lowden of the 155th. In sub-section A, in line 5 bracket the words of execution of the conveyance and insert the words on which the conveyance is placed on the land records of the towns in which such property is situated, as provided in sub-section B of this act.

B. MORRIS, 111th:

I move the passage of amendment sch. A.

MR. SPEAKER:

Question is on adoppion of schedule A, would you care to remark?

B. MORRIS, 111th:

The amendment speaks for itself.

N. LENGE, 13th:

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Could we stand at ease for a moment, I am trying to read this amendment. Would the gentleman, rather than assume that this speaks for itself would he be so kind as to state the purpose?

B. MORRIS, 111th:

Mr. Speaker, I would prefer to have this passed temporarily so we can get together on this.

MR. SPEAKER:

If there is no objection on this this matter will be passed temporarily.

THE CLERK:

Calendar 1208. Sub. HB 2628. An Act concerning the Disclosure of Finance Charges in Connection with Extensions of Credit, file 1357.

A. WEBBER, 113th:

I move acceptance of the committee's favorable report and passage of the bill.

MR. SPEAKER:

Question is on acceptance and passage of the bill, will you remark?

A. WEBBER, 113th:

In my opinion one of the most satisfying experiences of the legislator is to sponsor and to support through the committee and to move the passage of a bill one thoroughly believes in and for me this is such a bill. The purpose of this bill is to bring about the full disclosure of the cost of credit so that the consumer can make an intelligent choice in the market place. In the field of consumer credit existing trade practices generally fall

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PART 10

4448-4936

Monday, June 5, 1967

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of the House and Chair members of Joint Standing Committee of Roads and Bridges; a member of the Greater Bridgeport Regional Planning Council of six members appointed by the Governor. The third committee shall employ such consultants as clerical assistance as may be needed. Mr. Speaker, I think it is a good bill and ought to pass.

THE SPEAKER:

Will you remark further? If not, the question is on adoption of House Bill No. 4073. All those in favor will signify by saying aye. Opposed. The bill is passed. The question is on passage of House Bill 5252 as amended by House Schedule A. All those in favor will signify by saying aye. All opposed. The bill is passed.

THE GENTLEMAN FROM THE 44th:

MR. PETER A. CROMBIE:

I ask for the suspension of the rules of the transmittal to the Senate, the Governor, the Engrossing Clerk of all bills we have passed since we last made this motion.

THE SPEAKER:

If there is no objection, it will so be ordered.

THE CLERK:

Calendar No. 1207, House Bill No. 3056. An Act concerning the Liability of a Purchaser of Tax-Exempt Property.

THE GENTLEMAN FROM THE 111th:

MR. BRUCE L. MORRIS, 111th DISTRICT:

I move the acceptance of the Committee's favorable report in passage of the bill.

THE SPEAKER:

MW

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The question is on passage of the bill. Will you remark?

MW

THE GENTLEMAN FROM THE 111th:

MR. BRUCE L. MORRIS, 111th DISTRICT:

Mr. Speaker, I yield to the gentleman from the 155th:

THE GENTLEMAN FROM THE 155th:

MR. ELMER W. LOWDEN, 155th DISTRICT:

Mr. Speaker, the Clerk has an amendment. I request that the reading of the amendment be waived and I be permitted to give a brief explanation of it.

THE SPEAKER:

If there is no objection, it will so be ordered.

THE GENTLEMAN FROM THE 155th:

MR. ELMER W. LOWDEN, 155th DISTRICT:

Mr. Speaker, the amendment would provide that purchasers of tax exempt property would be liable for payment of the tax on that property for the balance of the fiscal year from the date of recording of the deed of conveyance. Mr. Speaker, I move adoption of House Amendment Schedule A.

THE SPEAKER:

The question is on the amendment. Will you remark further?

MR. ELMER W. LOWDEN, 155th DISTRICT:

Mr. Speaker, the bill as it appears in the files would require purchasers of tax exempt property to pay the tax on that property for the balance of the fiscal years and thereafter, of course, from the date of the execution of the deed of conveyance. Mr. Speaker, in many, many instances deeds of conveyance are executed far in advance of their delivery and closing of title. It would be inequitable to force a purchaser to pay taxes on property to which he does not have title. I urge adoption of the amendment.

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THE SPEAKER:

The question is on adoption of the amendment. Will you remark further? If not, all those in favor will signify by saying aye. Those opposed? The amendment has passed. The question now is on the bill. Would you remark?

THE GENTLEMAN FROM THE 111th:

MR. BRUCE L. MORRIS, 111th DISTRICT:

House Bill No. 3056 provides that the purchaser of tax exempt property shall be liable for taxes on that property from the date of purchase and it also establishes a simple and orderly procedure for administering this bill. This bill gives the state and the municipalities the mechanics to insure that the purchase of tax exempt is recorded with the proper officials. Reassessed and put on the proper grand lists immediately and to tax the bills to the proper owners. The rights to the purchasers are protected by their right to appeal assessments to the Board of Tax Review and the Court of Common Pleas. Many of the defects and shortcomings of our present law are corrected by this bill. It is a good bill and it should pass.

THE SPEAKER:

Would you remark further?

THE GENTLEMAN FROM THE 155th:

MR. ELMER W. LOWDEN, 155th DISTRICT:

For the record, I think we need to accept the Joint Committee's favorable report in passage of the bill as amended by House Schedule Amendment A.

THE SPEAKER:

The question is on passage of the bill as amended by House Amendment Schedule A. Will you remark further? If not, all those in favor will signify by saying aye. Opposed? The bill is passed.

MW

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GENERAL ASSEMBLY  
SENATE

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PART 5

2035-2530

June 7, 1967

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two sections: the first reduces the regulations for the requirements for testing in the Bristol Fire Department from seventy to sixty-five in written exams; and the second section pertains to the Conservation Commission of the City of Bristol and grants them limited powers of inspection on the Pequabuck River to coordinate Pequabuck River clean-up campaign. I urge the passage of this bill.

THE CHAIR:

Any further remarks? If not, all in favor of the passage of this bill, indicate by saying Aye. AYE. Opposed? The bill is passed.

THE CLERK:

Calendar 1546, file 1361, HB 3056, An Act concerning the Liability of a Purchaser of Tax-Exempt Property. As amended by House Amendment Schedule "A". Favorable report of the Joint Committee on Finance.

SENATOR VERRIKER:

Mr. President, I move acceptance of the joint committee's favorable report and passage of the bill as amended. This bill provides that the purchaser of tax-exempt property shall be liable for taxes on that property from the date of purchase. It also establishes a simple and orderly procedure for administering this bill. The Joint Finance Committee urges passage.

THE CHAIR:

All those in favor of the passage of this bill, indicate by saying Aye. AYE. Opposed? The bill as amended is passed.

JOINT  
STANDING  
COMMITTEE  
HEARINGS

FINANCE  
PART 2  
246-550

1967

WEDNESDAY

FINANCE

March 22, 1967

Sen. Faulis@Contd.

We also know that paper supplies for the home is a big item. Almost everything we use in the home requires some type of paper - I thought that sales tax on such items should be considered. In addition thereto the soaps and detergents and the sales on personal toilet articles. Everytime I shave or use a brush or toothpaste. These are items that we use everyday. They are matters pertaining to hygiene and health and I would consider these so essential, so fundamental in our own personal hygiene that we ought not consider that in the category of a luxury because as I say they are so important. The last item sales of cosmetics and womens' handbags. God help the women if we didn't have cosmetics. One thing that I observe quite often on Saturdays when the wife thinks the weather is so bad that I accompany her to do her shopping to the chain stores and it amazes me how many men are there pushing those carts and I wonder if the women perhaps feel that if they don't have a handbag that's up-to-date consequently they have old money bag accompany them - the husband. It seems to me that a handbag is also a must for the woman when she goes out. Cosmetics might be a debatable item but I think the handbag is one that should be considered for removal of a sales tax. I think these are items of common useage.

Sen. Comstock: Senator I was wondering how you are going to police this clothing exemption. Under 21 years of age, children are now allowed an exemption and I think that you will find there are an awful lot of 40 year old children running around.

Sen. Fauliso: I agree with you, you are going to run up against the same problem, however, we still have faith in the honesty and integrity of people. I think we have a problem when we send kids to school our expense is higher and what we are recognizing here is that clothing is expensive and when we send kids to college we don't get any exemption on our income tax so that we are not giving anything real big away and I think the parents should be afforded some relief.

Sen. Verrick: I am inclined to think the Tax Department will have a representative here, to speak against the bill.  
Any other legislator?

Rep. McCarthy: Here for myself and Mrs. Truex on behalf of HB 3056. You gentlemen have a very substantial proposition before you this morning, with respect to sales and business tax benefits for industrial waste treatment facilities and in general air pollution control equipment. I am advancing to the microphone now for two reasons. One to get myself off to some conflicting engagement for which I appreciate your courtesy and secondly

WEDNESDAY

FINANCE

March 22, 1967

Rep. McCarthy: to get myself out of the way before your audience and your committee gather under the stress of weather so that you can get down to what I consider to be one of your prime items of business. I am heartily in favor of the principle of tax benefits for the advancement of water pollution facilities. The relatively small matter upon which I address you this morning is HB 3056 which is designed to cure a defect in the statute on taxation by towns of formerly tax exempt properties when it passes into taxable hands. This is a defect raised by the Attorney General with respect to Sec. 12-81a of the General Statutes as it stands today. There are three bills pending in this legislature on this topic; one is HB 3056, the other is HB 2910 in the General Law Committee and the third is SB 604 before this committee upon which I believe you have already given a favorably report. These bills all alike purport to amend Sec. 12-81a and I presume that they are all intended to cure the legal deficiency to which the instance bill is addressed. The bill before the General Law Committee, HB 2910 was drafted by and forwarded by representatives of the City of Hartford. My own bill is predicated upon their proposition and involves some rather extensive personal redrafting of the proposition to such effect that I understand that the City of Hartford and its representatives have expressed a preference for HB 3056, draft upon which I am speaking to you now. The proposition is best outlined, Mr. Chairman, in a letter addressed by Mr. Schmalley as Assessor of the Town of Wethersfield and as an Officer of the Connecticut Association of Assessing Offices to your committee on March 6th 1967 and he has recently appended to you a footnote dated March 22, 1967 inclosing a copy of the Attorney General's opinion at issue. I think this letter and his addendum and the Attorney General's opinion in specie before you explain better than I can here this briefly this morning what the difficulty is and what we are trying to cure. Our suggestion respectfully advanced to your committee is that you may wish to consider the Attorney General's opinion in relation to our HB 3056 and to relation to your SB 604 as the Senate 604 may indeed present the same proposition we are trying to cure in HB 3056 and so Mr. Schmalley advances to you what I regard as a very reasonable suggestion so that you consider both House 3056 and Senate 604 in the light of this Attorney General's opinion and perhaps you may wish to amend Senate 604 to include the orderly administrative procedure in which the Attorney General insists upon in order to clarify the legality of this proposition.

WEDNESDAY

FINANCE

March 22, 1967

Mr. Smalley cont.

Town Attorney I accomplished this by writing certificates of error to add such property to the Grand List on a pro-rata basis. We presently have a court case involving one of the properties which is still in litigation so I can't give you the court ruling on it at the present time. What we have done in our bill is two things: Pro rate it from the date of the transfer and at that point if you feel it would be better as in your bill to do it from the next assessment date that would be something we would go along with but on behalf of the Assessors Association we do feel that it should be spelled out as to who does what. The Board of Assessors is through with their duties on the 31st day of January of each year and they cannot go back on previous grand lists and alter the books. The Board of Tax Review is through on the last day of February, that is for most towns, and they also cannot go back and change the books on previous years. We specify in our bill the manner in which the Assessor or the Board of Tax Review and the Tax Collector should proceed in the matter and we feel that if that is spelled out it would give us a better indication of what is the proper procedure to follow rather than depend on court litigation to give us the answer. Now 2910 was a bill originally submitted by the City of Hartford and after discussing the bill with representatives of the city - Assistant Manager, the representative from the Corporation of Council and Miss Matarese they indicated to the General Assembly - General Law Committee that they would defer their bill to our bill and that is the status as far as we stand at the present time.

Sen. Verriker: What is the number of your bill?

Mr. Smalley: 3056

Rep. Cairns: Do you feel it is really necessary that the purchaser notify the assessor - his deed is on record presumedly with the Town Clerk and I should think that that would cover it.

Mr. Smalley: I think Rep. McCarthy added that with the thought of a 10% penalty to be applied in the event that the Taxpayer willfully withholds recording this deed. Here is something that he has to do and if he has not done it - it puts him at a penalty position but it still protects him with his rights to receive review of the actual assessment itself.

Public: I was asked to speak in behalf of David Clark and Armand Snow of the Board of Bridgeport Manufacturing Assoc. in support of air and water pollution tax bills which were before you today.

Sen. Verriker: A notice will be put in the bulletin that anyone that was unable to be present today may be heard at the next hearing.

JOINT  
STANDING  
COMMITTEE  
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GENERAL LAW - SUB-COMMITTEE NO. 3

TUESDAY P.M.

FEBRUARY 21, 1967

Rep. O'Neill: Anyone else opposed on this bill?

If not, I'll declare the hearing closed and go to  
H.B. No. 2910 (Rep. Matarese) AN ACT CONCERNING  
LIABILITY OF A PURCHASER OF TAX EXEMPT PROPERTY.

Anyone in favor of 2910?

Henry S. Smalley, Assessor of the Town of Wethersfield: My name is  
Henry Smalley, Assessor of the Town of Wethersfield.

I do not oppose 2910, but I would like to read a  
statement to you about it.

You are respectfully requested to compare the subject  
bill with H.B. No. 3056, referred to the Committee on  
Finance, and to give consideration to endorsing the  
latter bill in place of the subject bill.

It is my belief that H.B. No. 3056 fully satisfies  
the objections raised by the Attorney General in  
the opinion he rendered on General Statutes, Section  
12-81a, providing an orderly procedure for the  
assessment and collection of town taxes on such  
property, and at the same time fully safeguarding  
the taxpayer in his right to appeal to the Board of  
Tax Review.

It is also my belief that H.B. No. 3056 accomplishes  
what Section 12-81a set out to do, to close a tax  
loophole whereby town taxes might be avoided by a  
delayed recording.

I have spoken to representatives from the City of  
Hartford who are here and would like to defer to  
them on comment on this present bill.

Nataleno Coco, of the Staff of Corporation Counsel for City of  
Hartford: I'm Nataleno A. Coco, and I'm on the  
Staff of the Corporation Counsel for the City of  
Hartford, with regard to H.B. No. 2910 (Rep.  
Matarese) AN ACT CONCERNING LIABILITY OF A PURCHASER  
OF TAX EXEMPT PROPERTY.

The loophole that Mr. Smalley refers to, I'm sure

GENERAL LAW - SUB-COMMITTEE NO. 3

TUESDAY P.M.

FEBRUARY 21, 1967

Mr. Coco: you're aware of - 12-81a - also sought to correct in 1963, but because of a ruling of the Attorney General, it was found that this bill did not quite cover all the bases and therefore, was of no effect.

As things now stand in the General Statutes, it is the case when a piece of tax-exempt property is sold during the tax year, that that property remains on the exempt list until the following assessment date; and there is no logical reason for this, other than the statutes don't provide or authorize the assessor to place it on the assessment list, except on the assessment date.

So therefore, take a town like Hartford where the assessment commences on July 1st, if property is sold on the 2nd to an organization that does not qualify for the tax exemption, it's carried for the balance of the year as tax-exempt property.

In our bill, 2910, we sought to correct the failings in 12-81a which the Attorney General found to be defective.

However, since two o'clock when Representative Matarese spoke in favor of 2910, I've spoken with Mr. Smalley and reviewed the bill that Representatives McCarthy and Truex introduced, H.B. No. 3056 and the City of Hartford finds that this bill is acceptable. It goes a bit further than our own; and I've had the opportunity also to speak to Representative Matarese in the interim and the City of Hartford and she both would like to ask the Committee to consider perhaps recommending H.B. No. 3056 rather than H.B. No. 2910.

Rep. Thomas Byrne of the Committee: Mr. Chairman - would your people be upset and do you think Miss Matarese (inaudible) that this bill could be referred to Finance. I believe that both of these bills probably should be there.

Mr. Coco: I think it is at Finance now, is it not?

Inaudible: (Inaudible)

Rep. Byrne: Do you prefer the other bill?