

Legislative History for Connecticut Act

HB 7074	PA 64	1993
Sen: 1479, 1522-1523		(3)
House: 2182, 2436-2442		(8)
Finance: 815, 903-904		(3)
		(14p)

Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate and House of Representatives Proceedings

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CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1993

VOL. 36
PART 5
1465-1848

001479

WEDNESDAY
April 28, 1993

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Any objection? Hearing none, so ordered.

SENATOR DIBELLA:

Calendar Item No. 254, House Bill No. 7074, I move
this be placed on the Consent Calendar.

THE CHAIR:

Is there any objection to placing Senate Calendar
No. 254, House Bill No. 7074 on the Consent Calendar?
Any objection? Hearing none, so ordered.

SENATOR DIBELLA:

Calendar Item No. 255, Substitute for House Bill
No. 5013, I'd move that this be placed on the Consent
Calendar.

THE CHAIR:

Is there any objection to placing Senate Calendar
No. 255, Substitute for House Bill No. 5013, on the
Consent Calendar? Is there any objection? Hearing
none, so ordered.

SENATOR DIBELLA:

Calendar No. 256 is Passed Retained. Calendar No.
257 is Passed Retained.

On Page 15, Calendar Item No. 258, Substitute for
Senate Bill No. 71, I move this be referred to the
Committee on Education.

THE CHAIR:

Is there any objection to referring Senate Calendar

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Calendar Page 8, Calendar 209, Substitute for
Senate Bill 1057. Calendar 210, House Bill 6890.
Calendar 211, Substitute for House Bill 6894. Calendar
212, Substitute for House Bill 7024.

Calendar Page 9, Calendar 215, Substitute for House
Bill 6864. Calendar Page 9, Calendar 219, Substitute
for House Bill 6653.

Calendar Page 13, Calendar No. 249, House Bill
6904. Calendar 250, House Bill 7034. Calendar 251,
House Bill 7199. Calendar 252, House Bill 7195.

Calendar Page 14, Calendar 253, House Bill 7068.
Calendar 254, House Bill 7074. Calendar 255,
Substitute for House Bill 5013.

Calendar Page 15, Calendar 262, Senate Bill 1053 (SB 1054)
Calendar 263, Substitute for Senate Bill 667.

Calendar Page 17, Calendar 272, Substitute for
House Bill 6834.

Calendar Page 18, Calendar 275, House Bill 7095.
Calendar 278, Substitute for Senate Bill 982.

Calendar Page 20, Calendar 288, House Bill 5642.

Calendar Page 21, Calendar 294, Substitute for
House Bill 5602.

Calendar Page 23, Calendar 303, Substitute for
Senate Bill 875. Calendar 304, Substitute for Senate
Bill 669. Calendar 305, Substitute for Senate Bill

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1051.

Calendar Page 27, Calendar No. 84, Substitute for
Senate Bill 294.

Madam President, that completes the first Consent
Calendar.

THE CHAIR:

Thank you very much, Mr. Clerk. You've heard the
items that have been placed on the Consent Calendar.
The machine is on. You may record your vote.

Have all Senators voted and have your votes been
properly recorded? Have all Senators voted and have
your votes been properly recorded? The machine is
closed.

The result of the vote:

36	Yea
0	Nay
0	Absent

The Consent Calendar for today, No. 1, has been
adopted.

Mr. Clerk.

THE CLERK:

Calendar Page 11, Calendar No. 238, File No. 356,
Substitute for Senate Bill 699, AN ACT CONCERNING
BICYCLE HELMETS FOR CHILDREN.

Favorable Report of the Committee on

H-655

CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1993

VOL. 36
PART 6
1902-2284

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House of Representatives

Wednesday, April 7, 1993

CLERK:

Calendar 168, House Bill 7074, AN ACT CONCERNING
THE TAXATION OF REAL PROPERTY.

REP. LUBY: (82nd)

I move that that matter be referred to the
Committee on Planning and Development.

DEPUTY SPEAKER LYONS:

The motion before us is on referral to Planning and
Development. Is there objection? Hearing none, so
ordered.

CLERK:

Calendar 169, House Bill 6599, AN ACT CONCERNING A
STUDY OF POSSIBLE COMPETITIVENESS BETWEEN ELECTRIC AND
GAS COMPANIES AND PRIVATE CONTRACTORS.

DEPUTY SPEAKER LYONS:

Representative Luby.

REP. LUBY: (82nd)

I move that that matter be referred to the
Committee on Legislative Management.

DEPUTY SPEAKER LYONS:

The motion before us is on referral to Legislative
Management. Is there objection? Hearing none, so
ordered.

WHISTLES

CLERK:

H-656

CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1993

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PART 7
2285-2670

002436

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House of Representatives

Friday, April 16, 1993

House Bill 7195.

Total number voting 141

Necessary for passage 71

Those voting yea 141

Those voting nay 0

Those absent and not voting 10

DEPUTY SPEAKER COLEMAN:

The bill is passed.

CLERK:

Bottom of Page 17, please, Calendar 168, House Bill 7074, AN ACT CONCERNING THE TAXATION OF REAL PROPERTY.

Favorable Report of the Committee on Planning and Development.

DEPUTY SPEAKER COLEMAN:

The Chair recognizes Representative Beals of the 88th.

REP. BEALS: (88th)

Thank you, Mr. Speaker. I move acceptance of the Joint Committee's Favorable Report and passage of the bill.

DEPUTY SPEAKER COLEMAN:

The question is acceptance and passage. Will you remark?

REP. BEALS: (88th)

Yes, Mr. Speaker. This bill would simply clarify

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House of Representatives

Friday, April 16, 1993

that all structures and improvements not exempted are subject to the property tax. There could be a small revenue increase at the municipal level and possibly a decrease in property tax appeals on court suits. Thank you.

DEPUTY SPEAKER COLEMAN:

Thank you, Representative Beals. Will you remark further on this bill? Will you remark further? Representative Rell.

REP. REL: (107th)

Thank you, Mr. Speaker. I have a question, through you to Representative Beals.

DEPUTY SPEAKER COLEMAN:

Please pose your question, Madam.

REP. REL: (107th)

Thank you. Representative Beals, one of the concerns that was raised was the, one of the concerns raised was the improvement to lots and land and a question was asked, would, for example, if someone owned property and they cleared a lot next to them, cleared what is maybe currently considered forest land, but not necessarily as a building lot, could this be considered improved lot for taxation purposes.

Through you, Mr. Speaker.

DEPUTY SPEAKER COLEMAN:

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House of Representatives

Friday, April 16, 1993

Representative Beals, did you hear the question?

REP. BEALS: (88th)

Thank you, Mr. Chairman. Through you, the bill addresses improvements on property, not clearing the lot itself.

DEPUTY SPEAKER COLEMAN:

Representative Rell, you have the floor. One moment please. One moment, Representative Rell. (Gavel) It's a lovely day to do the people's business. It would be nice if we could hear one another while we do it. If we can keep the noise level down, I think it would help the people who are trying to move this particular bill and the Chair would appreciate it.

Representative Rell, you have the floor.

REP. RELL: (107th)

Thank you, Mr. Speaker. Representative Beals, I guess that is not the way I read the file copy. If you look in lines 15, 16 and 17, that the structure houses lots and other buildings lots and improvements thereon, therefore, if a lot were improved and not necessarily identified as a building lot, could that indeed be considered appropriate for this bill. Through you, Mr. Speaker.

DEPUTY SPEAKER COLEMAN:

Representative Beals, do you care to respond?

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REP. BEALS: (88th)

Thank you, Mr. Speaker. Through you, that is not our interpretation of the bill and it's certainly not the legislative intent.

REP. RELL: (107th)

Thank you. I think that helps immensely. Thank you, Mr. Speaker.

DEPUTY SPEAKER COLEMAN:

Thank you, Representative Rell. Will you remark further? Representative Ward.

REP. WARD: (86th)

Thank you, Mr. Speaker. Mr. Speaker, through you a question to Representative Beals.

DEPUTY SPEAKER COLEMAN:

Please frame your question.

REP. WARD: (86th)

Representative Beals, can you tell us what kinds of structures weren't being taxed before or what the problem is that this bill is seeking to solve. Through you, Mr. Speaker.

DEPUTY SPEAKER COLEMAN:

Representative Beals, do you care to respond?

REP. BEALS: (88th)

Thank you, Mr. Chairman. The kinds of things that are intended to be included in this bill are things

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House of Representatives

Friday, April 16, 1993

such as swimming pools, gazebos that people may build on their lots which they often apparently appeal. The appeals lose, so this just clogs up the court process.

DEPUTY SPEAKER COLEMAN:

Representative Ward you have the floor.

REP. WARD: (86th)

Thank you, Mr. Speaker. I apologize, I had a little bit of difficulty hearing. I think they said that some people are now assessed for pools and they are appealing?

REP. BEALS: (88th)

Some people are appealing and they lose these appeals because these are intended to be included, but people apparently think they aren't, so they appeal them.

REP. WARD: (86th)

Thank you, Mr. Speaker. I guess I have no objection to the bill, but it strikes me that if they're appealing and the law is already clear that they're subject to tax and they want to appeal, they'll probably still appeal.

It seems to me that if it's already clear in the law, I'm not quite sure why we're doing this. I don't know anybody that has a swimming pool that doesn't get assessed for it within their town at this point in time

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and I thought the case law was clear on that, that that was already within the definition, so I don't know that this will solve the problem of people taking frivolous appeals, if that's what it's aimed at.

DEPUTY SPEAKER COLEMAN:

Thank you, Representative Ward. Will you remark further on this bill?

REP. YOUNG: (143rd)

Mr. Speaker.

DEPUTY SPEAKER COLEMAN:

Representative Young.

REP. YOUNG: (143rd)

Very briefly in response to Representative Ward. This bill was brought to the attention of me by my tax assessor and a group of assessors who felt that this provision under the law as it was written was vague enough so that it didn't need clarification and they asked the Legislature to clarify it so that it would be clear that a pool house or a pool or a tennis court was a taxable entity. Thank you.

DEPUTY SPEAKER COLEMAN:

Thank you very much, Representative Young. Will you remark further on this bill? Will you remark further? If there are no further remarks, would staff and guests please come to the well of the House. Will

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House of Representatives

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members please be seated. The machine will be opened.

CLERK:

The House of Representatives is voting by roll call. Members to the Chamber please. The House of Representatives is taking a roll call vote. Members to the Chamber.

SPEAKER RITTER:

Have all the members voted? Please check the roll call and make sure your vote is properly cast. If all the members have voted, the machine will be locked. The Clerk will please take the tally.

The Clerk will please announce the tally.

CLERK:

House Bill 7074.

Total number voting 140

Necessary for passage 71

Those voting yea 140

Those voting nay 0

Those absent and not voting 11

SPEAKER RITTER:

The bill passes. The Clerk please continue the Call of the Calendar.

CLERK:

138, top of Page 19, reconsideration, matters returned to the Calendar, Substitute for House Bill

JOINT
STANDING
COMMITTEE
HEARINGS

FINANCE,
REVENUE
AND BONDING
PART 3
739-1127

1993

000815

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FINANCE, REVENUE AND BONDING

March 9, 1993

REP. MCDONALD: Thank you. Mr. Finley.

JIM FINLEY: Thank you members of the Committee. My name is Jim Finley, I'm legislative services director with the Conference of Municipalities (break in testimony turn tape to side B) I'll speak to just several bills before you today. I believe it is, is that better? We'd like to indicate our opposition to proposed bill HB6482 and other measures that would lower the interest rate on delinquent property taxes.

Again, I know this issue has been before the Committee in the past. We believe that it should not be compared to consumer credit, it's designed to be a penalty to entice people to pay their property taxes on time. As you know those folks who do pay their taxes on time, residents and businesses are short changed by those individuals or businesses who do not pay their taxes on time. We believe the 18% rate should be maintained. On raised bill HB7072, we support it in regard to certain filings with town clerks that would establish an administrative fee of \$5.00, the real estate conveyance tax.

We also support raised bill HB7131, concerning a payment in lieu of taxes concerning property that the state is under contract to purchase. We also support HB7074, AN ACT CONCERNING THE TAXATION OF REAL PROPERTY. Some technical changes in the statutes, supported by our friends in the Assessors Association. We also support raised bill HB7076 AN ACT CONCERNING THE MINIMAL VALUE OF UNCLAIMED PROPERTY.

Be glad to answer any questions.

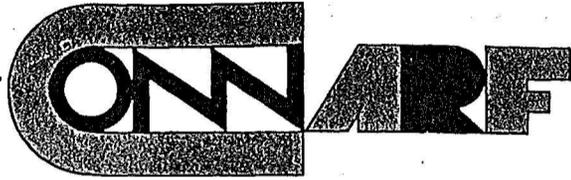
REP. RAPOPORT: I thought you were going to testify on HB7004, did I miss it?

SB1004

JIM FINLEY: I was, but I didn't want to intrude, the major concerns we, the major concern that we have, again the proposal has seen some evolutionary changes as it has progressed through the assembly. We like the local option nature of the proposal as it exists now. We're concerned about the state reimbursement aspects of it. That there be a continuum of funding to make it available to

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add to transcript



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CONNECTICUT ASSOCIATION OF REHABILITATION FACILITIES

March 9, 1993

Testimony - Finance Committee

Terry Edelstein
Executive Director

Re: H.B. 7094 AAC Exemption from the Sales Tax for Certain Nonprofit Organizations

My name is Terry Edelstein. I am the Executive Director of the Connecticut Association of Rehabilitation Facilities. ConnARF's 100 member organizations provide vocational, residential, medical, and support services for people with disabilities throughout the state.

I wish to support H.B. 7094 An Act Concerning Exemption from the Sales Tax for Certain Nonprofit Organizations.

This legislation would enable those organizations already determined to be nonprofit organizations by the IRS, and which are "partially or wholly funded by the state or a municipality" to become exempt from paying Connecticut sales taxes. This bill makes good sense. The organizations are predominantly publicly funded. They were established to provide very specialized services for the state, such as residential services for people with mental retardation. In most cases, the organizations lack the capacity to generate other sources of revenue to support their programs. Residential services don't sell products or services as part of their mission. Their alternative, community fund raisers, provide a minimal level of

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Connecticut Association of Rehabilitation Facilities
H.B. 7094 AAC Exemption from the Sales Tax for Certain Nonprofit
Organizations

000904

support to the programs, not the support needed to supplant state or municipal funding.

The Department of Revenue Services has determined that only if organizations receive "considerable" support from non-public sources are they eligible for tax exemption in Connecticut. In effect, the state is paying sales taxes itself by enforcing this provision. The state funds a program, providing 99.9% of funding support. The organization purchases supplies, equipment, or services to operate the program and pays taxes on these. The state pays the cost of doing business through its contract with the provider organization.

This bill would allow for the sales tax exemption to occur, treating these nonprofit organizations in the same manner as other nonprofits. I urge you to support the bill.

Thank you.

LT/tstmy