

**TOWN OF CHESHIRE TOWN COUNCIL**  
**NOTICE OF AMENDMENT TO ELDERLY TAX RELIEF ORDINANCE**

The Town Council of the Town of Cheshire at their meeting on Tuesday, February 11, 2014 approved an amendment to the Local Elderly Property Tax Credit Program ordinance Section 17-6, as follows:

***Sec. 17-6. Property tax relief; owner's abatement program for certain elderly and/or disabled homeowners.***

*Pursuant to the authority granted under Section 12-129n of the Connecticut General Statutes, as amended, the tax relief for elderly homeowners provided under said statute is hereby adopted, extended and supplemented as follows:*

*(a) The qualifications for the property tax relief provided by this section 17-6 shall be as follows:*

*(1) Applicants must be residents of the Town of Cheshire who are:*

*a. Sixty-five (65) years of age or over, or whose spouses, living with them, are sixty-five (65) years of age or over and the surviving spouse of a taxpayer who has qualified under this section at the time of his death or with respect to real property in which such residents or their spouses are liable for taxes under Section 12-48; or*

*b. Applicants must be under age sixty-five (65) and eligible in accordance with applicable federal regulations to receive permanent total disability benefits under Social Security, or have not been engaged in employment covered by Social Security and accordingly have not qualified for benefits thereunder, but have become qualified for permanent total disability benefits under any federal, state or local government retirement or disability plan, including the Railroad Retirement Act and any government-related teacher's retirement plan, in which requirements with respect to qualifications for such permanent total disability benefits are comparable to such requirements under Social Security.*

*c. The applicants and/or their spouses must have been taxpayers of the Town of Cheshire for one (1) year immediately preceding their receipt of tax benefits under this section. For all applicants applying for a tax credit on the Grand List of October 1, 2001, and thereafter, the tax credit set forth in Section 17-6(a)(2) shall be prorated according to the period of residency as follows:*

<i>Period of Residency</i>	<i>Percentage of Tax Credit to be Applied</i>
<i>1-5 years</i>	<i>50%</i>
<i>6-10 years</i>	<i>75%</i>
<i>More than 10 years</i>	<i>100%</i>

d. Applicants and/or their spouses shall have individually, if unmarried, or jointly, if married, adjusted gross income, as shown on Internal Revenue Service Form 1040, Social Security benefits, and all other income, hereinafter called "qualifying income," during the calendar year preceding the filing of his or her application in accordance with the guidelines set forth below.

e. Such other conditions, qualifications, standards and procedures as is set forth in the General Statutes, as may be amended, and this section.

(2) For the Grand List of October 1, 2013, tax credits shall be provided by the town to qualified applicants on a graduated basis in accordance with the following income and credit guidelines:

<u>Qualifying Income</u>	<u>Married Tax Credits</u>
\$ 0 - \$ 17,000	\$ 2,628
\$ 17,001 – 22,900	\$ 1,996
\$ 22,901 – 28,600	\$ 1,365
\$ 28,601 – 34,100	\$ 1,219
\$ 34,101 – 41,600	\$ 1,110
\$ 41,601 – 49,400	\$ 964
\$ 49,401 – 52,400	\$ 706
\$ 52,401 – 56,000	\$ 308

<u>Qualifying Income</u>	<u>Single Tax Credits</u>
\$ 0 - \$ 17,000	\$ 1,996
\$ 17,001 – 22,900	\$ 1,365
\$ 22,901 – 28,600	\$ 1,070
\$ 28,601 – 34,100	\$ 961
\$ 34,101 – 41,600	\$ 814
\$ 41,601 – 46,700	\$ 557
\$ 46,701 – 52,000	\$ 246

(3) Deferral of taxes shall be provided by the town to qualified applicants in addition to those electing to receive tax credits in accordance with the following income and percentage of deferral guidelines and in accordance with the following restrictions:

a.

<u>Qualifying Income - Married</u>	<u>% of Taxes Eligible for Deferral - Married</u>
\$ 0.00 -- \$ 41,600	75%

<u>Qualifying Income - Single</u>	<u>% of Taxes Eligible for Deferral - Single</u>
\$ 0.00 - \$ 34,100	75%

b. All deferred taxes and interest shall be reimbursed to the town within one hundred eighty (180) days of the death of, or upon conveyance by, the recipient of any tax deferral or his estate of the real property subject to tax deferral.

c. All taxes deferred shall be subject to an interest charge at  $(1/3 .333)$  per cent per month. Such interest charge shall be included in the written agreement to be entered into by the town and the otherwise qualified applicant. Such interest shall be simple interest, not compounded, and shall accrue from thirty (30) days after the due date of each installment until the date of conveyance or date of reimbursement to the town.

d. Total tax deferments, including accrued interest, for all years shall not exceed the assessed value of the real property upon which deferment has been approved.

e. Any otherwise qualified applicant shall enter into a written agreement with the town providing for reimbursement of all deferred taxes and interest. The principal amount of such tax deferral benefit, excluding interest, shall be recorded in the land records of the town and shall constitute a lien on the property. All deferred taxes and interest shall be payable upon death or conveyance, as set forth herein.

(4) The property tax abatements provided by this section shall be in addition to and not dependent upon those benefits available to qualified taxpayers under any General Statutes, Sections 12-129b to 12-129d, inclusive, 12-129h, and 12-170aa, provided, that the town and state benefits in any one (1) year shall not exceed seventy-five (75) per cent of the normal tax which would have been imposed on a qualified taxpayer in the absence of such state statute and this section.

(5) Except for the "qualifying income" standards and the medical care expense deduction as set forth in this section, if the State of Connecticut denies the eligibility of an applicant for the portion of tax relief granted under one of the state programs, the assessor must deny the applicant the local share of tax relief, including deferral, remove the applicant from the abatement records, and bill him or her for the full real estate tax due. Any previously deferred taxes shall remain deferred.

(6) Any otherwise qualified applicant must own and reside in the dwelling of the property subject to tax abatement for at least one hundred eighty-three (183) days per year for the property to qualify as the taxpayer's principal residence.

(7) Upon the sale of the property, the new owner shall lose the local tax benefit and the assessor and collector shall prorate the increased tax liability from the date of sale and bill the new owner within a reasonable time period.

*(8) The tax collector and assessor of the Town of Cheshire shall prescribe, with regard to their respective duties under this section, such forms and procedures as may be necessary to implement this section. The assessor, in addition, shall satisfy himself or herself as to the qualifying income of an applicant for benefits under this section by requesting and reviewing such evidence of qualifying income as he or she may deem pertinent. All applications, federal income tax returns filed therewith and any additional evidence of qualifying income which the assessor may require shall be kept confidential and not open to public inspection.*

*(9) Applications for benefits under this section shall be filed biennially with the assessor between February 1 and May 15 of each Grand List Year as required.*

*(10) A medical care expense deduction shall be established. for any applicant whose adjusted gross income has been increased due to withdrawal of protected retirement funds or a capital gain from the sale of assets for the sole purpose of paying non reimbursable personal medical care bills, the Assessor shall delete said amounts in determining eligibility for the program with the proviso, however, that credible evidence of payment of such medical bills by applicant and not a third party is supplied to the Assessor. Allowable medical care expenses shall be as defined in Section 213 of the United States Internal Revenue Code, as may be amended, which Section is incorporated herein by reference.*

*(11) This section (17-6) shall be in effect until FY 2014-2015 at which time it shall automatically be repealed.*

*(b) This section shall be applicable to the Grand List of October 1, 2006, and all subsequent Grand Lists thereafter until this section is repealed The town council may annually, by resolution of the council, adjust the qualifying income requirements in subsections (a)(2) and (a)(3)a. of this section.*

This amendment becomes effective March 14, 2014.

Dated at Cheshire, Connecticut, this 13<sup>th</sup> day of February 2014.

By: \_\_\_\_\_  
Tim Slocum  
Town Council Chairman