OFFICE OF POLICY AND MANAGEMENT

QUESTION AND ANSWER BOOKLET

FOR THE

HOMEOWNERS',

FREEZE, TOTALLY DISABLED AND

ADDITIONAL VETERANS'

TAX RELIEF PROGRAMS

2014

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OWNERS' PROGRAM

BASIC INFORMATION AND REQUIREMENTS:

1. Q. WHAT BASIC REQUIREMENTS AND CONDITIONS MUST BE MET IN ORDER FOR TAX RELIEF UNDER THE OWNERS' PROGRAM TO BE GRANTED IN THE STATE OF CONNECTICUT?

A. The following requirements and conditions must be met:

(1) Owner (or spouse, if domiciled together) must have been 65 years of age by the end of the calendar year preceding the filing period. Totally disabled persons, regardless of age, are initially eligible provided they have a Social Security Award letter specifying a date of entitlement during the current benefit year or an SSA-1099 with Medicare premiums. (Note: In cases of pension plans other than Social Security, contact O.P.M. for further information.)

(2) Claimant must own the property for which tax relief is sought; or he/she must hold a tenancy for life use or for a term of years in such property, which tenancy makes him/her liable for the payment of property taxes under Section 12-48; or he/she must share in such ownership **AND**, in all cases, **must reside** at said property. Such ownership, which must constitute the claimant's principal or legal residence, must have been effective on or before October 1st of the current assessment year. **Principal residence shall be defined as residency of at least 6 months and one day for the program year.** (See also Questions 4.)

Applications filed under the disability provision must be accompanied by **current proof of disability** no older than three years. Acceptable proofs include an **SSA-1099** showing Medicare deduction, OR IF UNDER AGE 62, SHOWS THAT APPLICANT COLLECTS SOCIAL SECURITY UNDER HIS/HER OWN SOCIAL SECURITY NUMBER, a computer generated message from Social Security that states the person is disabled and indicates the amount of payment, such as a Benefit Verification Letter, or proof of permanent and total disability from a federal, state, municipal, or other government related program deemed comparable by the Secretary of the Office of Policy and Management.

PLEASE NOTE: BOX 8 OF THE SSA-1099 IS THE CLAIM NUMBER. OFTEN THIS IS THE APPLICANT'S SOCIAL SECURITY NUMBER BUT EQUALLY OFTEN THIS IS SOMEONE ELSE'S NUMBER. IT CAN BE THE SPOUSE'S NUMBER OR THE PARENT'S NUMBER. YOU SHOULD LOOK FOR WHERE THE NUMBER IS DIFFERENT AND ASK IF THE APPLICANT ALSO COLLECTS UNDER HIS/HER OWN NUMBER. SOCIAL SECURITY CODING FOR THE BOX 8 NUMBER IS PROVIDED IN EXHIBIT 1. USEFUL INFORMATION ABOUT THE STATUS OF THE APPLICANT IS AVAILABLE THROUGH THIS CODING.

Section 12-170aa(b) states that people receiving government related disability benefits other than Social Security Disability are eligible for this program only if they have not been engaged in employment covered by Social Security. Veterans who have worked under Social Security and who have not been found sufficiently disabled for Social Security Disability or who have chosen not to apply under Social Security are not eligible for this benefit. Veterans on V.A. Disability who have insufficient quarters of coverage under Social Security should provide a statement of this information from Social Security.

(3) Claimant's qualifying income must not exceed $34,100 if unmarried, or $41,600 if married. For married couples, income for both husband and wife must be counted in establishing qualifying income. (Also see INCOME, Question 18.)

2. Q. WHAT IS THE FILING PERIOD, AND WHERE MUST CLAIMS BE FILED?

A. Any property owner, believing he/she is entitled to a tax reduction under this program, must make application to the Assessor of the municipality in which he/she resides, between February 1st and May 15th of the calendar year following the October 1st Grand List date for which tax relief is sought.

3. Q. WHEN MUST AN APPLICANT OR SPOUSE BE 65 YEARS OF AGE, IN ORDER TO FILE A CLAIM UNDER SECTION 12-170aa?

A. Persons initially filing for tax relief must have been 65 years of age as of December 31 of the previous calendar year. Certification of disability may be received at any time up to actual filing of application.

4. Q. IF AN ELDERLY/TOTALLY DISABLED HOMEOWNER OWNS TWO HOMES AND ONE HOME IS LOCATED IN CONNECTICUT AND THE OTHER OUTSIDE OF THE STATE, IS HE/SHE ENTITLED TO TAX RELIEF BENEFITS IN CONNECTICUT?

A. Yes, provided the claimant is not receiving tax relief benefits as a homeowner in any other state, and provided he/she maintains the home in Connecticut as his/her domicile. The same concept applies if a claimant owns two homes in Connecticut. Tax relief may only be granted on one's principal home or domicile. As there is no statutory definition of legal residence, the following questions may be considered in determining whether or not a home constitutes the claimant's domicile. These questions are not intended to be all inclusive, but are examples that may be asked of the applicant:

1. Is the subject property your principal residence?*
2. Where are you registered to vote?
3. Are you claiming any tax exemptions outside the State of Connecticut?
4. Where is your automobile, if any, registered?
5. Do you have the intent of making the property your principal residence and do you physically and primarily reside there?*

*** Principal residence shall be defined as residency of at least 6 months and one day for the program year.**

5. Q. IS A HOMEOWNER WHO ACQUIRED A HOME DURING THE YEAR ELIGIBLE FOR TAX RELIEF?

A. Yes, provided the claimant owned the home on or before October 1st and occupies such home as his/her principal place of residence. If the claimant purchased the property after the October 1st assessment date, he/she is NOT entitled to benefits until the next Grand List year.

6. Q. WHEN A HUSBAND AND WIFE FILE FOR TAX RELIEF, IS IT NECESSARY FOR BOTH TO SIGN THE APPLICATION FORM, AS IN THE CASE OF A JOINT RETURN FOR THE I.R.S.?

A. No. Either the husband or wife, or their duly authorized agent may sign the application.

7. Q. WHO MAY BE CONSIDERED AN AUTHORIZED AGENT?

A. Any person duly authorized by a claimant to act in his/her behalf, with the exception of the Assessor, member of the Assessor's staff, municipal agent, or any other person who works with the applications. As they are responsible for certifying claims for tax relief, a conflict of interest could occur if he/she also acted as an authorized agent in the submission of claims.
Social Service agents may not act in this capacity for the same reason.

8. Q. HOW DOES A HOMEOWNER CONTINUE HIS/HER TAX CREDIT UNDER THIS PROGRAM?

A. Tax credits, once filed for and approved by the Assessor and OPM, extend for a two-year assessment period. A mill rate or assessment change may alter the amount. After initially being granted tax relief, claimants must reapply for subsequent qualification on a biennial basis. The Assessor in each municipality is charged with the responsibility of notifying each taxpayer to refile biennially. (See Question 12.)

9. Q. WHAT IS THE PROCEDURE FOR A TAXPAYER WHO FINDS THAT DURING THE TWO YEAR ASSESSMENT PERIOD FOR WHICH TAX RELIEF HAS BEEN GRANTED, HE/SHE IS ENTITLED TO A GREATER OR LESSER TAX CREDIT THAN THAT WHICH WAS CERTIFIED?

A. The taxpayer should reapply. If a larger credit is allowed, it will be applied to that assessment year. The taxpayer **may** then reapply the next year to maintain the biennial filing period or they may refile in the new second year period. **The odd/even designation is optional.**

EXAMPLE: Mr. Smith originally filed for Owners' tax relief on February 25, 2010, for the 2009 Grand List. On March 15, 2011, Mr. Smith files an application for the 20010 Grand List, because his 2010 income was substantially lower than his 2009 income. Mr. Smith may then refile an application between February 1 and May 15, 2012 for the 2011 Grand List, in order to maintain the biennial filing period, ***but this is no longer required***. He may wait to file in 2013 for the 2012 Grand List year. (Also, see Question 26.) If there is a change in percentage of ownership from application year**, the taxpayer may reapply in order to receive the proper credit. Pro-rate adjustments will also serve to assure proper credit.**

10. Q. DO OWNERS' BENEFITS FOR THE ELDERLY UNDER SECTION 12-170aa CONTINUE TO THE SURVIVING SPOUSE WITH WHOM APPLICANT WAS DOMICILED AND WHO IS BETWEEN AGES 50 AND 65?

A. Yes, provided the widow/widower continues to meet all the qualifications, provided he/she does not remarry, and can prove **they were on the program as husband and wife prior to the death of the spouse. This proof should be sent with the first "survivor" application only.**

11. Q. WHAT IS THE ASSESSOR'S PROCEDURE FOR COMPUTING BENEFITS WHEN THERE IS A MILL RATE CHANGE AND THE APPLICANT IS NOT REQUIRED TO REAPPLY?

A. The Assessor must recompute the benefit using the new mill rate, and using the allowable table percentage (Line 14) that was **established the previous year** when the owner applied. Section 12-170aa (e).

12. Q. WHEN MUST THE ASSESSOR NOTIFY ELDERLY/DISABLED TAX RELIEF RECIPIENTS TO REFILE ON A BIENNIAL BASIS FOR CONTINUED BENEFITS?

A. The Assessor must notify each taxpayer concerning refiling requirements by regular mail, not later than the February 1st following the October 1st assessment date for the refile year. Notification by certified mail is to be made not later than April 1st, to claimants who were notified of the refiling requirement, but failed to submit an application by March 15th. Any person who did not file by March 15th is required to appear personally, or his/her authorized agent is required to appear personally at the Office of the Assessor, in order to submit a claim. Section 12-170aa(e). (See also Question 15.)

13. Q. WHAT HAPPENS IF AN ELDERLY/DISABLED PERSON IS NOT RESIDING AT HIS/HER PROPERTY DURING THE REAPPLICATION PERIOD BUT IS, FOR EXAMPLE, IN A NURSING HOME?

A. If there is an abiding intention on the part of the elderly/disabled homeowner to return to the property, and the property in his/her absence is not rented to another, nor does any condition exist which would preclude the claimant from resuming residence without undue delay, the Owner's tax credit may continue. If an applicant remains in a nursing home for two years, it is then assumed that there is no abiding intent to return to the property.

14. Q. IF ONE SPOUSE OF A MARRIED COUPLE IS A RESIDENT OF A CONVALESCENT HOME OR HOSPITAL, MAY THE COUPLE HAVE BENEFITS UNDER BOTH THE OWNERS' AND RENTERS' PROGRAMS?

A. No. They must apply under the Owners' Program only.

15. Q. WHAT HAPPENS IF A CLAIMANT DOES NOT REFILE FOR TAX RELIEF WHEN REQUIRED TO DO SO?

A. **Claimant must file for an extension request by August 15 of the application year if there is a medical reason**, otherwise, **the benefit is removed**. If the claimant should seek tax relief for a subsequent Grand List year, he/she must apply as a new applicant.

16. Q. HOW ARE THE INCOME LIMITS FOR ELDERLY TAX RELIEF AFFECTED BY THE ANNUAL SOCIAL SECURITY ADJUSTMENT?

A. The Social Security Income adjustment is applied to the Owners' income limits and calls for adjustment of the income brackets by the Office of Policy and Management. This procedure prevents claimants who have been granted tax credits from being adversely affected by inflation.

17. Q. IS THE MINIMUM GRANT PRO-RATED?

A. No, except that, if the total tax bill is less than the minimum credit, the minimum credit will be adjusted down to the amount of the tax.

INCOME:

18. Q. WHAT CONSTITUTES QUALIFYING INCOME FOR HOMEOWNERS SEEKING TAX RELIEF CREDIT?

A. Owners' qualifying income must not exceed **$34,100** for unmarried persons, and **$41,600** for a married couple. "Qualifying income" is defined as all taxable and nontaxable income. This definition includes taxable income as may be reported for Federal Income Tax purposes, as well as non-taxable income. All monies received are to be considered part of qualifying income, unless specifically exempted. Although the following are not intended to be all inclusive, examples of **items to be included as part of qualifying income are as follows:**

- Wages, bonuses, commissions, gratuities and fees, self-employment net income
- **Net** Social Security (Box 5 from SSA-1099), Federal Supplemental Security Income, payment for jury duty (excluding travel allowance)
- Dividends, interest, and annuities
- IRA – include only "taxable" amount, NOT "total distribution"
- Black Lung payments
- Green Thumb payments
- Interest or proceeds resulting from gifts received
- Lottery winnings
- Net income from sale or rent of real or personal property (do not include depreciation, receipts for expenses required when no tax return has been filed)
- Pensions, Veterans' pension, Railroad retirement
- Severance pay; UNEMPLOYMENT compensation
- Worker's compensation
- Alimony
- DSS cash assistance (SAGA)
- Legal Settlements – Net Proceeds

19. Q. WHAT TYPES OF INCOME ARE SPECIFICALLY EXEMPT FROM BEING REPORTED AS PART OF QUALIFYING INCOME FOR PURPOSES OF THE HOMEOWNER PROGRAM?

1. Social Security payments specifically for a dependent person (minor child or dependent individual).

2. Casualty loss reimbursements by insurance companies;

3. Gifts, bequests or inheritances (although any interest or other income produced by the gift, bequest or inheritance must be included).

4. Grants for disaster relief.

5. Income derived through volunteer service under the Domestic Volunteer Service Act of 1973, as amended (such as stipends earned under the Foster Grandparents' Program, Retired Senior Volunteer Program, Senior Companion Program, Community Training under DDS, etc.).

6. Life insurance proceeds.

7. A married homeowner whose spouse is a resident of a health care or nursing home facility in Connecticut that is receiving payment related to such spouse under Title XIX Medicaid, need not declare the spouse's Social Security income **paid directly to the facility.**

   The following must be submitted to O.P.M.—
   (1) Proof that the spouse is in a CT health care or nursing home facility,
   (2) The name and address of the facility,
   (3) The period during the benefit year that the spouse was in the facility,
   (4) The period during the benefit year that the spouse was on Title XIX Medicaid.
   The statement of proof shall be on the facility's letterhead and signed by the Administrator or other nursing home official.

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8. Food stamps; fuel assistance; child support payments and TANF payments.

9. Reverse mortgages (return of capital).

20. Q. ARE ELDERLY/DISABLED PERSONS RECEIVING MEDICAL ASSISTANCE UNDER TITLE XIX ("MEDICAID") FROM THE STATE OF CONNECTICUT, ELIGIBLE FOR TAX RELIEF UNDER SECTION 12-170aa?

A. Yes, providing all other eligibility requirements are met. SEC. 12-170aa(b).

21. Q. DOES AN ELDERLY/DISABLED CLAIMANT RECEIVING FOOD STAMPS QUALIFY FOR TAX RELIEF?

A. Yes, if all other qualifications are met. The amount of the food stamp allotment is not considered qualifying income.

22. Q. IS A CLAIMANT REQUIRED TO PRESENT A COPY OF HIS/HER ANNUAL FEDERAL INCOME TAX RETURN TO THE ASSESSOR OF THE MUNICIPALITY WHERE HE/SHE IS APPLYING FOR BENEFITS?

A. Yes. Statutory requirements state that, if a return is filed, a copy must be presented to the Assessor of the municipality. If the claimant does not file a Federal Income Tax Return, the Assessor may require that any and all other proofs of income, (1099 Int, 1099 Div, etc.) as may be necessary for the certification of the claim, be presented. Section 12-170aa (f).

23. Q. CAN A GROSS ADJUSTED TAX LOSS (AS SUBSTANTIATED BY AN INCOME TAX RETURN) BE USED TO OFFSET OTHER APPLICATION INCOME, IN THE ESTABLISHMENT OF QUALIFYING INCOME FOR TAX RELIEF?

A. No. If a claimant has a gross tax loss for any calendar year, the Assessor should **NOT** subtract at loss from the claimant's non-taxable income. Rather than indicating a negative amount on the gross income line, the Assessor should enter a -0- on line 7a of the Owners' application. **A loss used to develop Gross Income on a tax return is allowed.**

24. Q. CAN PARTICIPANTS IN A STATE OF CONNECTICUT SANCTIONED CIVIL UNION OR SAME-SEX MARRIAGE RECEIVE STATE TAX RELIEF BENEFITS AS A SPOUSE THE SAME AS MARRIED COUPLES?

A. Yes. Please see Question 25 for Income treatment. Also, survivor benefits apply.

25. Q. HOW SHOULD THE INCOME OF A HUSBAND AND WIFE BE TREATED?

A. The incomes of both the husband and wife should be added together in establishing qualifying income, even though separate Income Tax Returns may have been filed. (See also Question 19.)

26. Q. HOW SHOULD THE INCOME OF A HUSBAND AND WIFE WHO ARE LEGALLY SEPARATED AND MAINTAINING SEPARATE RESIDENCES BE TREATED?

A. Legislation has been changed to allow "legally separated" applicants to qualify for the tax relief programs as "unmarried". Also, divorced, widowed or never married individuals can qualify as "unmarried".

27. Q. WHEN A SPOUSE DIES DURING THE CALENDAR YEAR PRIOR TO THE FILING PERIOD FOR ELDERLY TAX RELIEF, SHOULD THE SURVIVOR INCLUDE BOTH INCOMES ON THE APPLICATION FORM?

A. Yes. The surviving spouse would file his/her tax relief application in the same manner as mandated by the I.R.S. for the filing of Income Tax Returns. Both incomes (husband and wife) must be declared. In the next program year, if the applicant believes it would be advantageous to refile as unmarried, he or she should do so. (Also, see Question 9.)

28. Q. WHAT HAPPENS IF AN ELDERLY/DISABLED TAX RELIEF RECIPIENT'S INCOME EXCEEDS THE INCOME LIMITATION FOR ONE YEAR?

A. If the **$34,100** or **$41,600** income limit is exceeded, the applicant is denied relief for the year.

29. Q. WHAT TYPE OF EVIDENCE IS REQUIRED TO DOCUMENT INCOME FROM SOCIAL SECURITY?

A. There are 3 options:

(1) Form SSA-1099, received annually by February 1st. The Social Security Administration office will not replace lost forms except for federal tax liability purposes.

(2) TPQY or a benefit verification letter.

(3) Photocopy the recipient's current check, or checks for both spouses, if separately issued. This method is a last resort. The check(s) must be adjusted to reflect last year's income. (See Question 30.)

30. Q. THE CURRENT YEAR (2014) **DOES** INCLUDE A COST OF LIVING ADJUSTMENT (C.O.L.A.) IN A SOCIAL SECURITY RECIPIENT'S CURRENT CHECK. HOW DO YOU DETERMINE THE PRIOR YEAR'S (2013) INCOME?

A. You may calculate the prior year's income as follows:

(1) In 2014 applicant receives $390.00 per month
(2) **C.O.L.A. increase for 2014 is 1.5%**
(3) 1 minus .015 = .985
(4) $390.00 X .985 = $384.15; use $384.00

Net 2013 Social Security income would be $384.00 per month times 12 months plus Medicare premiums. The Amount of Medicare premium to be added for the year 2013 is $1,258.80 (unmarried) and $2,517.60 (married/civil union) applicants.

31. Q. IF AN APPLICANT RESIDES AT A CONVALESCENT HOME, ARE THE BENEFITS RECEIVED UNDER TITLE XIX INCLUDED IN QUALIFYING INCOME?

A. No. These benefits are not counted because the State will be reimbursed for its expenses by filing a lien on the property. Eventually, title to the property will transfer to the State. If title transfers in increments, a proration (Form M-35G) must be issued to reflect each transfer. (See Question 19, Answer -Part 6, this addresses married Homeowners only. It does not apply to unmarried owners).

PROPERTY ON WHICH TAX CREDITS MAY BE APPLIED:

32. Q. WHAT QUALIFIES AS PROPERTY ON WHICH BENEFITS MAY BE GIVEN?

A. Whatever is located on the **"standard building lot"** is **acceptable**; **"excess acreage" is not included.** The definition also includes mobile homes, life care facilities, modular homes, condominiums, and dwellings on leased land. **Mobile home owners have the option of filing as renters (Section 12-170d) OR as homeowners (Section 12-170aa), NOT BOTH.** For owners of mobile homes who elect to apply as homeowners, one of two property tax situations will apply. If the claimant owns both the mobile home and the land beneath it, the tax is calculated on both land and dwelling. If the claimant owns the mobile home but leases the land, the tax is calculated on the dwelling only.

33. Q. CAN A TAXPAYER RECEIVE A TAX CREDIT ON ALL REAL PROPERTY (FOR EXAMPLE: EXCESS ACREAGE IF CONTIGUOUS?)

A. No. The claimant is entitled only to tax relief based on actual taxes assessed on the dwelling/buildings on the "standard building lot" where he/she resides. The "law of curtilage" applies. Curtilage is defined as a yard, courtyard or other piece of ground included within a fence surrounding a dwelling. The Office of Policy and Management will recalculate tax credits due any claimant, should the audit reveal an assessment amount listed under what used to be Category 1-2 (excess acreage) on the old Grand List Abstract.

34. Q. DOES AN ELDERLY CLAIMANT WHO OWNS A BUILDING WITH MORE THAN FOUR UNITS QUALIFY FOR TAX RELIEF?

A. Yes. An Attorney General's opinion ruled that the State could not withhold benefits from otherwise qualified elderly persons who own and reside in multi-unit dwellings of four or more units.

PARTIAL INTEREST, LIFE ESTATES AND TRUSTS:

35. Q. IF PROPERTY IS HELD IN TRUST FOR AN ELDERLY PERSON, CAN HE/SHE QUALIFY FOR ELDERLY TAX RELIEF, PURSUANT TO SECTION 12-170aa?

A. Yes, in certain situations tax relief may be granted. The main criteria for tax relief still apply, i.e., residency, income, responsibility for property tax payment, etc. Trust agreements must be reviewed on an individual basis by the Town Attorney, in order to determine that the trust agreement is in conformance with the provisions of Section 12-48, before the Assessor can certify a claim for elderly tax relief. The primary ingredient of the trust agreement is that the claimant must be considered to be the primary beneficiary of the trust.

36. Q. IN A LIFE TENANCY SITUATION UNDER SECTION 12-48, IS A LIFE TENANT ENTITLED TO TAX RELIEF UNDER THIS PROGRAM?

A. Yes, the claimant is entitled to a tax relief benefit, if he/she retains life tenancy (a.k.a. life use) in the property, as long as he/she is responsible for the property taxes and meets all other Owner program requirements. Interruptions in the title will be handled on a case by case basis on appeal to the Office of Policy and Management.

37. Q. HOW ARE TAX CREDITS HANDLED IF A PERSON SHARES OWNERSHIP OF PROPERTY WITH ANYONE OTHER THAN HIS/HER SPOUSE?

A. Two or more persons owning real property may be eligible for tax relief. Each shall have to apply and qualify separately and the credit will be apportioned according to the amount of ownership interest. Exemptions are to be assigned to the person who is entitled to them. (See also, COMPUTATION OF TAX CREDITS, Question 40.)

38. Q. IS THE "INHERITOR" ELIGIBLE FOR TAX RELIEF WHEN THE PROPERTY IS IN AN UNSETTLED ESTATE, HOW IS THAT HANDLED?

A . In general, YES, if all eligibility requirements are met, but see Connecticut General Statutes Section 12-170i for additional requirements.

COMPUTATION OF TAX CREDITS:

39. Q. IS THE ASSESSOR RESPONSIBLE FOR COMPUTING BENEFITS DUE?

A. Yes, but subject to audit by the Office of Policy and Management.

40. Q. HOW SHOULD THE TAX CREDIT BE COMPUTED IF THE CLAIMANT OWNS LESS THAN 100% INTEREST IN THE SUBJECT PROPERTY?

A. FIRST, and most important, the full qualifying * "Property Gross Assessment" MUST be put on the application (on the far left). SECONDLY, the ownership percentage (item 10), MUST

be some amount Less than 100%. When this percentage is then applied to the qualifying "Property Gross Assessment" it results in the correct "Applicant's Gross Assessment". **REMEMBER**, the actual ownership percentage affects the maximum credit allowed, which is why it is critically important that 100% NOT BE USED when an applicant owns less than all of the property. Also, be sure to assign exemptions to the person who merits them.

*Qualifying means: The local, standard building lot including the residence and other buildings there on.

EXAMPLE: John, Mary and Bridget Kelly, who are elderly unmarried siblings, own a three family house. The property tax bill based on the 2013 Grand List is $2,541. John Kelly's income for 2013 is $24,500; Mary's income is $19,200 and Bridget's income is $13,100. Each of them file an application for tax relief. The maximum credit each could receive is determined as follows:

For John, maximum credit of $500.00 divided by 3 equals $166.66. For Mary, maximum credit of $750.00 divided by 3 equals $250.00. For Bridget, maximum credit of $1,000.00 divided by 3 equals $333.33. Each would receive the adjusted maximum credit (adjusted by the ownership %).

41. Q. HOW SHOULD THE TAX CREDIT BE COMPUTED IF THE MUNICIPALITY OFFERS A LOCAL OPTION FREEZE PROGRAM?

A. If a municipality offers a local option freeze program the frozen tax should be used to calculate the tax credit. The frozen tax should be entered in line 13a of the application and multiplied by the allowable table percentage on line 15 of the application to calculate the tax credit.

42. Q. IS THERE ANY REASON WHY A QUALIFIED OWNER WOULD RECEIVE LESS THAN THE APPROPRIATE MINIMUM BENEFIT?

A. Yes, but only if the taxes due are less than the minimum. In that case the minimum would be reduced to the amount of taxes due. In all other cases, **at least** the minimum would be paid.

43. Q. HOW IS THE TAX CREDIT CALCULATED IF THE CLAIMANT HAS PURCHASED THE HOME DURING THE CALENDAR YEAR?

A. If the ownership appears on the October 1st Grand List of the program year, and all other conditions and requirements are met, he/she is eligible for tax relief. Otherwise, the claimant must wait until the next program year to become eligible.

44. Q. WHAT IF AN APPLICANTS PROPERTY IS SPLIT BETWEEN TWO TOWNS?

A. The applicant can apply for tax relief in both towns. The assessment should be adjusted based on the property split. HOWEVER, the combined tax credit for the two towns cannot equal more than the maximum credit allowable, based on income. This may require that the assessors from both towns discuss the situation and each make appropriate adjustments.

MISCELLANEOUS:

45. Q. WHAT ARE "SPECIAL ASSESSMENTS" AND ARE THEY INCLUDED WITH PROPERTY TAXES FOR REIMBURSEMENT FROM THE STATE?

A. Examples of special assessments are sewer, sidewalk, fire district, special improvements districts, and similar "user" assessments. Special assessments are **not** normally reimbursed by the State. Only actual real property taxes, excluding interest and lien fees, are the basis for reimbursement.

46. Q. IN COMPUTING TAX CREDITS UNDER THE OWNERS' PROGRAM, SHOULD THE ASSESSOR INCLUDE THE TAXES ASSESSED AGAINST CITIES AND BOROUGHS?

A. The property taxes of towns, consolidated towns and cities, and consolidated towns and boroughs, are to be included under the Owners' program. The crediting of property taxes of cities and boroughs not consolidated with towns must be handled on an individual town basis. Assessors involved with these municipalities should contact the Office of Policy and Management for the proper procedure.

47. Q. WHAT RECOURSE DOES A TAXPAYER HAVE IF HE/SHE IS DENIED TAX RELIEF BY THE ASSESSOR, OR IF HE/SHE DOES NOT AGREE WITH THE AMOUNT OF THE CREDIT COMPUTED BY THE ASSESSOR?

A. Section 12-170cc allows for an appeal to be entered by the claimant, in writing, within thirty (30) business days of date of notice of notification of denial, or notification of a change in tax credit. Said appeal must be made to the Secretary of the Office of Policy and Management. The Secretary has thirty (30) business days in which to grant or deny the claimant's appeal, and must notify the claimant of his/her decision regarding the appeal. If the appeal is denied, the claimant then has the right to request, in writing, a hearing before the Secretary.

48. Q. WHAT EXEMPTIONS ARE TO BE DEDUCTED FROM THE GROSS ASSESSMENT? (LINE 11, Form M-35H.)

A. Blind, Sec. 12-81 (17)
Veterans, Sec. 12-81 (19-26)
Totally Disabled, Sec. 12-81 (55)
Additional Veterans, Sec. 12-81g
Local options

FILING OF CLAIMS FOR REIMBURSEMENT OF OWNERS' TAX LOSS:

49. Q. WHEN MUST THE ASSESSOR AND TAX COLLECTOR FILE A CLAIM FOR TAX REVENUE LOSS SUSTAINED BY HIS/HER TOWN, AS A RESULT OF THE HOMEOWNER PROGRAM?

A. Claims that are filed by the Assessor on Form M-35B must be received by the Office of Policy and Management **on or before July 1st of that year**. THE TOTAL DOLLAR AMOUNT AND APPLICATION/RENEWAL COUNT ON THE CLAIM FORM (M-35B) MUST MATCH THE TOTAL DOLLAR AMOUNT AND APPLICATIONS/RENEWALS COUNT LISTED ON THE CONTINUATION SHEETS.

50. Q. IF AN ASSESSOR CANNOT SUBMIT HIS/HER OWNERS' REIMBURSEMENT CLAIM (FORM M-35B) ON OR BEFORE JULY 1ST, CAN A WAIVER AND EXTENSION BE GRANTED?

A. A penalty waiver can be granted by OPM if a letter, signed by the Assessor and the Chief Executive Officer, requesting the waiver and stating a qualified reason, is received within thirty (30) business days before or after July 1 (call us for qualified reasons).

51. Q. WHAT CONSTITUTES A CLAIM FOR REIMBURSEMENT?

A. Separate Forms M-35B for each mill rate, signed by the Assessor and Tax Collector, including the continuation sheets. The continuation sheets (both APPS and NON-APPS) MUST include the following information alphabetically:

(1) Name of **CLAIMANT** (Be sure to use applicant's name if L/U, **NOT** the owner's name.)
(2) Property address
(3) Refile code (E/O is no longer fixed for the duration the taxpayer is a claimant.)
(4) Net assessment
(5) Normal tax or Frozen Tax (if applicable)
(6) Adjusted tax
(7) Tax credit
(8) Page record count and a page sub-total for the "Tax Credit" amount.
(9) Grand total of all records for all pages and a grand total for the "Tax Credit" amount.
(10) Page numbers with total applicants per page.

Do not submit small, laser print forms. Use triple spacing on computer print-out continuation sheets. **DO NOT USE COMPRESSED PRINT.**

52. Q. IF A TOWN CHOOSES TO SUBMIT A COMPUTER GENERATED REPORT, WHAT ARE THE REQUIREMENTS FOR FORMAT?

A. All of those listed in Question 51. Accounts are to be separated with double or triple spaces. This is so that the report can be audited by the Office of Policy and Management. **If a format is difficult to read, it is grounds for rejection.** Form M-35B must still be signed by the Assessor and Tax Collector. The Assessor must enter the grand totals in the appropriate block of the Form M-35B. All corresponding Forms M-35H, i.e., the new applications, **must be** submitted as backup documentation and be **in the same order as the continuation sheets.** A claim is not deemed to have been received by this office until all of the above have been submitted in the manner specified. If a claim is submitted that is not in conformance with the requirements outlined above, it will be returned to the tax jurisdiction for the necessary corrections. If a town has multiple mill rates that town must submit separate continuation sheets for each mill rate.

EXCEPTION: Towns that submit homeowner data electronically do not have to submit individual applications, only the Claim form M35B and continuation sheets M-35BC.

53. Q. WHAT AMOUNT SHOULD BE REQUESTED FOR REIMBURSEMENT IF THE ASSESSOR HAS PRORATED THE BENEFIT DUE UNDER SECTION 12-170aa?

A. The Assessor should request reimbursement of the amount of benefit due the claimant as of October 1st. DO NOT REQUEST REIMBURSEMENT IN THE PRO-RATED AMOUNT. The reduction is handled on the Pro-rate Form M-35P.

54. Q. WHEN DOES THE STATE REIMBURSE TOWNS AND CITIES UNDER THE OWNERS' PROGRAM?

A. Section 12-170aa provides that towns are reimbursed by December 31st each year.

55. Q. WHAT IS THE PENALTY TO THE MUNICIPALITY FOR LATE AND/OR INCOMPLETE FILING?

A. Two hundred fifty dollars ($250.00). (See Question 49)

56. Q. WHAT PROOF MUST BE SUBMITTED FOR THE TOTALLY DISABLED?

A. The proof must indicate that the person was eligible to receive permanent total disability benefits for the year for which claim is made. It should include the benefit amount paid. An SSA-1099, a TPQY, or a current (within the last 3 years) SSA award letter are acceptable proofs.

A person applying for the Owners' disability benefit must be under 65 and eligible for Social Security Disability. He/she may apply under another government related disability program if he/she <u>has</u> <u>not</u> been engaged in employment covered by Social Security. Section 12-170aa(b). (See also Question 3.)

FREEZE PROGRAM

BASIC INFORMATION AND REQUIREMENTS:

1. Q. IS THE FREEZE PROGRAM OPEN TO NEW APPLICANTS?

   A. No. The Freeze Program is a tax relief program for the elderly that is in the process of being phased out by the State of Connecticut. The Freeze is not an option for tax relief available to persons who had not applied and been granted benefits under Section 12-129b as of the 1979 Grand List. Any claimant who had been granted a frozen tax benefit on or before the Grand List of 1979, may maintain said benefit, as long as he/she continues to meet all the conditions and requirements of Section 12-129b.

2. Q. HOW DOES A HOMEOWNER WHO HAD BEEN GRANTED A BENEFIT UNDER THE FREEZE PROGRAM ON OR BEFORE THE 1979 GRAND LIST, CONTINUE HIS/HER FROZEN TAX STATUS?

   A. Frozen tax benefits extend for a two year assessment period. Claimants must reapply for subsequent qualification on a biennial basis. The Assessor in each municipality is charged with the responsibility of notifying each taxpayer to refile for a continued benefit. In addition to fulfilling the biennial refiling requirement, the claimant must continue to occupy the real property on which taxes were frozen as his/her legal or principal residence, and must not have received in excess of $6,000 in qualifying income for any calendar year.

3. Q. DOES A FROZEN TAX BENEFIT CONTINUE TO THE SURVIVING SPOUSE WITH WHOM CLAIMANT WAS DOMICILED, WHO IS BETWEEN AGES 50 AND 65, AS IN PRIOR YEARS?

   A. Yes, provided the widow/widower continues to meet all the qualifications and provided he/she does not remarry.

4. Q. WHAT IS THE REFILING PERIOD, AND WHERE MUST CLAIMS BE FILED?

   A. Reapplications must be submitted to the Assessor of the municipality in which the claimant resides, between February 1st and May 15th, of the calendar year following the claimant's Grand List refile code year. Therefore, all claimants who last filed applications for the even Grand List year, are required to refile for the next even program year, for a continued benefit.

5. Q. WHEN MUST THE ASSESSOR NOTIFY ELDERLY TAX RELIEF RECIPIENTS TO REFILE FOR CONTINUED BENEFITS?

   A. The Assessor must notify each taxpayer concerning refiling requirements by regular mail, not later than February 1st following the October 1st assessment date, of the Grand List refile code year for each claimant. Notification by certified mail is to be made not later than April 1st, to claimants who were notified of the refiling requirement, but failed to submit an application by March 15th. Any such person notified by certified mail, is required to appear personally (or his/her authorized agent is required to appear personally) at the Office of the Assessor, in order to submit a claim.

6. Q. WHAT HAPPENS IF A CLAIMANT DOES NOT REFILE FOR TAX RELIEF, WHEN REQUIRED TO DO SO?

A. The benefit is removed. If the claimant should seek tax relief for any subsequent Grand List year, he/she must apply as a new applicant under the Owners' Program only.

7. Q. WHAT IS THE REFILE CODE YEAR AND HOW IS IT DETERMINED?

A. The refile code year is the Grand List year for which the claimant must reapply in order to continue to receive his/her frozen tax benefit. All frozen tax benefit recipients were required to refile for either the 1979 or 1980 Grand List. The odd or even year code (whichever is applicable) is maintained for each claimant. Therefore, a claimant who initially filed or refiled for a frozen tax benefit as of the 1979 Grand List, would be coded as an O. An applicant who refiled for tax relief for the 1980 Grand List, would be coded as an E, and would continue to be carried with an E code.

8. Q. WHAT HAPPENS IF AN ELDERLY PERSON IS NOT RESIDING AT HIS/HER PROPERTY DURING THE REAPPLICATION PERIOD BUT IS, FOR EXAMPLE, IN A NURSING HOME?

A. If there is an abiding intention on the part of the elderly homeowner to return to the property, the property in his/her absence is not rented to another, nor does any condition exist which would preclude the claimant taking up residence without undue delay or inconvenience, then he/she may retain his/her frozen tax benefit. If an applicant remains in a nursing home for two years, it is assumed there is no abiding intent to return to the property and the benefit should be removed.

9. Q. WHAT PROCEDURE SHOULD BE FOLLOWED IF A CLAIMANT HAS RENTED HIS/HER HOME TO ANOTHER PARTY?

A. If a claimant's entire property is rented to another party, it can no longer be considered his/her principal residence; therefore the claimant would be disqualified from receiving a continued frozen tax benefit.

INCOME REQUIREMENTS:

10. Q. WHAT CONSTITUTES QUALIFYING INCOME FOR PERSONS ON THE FREEZE PROGRAM?

A. Qualifying income is defined as adjusted gross income and tax-exempt interest. This definition does not include Social Security income or items found at Question 19. In order to continue to receive a frozen tax benefit, claimants (whether unmarried or married) cannot have received more than $6,000 in qualifying income.

11. Q. DOES AN ELDERLY CLAIMANT RECEIVING FOOD STAMPS QUALIFY FOR TAX RELIEF?

A. Yes, if all other qualifications are met. The amount of the food stamp allotment is not considered part of qualifying income.

12. Q. ARE ELDERLY PERSONS WHO ARE RECEIVING SUPPLEMENTAL SECURITY INCOME (S.S.I. TITLE XV), ELIGIBLE FOR TAX RELIEF UNDER THE FREEZE PROGRAM?

A. Yes, if all other requirements are satisfied.

13. Q. ARE ELDERLY PERSONS WHO RECEIVE MEDICAL ASSISTANCE UNDER TITLE XIX, 'MEDICAID' FROM THE STATE OF CONNECTICUT, ELIGIBLE FOR TAX RELIEF UNDER SECTION 12-129b?

A. Yes, providing all other eligibility requirements are met. As "Medicaid" is not taxable income nor tax-exempt interest, it is not counted in the determination of qualifying income under the Freeze Program.

14. Q. WHEN A SPOUSE DIES DURING A CALENDAR YEAR, SHOULD THE SURVIVOR INCLUDE BOTH INCOMES ON THE ELDERLY APPLICATION?

A. Yes. The surviving spouse would file in the same manner as required by the I.R.S., which mandates that both incomes be declared.

15. Q. WHEN A HUSBAND AND WIFE FILE A FREEZE REAPPLICATION, IS IT NECESSARY FOR BOTH TO SIGN THE APPLICATION FORM, AS IN THE CASE OF A JOINT RETURN FOR THE I.R.S.?

A. No. Either the husband, the wife, <u>or</u> their duly authorized agent may sign the application. Income received by both husband and wife must be included in the determination of qualifying income.

16. Q. WHO MAY BE CONSIDERED AN AUTHORIZED AGENT?

A. Any person duly authorized by a claimant to act on his/her behalf, with the exception of the Assessor or member of the Assessor's staff. Since the Assessor is responsible for certifying applications for tax relief, a conflict of interest could occur, if he/she also acted as an authorized agent in the submission of claims. Municipal agents and Social Service agents may not act in this capacity for the same reason.

17. Q. IS A FREEZE REAPPLICANT REQUIRED TO PRESENT A COPY OF HIS/HER ANNUAL FEDERAL INCOME TAX RETURN TO THE ASSESSOR OF THE TOWN IN WHICH HE/SHE IS REAPPLYING FOR BENEFITS?

A. Yes. Statutory requirements dictate that if a return is filed, a copy must be presented to the Assessor. If the claimant does not file a Federal Income Tax Return, the Assessor may require that any and all other proofs of income, as may be necessary for the certification of his/her claim, be presented.

18. Q. ON THE VARIOUS 2013 INCOME TAX RETURNS, WHERE IS THE AMOUNT OF ADJUSTED GROSS INCOME TO BE FOUND?

A. **Adjusted gross income** is the amount shown on line **37** of the **1040**, line **21** of the **1040A** and line **4** of the **1040EZ**.

19. Q. WHAT ALTERNATIVES ARE OPEN TO THOSE PEOPLE NOW ON THE FREEZE PROGRAM IF THEIR INCOME EXCEEDS THE $6,000 LIMIT?

A. Claimants whose taxable income and tax-exempt interest is greater than $6,000, must be disqualified from receiving continued benefits under the Freeze Program. Any person so disqualified, may apply for an Owners' tax credit, subject to the provisions of Section 12-170aa.

20. Q. HOW SHOULD THE INCOME OF HUSBAND AND WIFE WHO ARE LEGALLY SEPARATED AND MAINTAINING SEPARATE RESIDENCES BE TREATED?

A. Legislation allows persons with a "legal separation" to qualify as "unmarried".

21. Q. CAN A SURVIVING SPOUSE, UNDER 65 YEARS OF AGE, CHANGE FROM THE FREEZE TO THE OWNERS' PROGRAM?

A. No. A surviving spouse must stay on the Freeze Program until he/she reaches 65 years of age and becomes eligible to file his/her own claim.

EXCEPTION: When a surviving spouse's qualifying income exceeds $6,000 under the freeze, but is less than the maximum income allowed for an unmarried Owners applicant, the spouse may switch to the Owners' Program.

22. Q. IF A PERSON ELECTS TO SWITCH FROM THE FREEZE UNDER SECTION 12-129b, TO THE HOMEOWNER PROGRAM UNDER SECTION 12-170aa, CAN THAT PERSON AT A LATER DATE TRANSFER BACK TO THE FREEZE?

A. No. Once a claimant switches from the Freeze to the Owners' Program, he/she thereafter forfeits all rights to any benefits under Section 12-129b.

PARTIAL INTERESTS, LIFE ESTATES AND TRUSTS:

23. Q. IF PROPERTY IS HELD IN TRUST FOR A CLAIMANT, CAN THE APPLICANT CONTINUE TO QUALIFY FOR ELDERLY TAX RELIEF, PURSUANT TO SECTION 12-129b?

A. In certain situations, yes. The main criteria for tax relief still applies, i.e., residency, income, responsibility for property tax payment, etc. Trust agreements must be reviewed on an individual basis by the Town Attorney, in order to determine that the trust agreement is in conformance with the provisions of Section 12-48, before the Assessor can certify a claim for continued freeze benefits.

24. Q. IN A LIFE TENANCY SITUATION UNDER SECTION 12-48, IS A LIFE TENANT ENTITLED TO FROZEN TAX BENEFITS?

A. Yes. Regardless of the method used to obtain the life tenancy, the claimant is entitled to benefits as long as he/she is responsible for the property taxes and meets all other requirements.

ADJUSTMENTS TO FROZEN TAX AMOUNTS - WHEN TO RECOMPUTE:

25. Q. IS AN ELDERLY HOMEOWNER, WHO IS RECEIVING BENEFITS AS A PARTIAL OWNER UNDER SECTION 12-129b WHO SUBSEQUENTLY ACQUIRES ADDITIONAL INTEREST IN THE REAL PROPERTY, PERMITTED TO ELECT THE FREEZE, SECTION 12-129B, ON THE RECENTLY ACQUIRED PORTION OF THE REAL PROPERTY?

A. Yes, however the methodology for computing the adjustment to the frozen tax amount varies according to how the additional interest was acquired.

When the additional interest is inherited from an applicant who had been receiving a benefit under the Freeze Program, the survivor may continue with the same frozen tax amount as the deceased joint owner, as long as he/she is qualified, under Section 12-129b(a).

If the additional interest is purchased, or received by gift, the claimant may have the net assessed value of the newly acquired property interest, reduced by an amount which corresponds to the interest acquired (e.g., a 1/3 interest is equivalent to a $333 deduction), multiplied by the current mill rate and added to his/her frozen tax amount.

An alternative option is for the applicant to transfer (one-way) the entire interest (former and newly acquired) under the Homeowner Program.

26. Q. IF AN ELDERLY HOMEOWNER IS RECEIVING TAX RELIEF UNDER THE TAX FREEZE, WHAT IS THE MAXIMUM INCREASE IN ASSESSED VALUE ALLOWED FOR IMPROVEMENTS?

A. There is no longer any maximum increase. Any improvement, regardless of amount, will result in a freeze adjustment. The adjustment is computed by multiplying the improvement's assessed value by the lesser of the mill rate of the year the tax bill was frozen, or the mill rate in effect at the time of the improvement, and adding the product to the "old" tax freeze to arrive at a "new" or adjusted tax freeze.

EXCEPTION: Roofing and siding are assumed to be regular maintenance and not an improvement to a property, thus the frozen tax should not be adjusted.

27. Q. WHAT HAPPENS TO AN ESTABLISHED FREEZE WHEN A DECREASE IN THE MILL RATE LOWERS THE NORMAL TAX BILL BELOW THE FROZEN ELDERLY BENEFIT TAX BILL?

A. The claimant pays the normal tax bill, which is lower than the frozen tax amount. If, and when, the normal tax bill exceeds the frozen tax bill, the claimant will pay his original frozen tax amount.

28. Q. ASSUMING AN ELDERLY APPLICANT RECEIVES A BLIND OR BASIC VETERAN'S EXEMPTION AFTER TAXES ARE FROZEN, IS THE TAX FREEZE RECOMPUTED?

A. No. The normal tax will be reduced, but the tax freeze will remain the same. This may result in a situation where the normal tax is lower than the frozen tax. (See Question 27). The elderly claimant would perhaps receive a larger benefit, given this type of situation, by applying for the Owner's Program. The same would hold true if the applicant's Veterans' disability exemption increased. However, the decision to switch to the Owners' Program rests solely within the discretion of the elderly claimant.

29. Q. DOES AN ADDITIONAL VETERAN'S EXEMPTION CHANGE AN ESTABLISHED FREEZE?

A. Yes. An Additional Veteran's Exemption reduces the freeze.

EXAMPLE: Claimant has taxes frozen at $350. The amount of the exemption is multiplied by the current mill rate, and the product is subtracted from the frozen tax amount. For purposes of illustration, let us assume a rate of 50 mills. Thus:

$500 x .050 = $25.

The original frozen tax amount of	$350
Minus	- 25
	$325

The adjusted amount will vary as the mill rate changes.

30. Q. WHAT EXEMPTIONS ARE TO BE DEDUCTED FROM THE GROSS ASSESSMENT? (Line 11 Form M-36R.)

A. Blind, Sec. 12-81 (17)
Veterans, Sec. 12-81 (19-26)
Local options
Totally Disabled, Sec. 12-81 (55)
Additional Veterans, Sec. 12-81g

Note: If the ownership of the property is split, apply exemptions according to ownership.

31. Q. IF AN ELDERLY HOMEOWNER GOES OVER THE BENEFIT CAP, IS THE TAX BILL ADJUSTED?

A. No. $2,000.00 (or the benefit on the 1984 Grand List if greater) is the maximum amount that OPM will reimburse the town per applicant. Any excess of tax liability cannot be added to the applicant's frozen tax but must be absorbed by the town.

32. Q. DOES THE FREEZE BENEFIT APPLY TO THE PERSON OR PROPERTY?

A. The benefit applies to the property and the person who originally qualified for the frozen tax.

33. Q. WHAT EFFECT DOES A REVALUATION HAVE ON A CLAIMANT'S FROZEN TAX BILL?

A. A revaluation may have no effect on a claimant's frozen tax bill; his/her frozen tax amount remains the same. The claimant's benefit (the amount of reimbursement on the claimant's property tax bill remitted by the State of Connecticut), will increase if the normal tax bill increases, in a revaluation year. The revaluation may affect the amount of the Additional Veteran's exemption. If the Additional Veteran's exemption increases, Freeze benefits must be adjusted (See Question 29). This is all subject to the benefit cap of $2,000 or the amount on the 1984 Grand List.

34. Q. DURING PHASE-IN DOES THE CAP APPLY?

A. Yes.

35. Q. WHAT PROCEDURE SHOULD BE FOLLOWED WHEN THE HOUSE OWNED BY AN APPROVED CLAIMANT IS TOTALLY DESTROYED, (FOR EXAMPLE, BY FIRE) AND IS REPLACED BY A NEW HOME?

A. Any increase between the assessed value of the old house and the assessed value of the new house, is treated as an improvement.

The claimant's frozen tax amount is recomputed in the following manner: the difference between the assessed value of the old and the assessed value of the new house, is frozen. The mill rate utilized is the lesser of that mill rate which was in effect at the time the claimant froze the old house's tax or that which is in effect at the time of the rebuilding. The newly frozen amount is added to the amount of the old freeze.

FILING OF CLAIMS FOR REIMBURSEMENT:

36. Q. WHEN MUST THE TAX COLLECTOR FILE A CLAIM FOR TAX REVENUE LOSS SUSTAINED BY HIS/HER TOWN, AS A RESULT OF THE FREEZE PROGRAM?

A. Claims that are filed by the Tax Collector on Form M-36B (Tax Collector's Claim for Reimbursement Under Program of Tax Relief For the Elderly - Freeze), must be received by the Office of Policy and Management on or before January 1st, of the following year. CARE SHOULD BE TAKEN TO INCLUDE ALL ACCOUNTS FOR WHICH REIMBURSEMENT IS REQUESTED.

37. Q. WHAT CONSTITUTES A CLAIM FOR REIMBURSEMENT?

A. Form M-36, signed by the Tax Collector, including any continuation sheets that must include:

(1) Name of claimant
(2) His/her property address
(3) Refile code (an E or O which is fixed for the duration that a taxpayer is a claimant)
(4) Net assessment
(5) Normal tax bill
(6) Frozen tax amount adjusted for benefit cap if applicable
(7) Tax revenue loss
(8) Page subtotals
(9) Grand total for all pages

38. Q. IF A TOWN CHOOSES TO SUBMIT A COMPUTER GENERATED REPORT, WHAT ARE THE REQUIREMENTS FOR FORMAT?

A. All of the above listed in Question 37. Accounts must be separated by double or triple spaces. This is so that the report can be audited by the Office of Policy and Management. If a format is difficult to read, it is grounds for rejection. Form M-36 must still be signed by the Tax Collector. The Tax Collector must enter the grand total in the appropriate block of the Form M-36. All corresponding Forms M-36R, i.e., the new applications, must be submitted as back-up documentation. A claim is not deemed to have been received by this Office if all of the above is not submitted in the manner specified. If a claim is submitted that is not in conformance with the requirements outlined above, it will be returned to the tax jurisdiction for the necessary corrections.

39. Q. WHAT AMOUNT SHOULD BE REQUESTED FOR REIMBURSEMENT, IN INSTANCES WHERE THE ASSESSOR HAS PRORATED THE BENEFIT DUE, UNDER SECTION 12-129b(d)?

A. The Tax Collector should request reimbursement of the amount of the benefit due the claimant as of October 1st, AND SHOULD NOT REQUEST REIMBURSEMENT IN THE PRORATED AMOUNT. Since the Assessor must file Form M-36P ("Assessor's Reduction to Freeze"), which lists reductions to the M-36B, the amount of the reduction to a claimant's benefit would actually be requested <u>twice</u>, if the Tax Collector, in submitting his/her claim, requested only a prorated amount of reimbursement.

40. Q. WHEN DOES THE STATE REIMBURSE TOWNS AND CITIES UNDER THE FREEZE PROGRAM?

A. Section 12-129d(b) provides that towns be reimbursed by September 15th each year.

41. Q. IS THE STATE REQUIRED TO NOTIFY A TOWN OF ANY MODIFICATIONS TO THE AMOUNT OF REIMBURSEMENT REQUESTED, WHICH MAY BE CAUSED BY THE STATE'S AUDIT?

A. Yes. The State must notify each tax jurisdiction of its acceptance or modification of the amount of reimbursement requested, on or before the January 1st following the submission of the claim. Any adjustments required will be made with the next scheduled payment.

42. Q. WHAT IS THE PENALTY TO A MUNICIPALITY FOR LATE AND/OR INCOMPLETE FILING OF THE CLAIM (M-36) AND PRORATE CLAIM (M-36P)?

A. Two hundred fifty dollars. Application for waiver of penalty may be made in accordance with O.P.M. Regulation Section 12-129b-2.

PRORATION OF BENEFITS

PRORATION OF HOMEOWNER BENEFITS:

43. Q. WHAT HAPPENS TO THE HOMEOWNER BENEFIT WHEN AN OWNER DISPOSES OF REAL PROPERTY AFTER THE ASSESSMENT DATE?

A. The benefit is prorated under Section 12-170aa(i). If the owner sells, assigns or otherwise transfers ownership, after October 1st, but prior to the filing period, during a year in which he/she is not required to refile for continued benefits, the tax credit is prorated using the appropriate monthly factor. However, if **total** ownership is transferred after October 1st, but prior to the period in which an applicant is required to refile, the credit is removed as of October 1st.

EXAMPLE 1: Ms. Casey originally filed for a Homeowner benefit for the 1979 Grand List. In keeping with the coding procedure that used to be required, she has been carried on an odd year code since that time. Ms. Casey, therefore, was required to refile for continued benefits, and did so, between February 1st and May 15th of 2010, in order to maintain her tax credit for the 2009 Grand List. She later sells her home on December 21, 2010. Ms. Casey's 2009 Grand List benefit will be prorated, using the appropriate monthly factor for December. As she is not required to refile an application in order to continue receiving a benefit as of the October 1, 2010 Grand List, she retains her tax credit up to the date of the sale.

EXAMPLE 2: Mr. Jones is coded as an E. He originally filed for and was granted tax relief for the 1978 Grand List. In keeping with the coding procedure that used to be in place, he has been carried on an even year code since that time. Mr. Jones was required to refile for continued benefits between February 1st and May 15th of 2011, in order to maintain his tax credit for the 2010 Grand List. If he sold his home on December 21, 2010, Mr. Jones's benefit would be removed as of the October 1st, 2010 Grand List date because he no longer owned the property at the time he would have been required to file (Feb. 1 thru May 15, 2011).

44. Q. WHAT PROCEDURE SHOULD BE FOLLOWED IF LESS THAN 100% OWNERSHIP IS TRANSFERRED?

A. The Assessor should prorate the corresponding benefit percentage. For example, if a claimant transfers ½ interest in his/her property, 50% of the claimant's benefit should be prorated, in accordance with the above outlined procedures.

45. Q. WHEN AN ELDERLY CLAIMANT DIES AFTER OCTOBER 1st, IS THE TAX BENEFIT REMOVED?

A. The benefit is prorated under Section 12-170aa(i), if there is no surviving spouse. If an applicant dies during a year in which he/she is not required to refile, the benefit is prorated from the date of death, using the appropriate monthly factor. The date of death, and not the date the certificate of death is placed on the land records, is the determinant for the monthly factor used. If, however, an applicant dies prior to the filing period in a year in which he/she is required to refile, the benefit is removed as of October 1st. The same procedural guidelines for prorations apply, whether a claimant transfers ownership or dies.

PRORATION OF FROZEN TAX BENEFITS:

46. Q. WHAT HAPPENS TO THE FREEZE WHEN AN OWNER DISPOSES OF REAL PROPERTY BETWEEN OCTOBER 1st AND AUGUST 1st?

A. The claimant's benefit (i.e., the amount of the revenue loss, or State reimbursement on the claimant's tax bill) is prorated. The claimant's benefit is the amount that he/she does not pay in real property taxes. If the owner sells, assigns or otherwise transfers ownership during a year in which he/she is not required to refile for continued benefits, the benefit is prorated using the appropriate monthly factor. If the house is sold before the period in which an applicant is required to refile in order to maintain his/her benefit on a biennial basis, the credit is removed as of October 1st.

47. Q. WHAT PROCEDURE SHOULD BE FOLLOWED IF LESS THAN 100% OWNERSHIP IS TRANSFERRED?

A. The Assessor should prorate the corresponding benefit percentage. For example, if a claimant transfers ½ interest in his/her property, 50% of the claimant's benefit should be prorated, in accordance with the procedures outlined above.

48. Q. WHEN AN ELDERLY APPLICANT DIES BETWEEN OCTOBER 1st AND AUGUST 1st, IS THE TAX BENEFIT REMOVED?

A. The benefit is prorated under Section 12-129b(d), unless there is a surviving spouse or surviving joint owner. If an applicant dies during a year in which he/she is not required to refile, the benefit is prorated from the date of death, using the appropriate monthly factor. If an applicant dies prior to the filing period in a year in which he/she is required to refile, the benefit is removed as of October 1st.

49. Q. WHAT HAPPENS IF AN APPLICANT SELLS HIS/HER HOME AND PURCHASES A NEW HOME?

A. He/she will be removed from the Freeze and the benefit will be prorated in accordance with the procedures delineated above. He/she may be able to file under the Owners' program, for the new home, if he/she meets the requirements.

50. Q. WHEN MUST THE ASSESSOR FILE THE PRORATE ADJUSTMENT CLAIM?

A. By October 1st for adjustments to the prior Grand List.

51. Q. WHAT IS THE PENALTY TO A MUNICIPALITY FOR LATE FILING OF THE PRORATE ADJUSTMENT CLAIM?

A. Two hundred fifty dollars. Application for waiver of penalty may be made in accordance with O.P.M. Regulation Section 12-129b-2.

52. Q. CAN THE PENALTY BE WAIVED?

A. Yes, the penalty regulations allow for a waiver under certain conditions. The request for waiver must be made within 30 business days before August 1st, or no later than 30 business days after. The request must have a valid reason and must be signed by both the assessor and the chief executive officer.

INSTRUCTIONS FOR COMPLETION OF FORMS M-35G/M-36G

"Computation of Elderly Tax Relief Reduction"

1. Enter Name of Town or City at top of form.

2. Enter name of qualified elderly homeowner (Grantor) exactly as it is recorded on the Grand List of the immediately preceding October 1st.

3. Enter property location on which elderly tax relief was applied.

   Enter the date of conveyance, which is also known as the deed date. (Note: the date of conveyance is the date the deed was signed by the grantor(s). This may differ from the date the deed was recorded.)

5. Enter the actual percentage of interest that the grantor owned before the transfer.

6. Enter the **percentage of property interest transferred**. In many cases, line 5 and line 6 will contain the same percentage figure, but it would be different if all of a partial ownership is transferred (see exceptions).

   EXCEPTIONS:

   (1) Grantor owns the property in its entirety and retains a partial interest in the property (See Example #2).

   (2) Grantor is a partial owner and retains a portion of his/her interest in the property. In this case, line 5 will reflect the actual percentage owned before transfer and line 6 will reflect the portion conveyed (See Example #3).

7. Enter the amount of the elderly tax relief benefit, -either:

   (a) the Homeowner credit for which the grantor was qualified, or

   (b) the amount of revenue loss sustained by the town due to the grantor's frozen tax status (normal tax minus frozen tax amount = revenue loss).

   For either of the exceptions noted under 6 above, it will be necessary to multiply the percentage from line 6 by the amount of the benefit which had been certified.

8. Enter the pro-rate factor for the month in which the conveyance occurred.

9. Multiply the factor entered on line 7 by the amount of the benefit on line 6, in order to arrive at Grantor's prorated benefit.

10. Subtract the Grantor's prorated benefit (line 8) from the Grantor's benefit as certified before this transfer (line 6), in order to arrive at the amount of the Grantee's additional tax. This amount is also the amount of the reduction which will be reported to the Office of Policy and Management.

11. Sign and date form.

12. Enter Grantor's list number.

13. Enter Grantee's name.

14. Enter Grantee's mailing address.

15. Four (4) copies of each completed Form M-35G/M-36G are required.

    1. Assessor retains one copy for his/her records.

    2. Two copies are forwarded to the Tax Collector. One copy is retained for his/her records and one copy is forwarded to the Grantee who will assume the additional tax burden.

    3. Forward original to Office of Policy and Management.

Please Note:
If a town opts to use a Form M35G/M36G, other than the original version created by the Office of Policy and Management, the town must request, in writing, approval from the Office of Policy and Management of said form before it is put into use.

PRORATIONS EXAMPLES:

Example #1:

An elderly tax relief recipient who has qualified for the Owners' program (by virtue of filing a certified application for the 2010 Grand List), is a 100% owner. He/she is not required to refile for the 2011 Grand List. The entire 100% interest is conveyed via a deed which is signed by the Grantor on January 29, 2012. The deed is recorded on February 3, 2012. The Owners' credit which he/she had been qualified for as of October 1, 2011 is $1,000.00.

Line 3:	DATE OF CONVEYANCE	1/29/12
Line 4:	PERCENTAGE OWNED BEFORE TRANSFER	100%
Line 5:	PERCENTAGE OF PROPERTY **OWNED** TRANSFERRED	100%
Line 6:	BENEFIT AMOUNT	$1,000.00
Line 7:	PRO-RATE FACTOR	X .25
Line 8:	GRANTOR'S PRO-RATED BENEFIT	$ 250.00

Grantor's original benefit:	$1,000.00
Less Pro-rated benefit:	- 250.00
Equals Grantee's additional tax:	$ 750.00

Example #2:

An elderly tax relief recipient files an application for the Owners' program on February 6, 2012. The claimant is married and he and his wife own 100% of the property. On March 7, 2012, they sign a deed which conveys 33.3% interest in the property to their child; 66.7% interest is retained by the grantors. The Owners' credit which they had qualified for as of October 1, 2011 is $1,250.00.

Line 3:	DATE OF CONVEYANCE	3/7/12
Line 4:	PERCENTAGE OWNED BEFORE TRANSFER	100%
Line 5:	PERCENTAGE OF PROPERTY **OWNED** TRANSFERRED	33.3%
Line 6:	BENEFIT AMOUNT ($1,250.00 X 33.3%)	$ 416.25
Line 7:	PRO-RATE FACTOR	X .417
Line 8:	GRANTOR'S PRO-RATED BENEFIT	$ 173.58

Grantor's original 33.3% benefit:	$ 416.25
Less Pro-rated (33.3%) benefit:	- 173.58
Equals Grantee's additional tax:	$ 242.67

The Grantors actually receive a benefit of $1,007.33 on the 2011 Grand List: $833.75 on the 66.7% interest which was not prorated plus a 33.3% pro-rated benefit of $173.58.

Example #3:

A qualified Owner recipient conveys 50% of his/her original 33.3% interest in the property by virtue of a deed signed on May 7, 2012. He/she is not required to refile for the 2011 Grand List. The Owners' credit which he/she has been qualified for as of October 1, 2011 is $166.67.

Line 3:	DATE OF CONVEYANCE	5/7/12
Line 4:	PERCENTAGE OWNED BEFORE TRANSFER	33.3%
Line 5:	PERCENTAGE OF PROPERTY **OWNED** TRANSFERRED	50%
Line 6:	BENEFIT AMOUNT ($166.67 X 50%)	$ 83.34
Line 7:	PRO-RATE FACTOR	X .583
Line 8:	GRANTOR'S PRO-RATED BENEFIT	$ 48.59

Grantor's original 50% benefit:	$ 83.34
Less Pro-rated 50% benefit:	- 48.59
Equals Grantee's additional tax:	$ 34.75

The Grantors actually receive a benefit of $131.92 on the 2011 Grand List: $83.34 on the 50% interest which was not prorated plus a 50% pro-rated benefit of $48.59.

Example #4:

An elderly tax relief recipient has been receiving an Owners' benefit since the October 1, 1980 Grand List. He/she has a "refile code year" of 2010. The Owner benefit that he/she would receive on the 2010 Grand List is $500. He/she conveys his/her entire 100% interest in the property by virtue of a deed signed on January 30, 2010.

NO PRORATION IS NECESSARY: the claimant is required to refile in order to prove his/her eligibility for a continued Owners' credit as of the October 1st, 2010 Grand List. As the property was transferred prior to the filing period, no benefit should be certified for the October 1, 2010 Grand List.

Example #5:

An elderly tax relief recipient, who had his/her taxes frozen as of the 1979 Grand List, is a 100% owner. He/she is not required to refile for the 2010 Grand List. The entire 100% interest that the Grantor owned is conveyed via a deed that is signed on May 20, 2011. The claimant's taxes were frozen at $875. The normal tax bill is $1,027.40.

Line 3:	DATE OF CONVEYANCE	5/20/11
Line 4:	PERCENTAGE OWNED BEFORE TRANSFER	100%
Line 5:	PERCENTAGE OF PROPERTY **OWNED** TRANSFERRED	100%
Line 6:	BENEFIT AMOUNT ($1,027.40 - $875.00)	$ 152.40
Line 7:	PRO-RATE FACTOR	X .583
Line 8:	GRANTOR'S PRO-RATED BENEFIT	$ 88.85

Grantor's original benefit:	$152.40
Less Pro-rated benefit:	- 88.85
Equals Grantee's additional tax:	$ 63.55

Example #6:

On November 11, 2010, an elderly tax relief recipient who had his/her taxes frozen as of the 1979 Grand List, conveys 50% of his/her 100% interest in the property to a nephew. He/she is not required to refile for the 2009 Grand List. The claimant's taxes were frozen at $147.50. The normal tax bill is $2,114.80.

Line 3:	DATE OF CONVEYANCE	11/11/10
Line 4:	PERCENTAGE OWNED BEFORE TRANSFER	100%
Line 5:	PERCENTAGE OF PROPERTY **OWNED** TRANSFERRED	50%
Line 6:	BENEFIT AMOUNT ($2,114.80 - 147.50 X 50%)	$ 983.65
Line 7:	PRO-RATE FACTOR	X .083
Line 8:	GRANTOR'S PRO-RATED BENEFIT	$ 81.64

Grantor's original benefit:	$ 983.65
Less Pro-rated benefit:	- 81.64
Equals Grantee's additional tax:	$ 902.01

The Grantor actually receives a benefit of $1,065.29 on the 2009 Grand List: $983.65 on the 50% interest which was not prorated plus a 50% pro-rated benefit of $81.64.

Example #7:

A sister and brother own real property in survivorship. They each had their 50% interest frozen when they became of age; she in 1972 and he in 1978. They are each required to refile in order to continue their frozen tax status, as of the October 1, 2011 Grand List. They do so on February 15, 2012. The sister dies on May 5, 2012. The Certificate of Death is filed on the Land Records on July 18, 2012.

NO PRORATION IS NECESSARY: the brother is a surviving joint owner, and is therefore eligible to receive his sister's frozen tax benefit.

CALENDAR – 2014 (2013 Program Year)

January 1	Freeze claim due at O.P.M. (Forms M-36 and M-36R).
January 1	O.P.M. notifies municipality of any adjustments to the claim for reimbursement for the Freeze Program (Forms M-36 of previous year's submission).
January 16	Owners' and Freeze applications made available to municipality from Office of Policy and Management (Forms M-35H and M-36R).
February 1	Assessor must notify Owner/Freeze applicants to refile by this date, by regular mail, enclosing an application form and an explanation.
March 15	Last day to receive Owner/Freeze applications in the mail from applicants. After this date, applications must be filed in person only.
April 1	Assessor must notify Owner/Freeze applicants with a **certified letter** if they have not refiled by March 15.
May 15	Owners' claim form made available to municipality by O.P.M. (M-35B).
May 15	Last day to accept Freeze and Owners' applications.
July 1	Owners' claim forms and the Totally Disabled claim forms are due for submission to the Office of Policy and Management.
July 15	Last day for municipality to appeal Freeze reimbursement notification (previous year's submission).
August 1	Additional Veteran's claim forms are due for submission to O.P.M.
September 15	Payment issued to municipality for Freeze Program.
October 1	Proration forms due at O.P.M. (Forms M-35G/M-36G, M-35P, and M-36P).
December 31	Payment issued to municipality for Owners' program and Additional Veterans' program.

TOTALLY DISABLED

BASIC INFORMATION REQUIREMENTS:

1. Q. WHAT BASIC REQUIREMENTS AND CONDITIONS MUST BE MET IN ORDER FOR TAX RELIEF UNDER THE TOTALLY DISABLED PROGRAM TO BE GRANTED IN THE STATE OF CONNECTICUT?

A. The following requirements and conditions must be met:

(1) Be a resident of the State of Connecticut;

(2) Be eligible, in accordance with applicable federal regulations, to receive permanent total disability benefits under Social Security or;

(3) If never engaged in employment covered by Social Security and therefore not qualified for benefits thereunder but has 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, determined by the Secretary of the Office of Policy and Management to contain requirements in respect to qualification for such permanent Total Disability benefits which are comparable to such requirements under Social Security or; all of (3) is true but collects Social Security under parents' Social Security number.

(4) If age 65 or over and would be eligible in accordance with applicable federal regulations to receive permanent Total Disability benefits under Social Security or any such federal, state or local government retirement or disability plan as described in (3), except that because such resident is 65 or over is no longer eligible to receive benefits under the disability benefit provisions of Social Security or other plan because payments are made under retirement provisions thereof and;

(5) Own property in resident's own name or property belonging to, or held in trust for, his/her spouse, who is domiciled with him/her.

2. Q. WHAT CONSTITUTES PROOF OF DISABILITY?

A. 1) A current AWARD letter from the Social Security Administration or, 2) a form SSA-1099showing a Medicare deduction or, 3) a current computer generated message from Social Security that states the person is disabled, such as a TPQY or Benefit Verification Letter or, 4) current proof of permanent and total disability from a federal, state, municipal or other government related program deemed comparable by the Secretary of the Office of Policy and Management.

TOTALLY DISABLED (cont.)

FILING REQUIREMENTS:

3. Q. HOW SHOULD THE CLAIM BE SUBMITTED TO THE OFFICE OF POLICY AND MANAGEMENT?

   A. The claim should consist of the following:
   - The M-42B claim form signed by the Tax Collector.
   - The continuation sheet M-42bc which indicates the name and address of the qualifying applicant, the amount of the exemption ($1,000), the revenue loss **and an indication as to whether or not the applicant is new.**
   - **If the applicant is new you should include a copy of the OPM Form D-1 and the applicant's proof of disability. This is only required for the initial application year.**

4. Q. CAN THE EXEMPTION BE APPLIED TO A SUPPLEMENTAL MOTOR VEHICLE?

   A. Yes, provided that if the applicant is also receiving the exemption on property on the regular list that the total exemption cannot exceed $1,000 on a single claim.

5. Q. HOW SHOULD THE REVENUE LOSS BE CALCULATED WHEN THE EXEMPTION IS APPLIED TO A SUPPLEMENTAL MOTOR VEHICLE?

   A. The assessment on the supplemental motor vehicle should be multiplied by the mill rate applicable to the supplemental list. For example: the assessment on a 2012 supplemental motor vehicle appearing on the 2013 Grand List claim should be multiplied by the 2012 mill rate (not the 2013 mill rate) to determine the amount of revenue loss.

ADDITIONAL VETERANS

QUESTIONS & ANSWERS

ELIGIBILITY:

1. Q. WHO IS ELIGIBLE FOR AN ADDITIONAL VETERAN'S EXEMPTION?

   A. Any person entitled to an exemption from property tax in accordance with subdivisions 19 through 26 of CGS Section 12-81.

2. Q. WHAT ARE THE ADDITIONAL VETERAN'S EXEMPTIONS?

   A. Those who meet the income requirements and who file for the additional exemption receive an additional 200% of the basic exemption.

3. Q. HOW OFTEN ARE THOSE WHO FILE, REQUIRED TO FILE?

   A. Biennially.

4. Q. WHEN IS THE APPLICANT FILING PERIOD?

   A. Between February 1 and October 1 of any given year for the exemption on the Grand List of that October 1st. Applications filed between February 1, 2013 and October 1, 2013 are for the **2013** Grand List. Income reported is for the year **2012**.

5. Q. IF A PERSON WHO IS ELIGIBLE FOR A 200% ADDITIONAL VETERAN'S EXEMPTION FAILS TO FILE, WHAT HAPPENS?

   A. The exemption will NOT revert to 50% as the 50%, non-income qualifying applicants, will no longer receive state reimbursement which commenced with the 2002 Grand List.

6. Q. CAN THE PERSON FILE FOR THE 200% ADDITIONAL VETERAN'S EXEMPTION IN A LATER YEAR?

   A. Yes.

7. Q. IF A PERSON IS ENTITLED TO OTHER EXEMPTIONS, SUCH AS LOCAL OPTION EXEMPTIONS, IN WHAT ORDER MUST THE EXEMPTIONS BE USED?

   A.
   1. State mandated non-reimbursed exemptions
   2. Local option exemptions
   3. State reimbursed exemptions

INCOME:

8. Q. WHAT ARE THE INCOME REQUIREMENTS? (**2012 INCOME)**

A. Unmarried $34,100.00 Married $41,600.00 (joint income)

With 100% V.A.-determined disability rating (adjusted gross income only):
Unmarried $18,000.00 Married $21,000.00 (joint income)

9. Q. WHAT IS INCOME?

A. Adjusted gross income as determined for purposes of the federal income tax plus any other income not included in such adjusted gross income. The qualifying income is the individual's income if unmarried, or both spouses' incomes if the applicant is married. (See Question #33)

Exception - if the applicant has a 100% disability rating as determined by the Veteran's Administration, adjusted gross income only is considered. Section 12-81g(a).

10. Q. WHAT IS NOT CONSIDERED INCOME?

A. See Question 19 in the Homeowner section of this booklet and Question 33 following.

11. Q. WHEN SHOULD THE APPLICANT BE INFORMED OF ACCEPTANCE OR REJECTION OF HIS CLAIM?

A. Not later than 90 days after the assessment date for which an application is submitted, the assessor shall forward a copy of the completed application to the claimant, indicating acceptance or rejection.

FILING OF REIMBURSEMENT CLAIM:

12. Q. IS IT NECESSARY TO SEND A COPY OF EACH APPLICATION TO O.P.M.?

A. Yes, the original white copy must be sent to O.P.M.

13. Q. MAY PRINT-OUTS SHOWING THE REQUIRED INFORMATION BE SUBSTITUTED FOR CONTINUATION SHEETS (M-59A-1)?

A. Yes. The format must replicate the O.P.M. Continuation Sheet and the print-out must be double spaced.

14. Q. WHEN SHOULD THE CLAIM AND THE INFORMATION ON THE FILING PARTICIPANTS BE SUBMITTED TO THE STATE?

A. On or before August 1st of the following year; e.g. 2014 for the 2013 Grand List (Form M-59a).

15. Q. WHEN IS THE MUNICIPALITY REIMBURSED?

A. By December 31st of the year in which the exemption was granted; e.g. 2013 for the 2012 Grand List.

16. Q. WHAT HAPPENS IF THE REIMBURSEMENT CLAIM IS FILED LATE?

A. The penalty fee of $250.00 must accompany the claim. The claim for reimbursement will not be processed until the penalty is paid.

17. Q. CAN THE PENALTY BE WAIVED?

A. Yes, the penalty regulations allow for a waiver under certain conditions. The request for waiver must be made within 30 business days of August 1st, and no later than 30 business days after. The request, including valid reasons, must be signed by both the assessor and the chief executive officer.

18. Q. WILL THE MUNICIPALITY BE INFORMED OF O.P.M.'S ACCEPTANCE, REJECTION, OR MODIFICATION OF THE CLAIM

A. Yes, notification will be sent not later than the following August 1st, one year after the filing.

19. Q. HOW MAY A MUNICIPALITY APPEAL?

A. A written request to the Office of Policy and Management, within 30 days of notification, stating the reason for such appeal.

MISCELLANEOUS:

20. Q. IF A PERSON DOES NOT USE HER/HIS ENTIRE VETERAN'S EXEMPTION IN THE TOWN WHERE THE DISCHARGE IS RECORDED, HOW IS THE EXCESS HANDLED?

A. If the person owns property in two Connecticut towns, the assessor of the town in which the discharge is filed should send a signed, written affidavit to the assessor of the second town. The affidavit should include the exact dollar amount still due the veteran. This amount should then be granted by the second town. The assessor of the town of residence must apply the exemptions in the order listed in #7. The assessor of the second town does not adjust the exemption caused by a revaluation exemption adjustment. Section 12-62 (g).

21. Q. IS AN ACTIVE DUTY SERVICE MEMBER ELIGIBLE FOR THE EXEMPTION UNDER §12-81(53)(a) REGARDLESS OF THE LOCATION OF HIS OR HER MOTOR VEHICLE?

A. Yes, as of July 1, 2008, the exemption is available to an active duty service member regardless of whether the vehicle is garaged inside or outside the state.

22.Q. IS AN ACTIVE DUTY SERVICE MEMBER WHO IS RECEIVING THE BASIC EXEMPTION ALSO ELIGIBLE TO RECEIVE A MOTOR VEHICLE EXEMPTION?

A. Yes, an active duty service member who has served at least 90 days during a period specified in §27- 103, may receive both the basic exemption as well as the exemption of one motor vehicle.

23. Q. ARE THERE ANY OTHER MOTOR VEHICLE EXEMPTIONS FOR AN ACTIVE DUTY SERVICEMEMBER?

A. Yes. A non-Connecticut resident whose vehicle is garaged in Connecticut due to his military orders, is not entitled to the exemption under Section 12-81(53)(a) but may receive the exemption for the motor vehicle under the Federal Service Members Civil Relief Act of 2003 (50 USC 501, et sq.).

24. Q. ARE LEASED CARS AVAILABLE FOR THE EXEMPTION?

A. Yes. The benefit of veterans' and active duty service members' exemptions are applicable to leased motor vehicles, by providing for a refund of taxes paid for such vehicles.

25. Q. DO THE PROVISIONS OF 12-81(53)(a) AND 12-93a, AS AMENDED, PROVIDE AN ADDITIONAL EXEMPTION FOR ACTIVE DUTY SERVICE PERSONNEL, VETERANS OR THEIR SURVIVORS?

A. No. The amended provisions of 12-81(53)(a) and 12-93a merely extend the type of property to which a claimant receives a benefit based on his or her exemption eligibility. These legislative amendments do not increase the amount of an exemption to which a claimant is entitled.

26. Q. IS AN APPLICATION REQUIRED IN ORDER TO RECEIVE THE LEASED MOTOR VEHICLE REFUND?

A. Yes.

27.Q. IS A DISABLED VETERAN REQUIRED TO SUBMIT PROOF OF DISABILITY ANNUALLY?

A. No. Effective June 30, 2009 (PA 09-176) annual submission of proof of disability is no longer required unless the disability rating changes.

28. Q. IS A VETERAN HAVING REACHED THE AGE OF 65 REQUIRED TO PROVIDE ANNUAL PROOF OF HIS VETERAN'S DISABILITY STATUS?

A. No. Section 12-83 provides a continuation of a property tax exemption for a disabled veteran who prior to June 29, 1955, had attained the age of 65 and had filed proof of a disability that then qualified him for a property tax exemption.

29.Q. UNDER THE EXEMPTION PROVIDED BY 12-81(20), IS THERE AN AUTOMATIC EXEMPTION INCREASE WHEN A DISABLED VETERAN REACHES THE AGE OF 65?

A. Yes. Even if the veteran's disability rating is only 10%, his exemption increases to $3,000.00 as of the assessment date following his sixty-fifth birthday.

30. Q. IS ANY PERSON ELIGIBLE WHO SERVED ANYWHERE AFTER AUGUST 2, 1990?

A. Yes. Although reference is made to the Persian Gulf War, service in the Persian Gulf is not required, nor is service in a combat or combat support role.

31. Q. IS A PERSON ELIGIBLE FOR THE EXEMPTION IF HE OR SHE MOVES FROM ONE TOWN TO ANOTHER TOWN AND FAILS TO FILE EXEMPTION ELIGIBILITY WITHIN THE TIME PERIOD THAT 12-93 PRESCRIBES?

A. Yes. The person is eligible to receive the exemption for one year. The person must provide a certified copy of an honorable discharge or an original copy of such discharge of other acceptable proof of exemption eligibility filed with the town clerk of the new town of residence for any subsequent year. Any person who has established his or her eligibility for an exemption for a particular assessment year is to be issued a certificate of exemption entitlement by the assessor of the municipality in which the person has established such exemption eligibility.

32. Q. UNDER THE LOCAL OPTION ADDITIONAL VETERAN'S EXEMPTION PROGRAM, CAN A TOWN INCREASE THE INCOME LIMITS?

A. Yes. As of October 1, 2003, the municipality's legislative body may increase the income limits for this additional exemption program by up to $25,000.

33. Q. DOES A VETERAN'S DISABILITY PAYMENT COUNT AS INCOME FOR CERTAIN INCOME-DEPENDENT PROPERTY TAX EXEMPTION PROGRAMS?

A. No. Veteran's disability payments do not count as income for the Additional Veterans Program.

34. Q. IS A VETERAN OR ACTIVE DUTY MEMBER OF THE U.S. ARMED FORCES WHO PERFORMS HOMELAND SECURITY MISSIONS ELIGIBLE FOR THE ADDITIONAL EXEMPTION?

A. Yes. Members of the U.S. armed forces, including the National Guard, who perform homeland security missions such as airport security, service in time of national disasters (e.g., Hurricane Katrina), patrol of U.S. borders, or perform duty vacated by an active duty service member's deployment are eligible.

35. Q. WHAT IS THE DEFINITION OF "SERVICE IN TIME OF WAR"?

A. Effective June 8, 2009 (PA 09-117) "service in time of war" means service of ninety or more cumulative days <u>or</u> for the duration of the campaign if the period of war lasted less than ninety days.

EXHIBIT I

SOCIAL SECURITY PAYMENT IDENTIFICATION CODES (PIC)
& BENEFICIARY INDICATOR CODES (BIC)

&	Wage Earner and Spouse	Old age or disability
A	Wage Earner (Primary)	Old age or disability
B	Aged Wife	First claimant
B1	Husband	First claimant
B2	Young Wife	First claimant
B3	Aged Wife	Second claimant
B4	Husband	Second claimant
B5	Young Wife	Second claimant
B6	Divorced Wife	First claimant
B7	Young Wife	Third claimant
B8	Aged Wife	Third claimant
B9	Divorced Wife	Second claimant
C1-C9	Child or grandchild	Including disabled or student child
CA-CK		
D	Aged Widow	First claimant
D1	Widower	First claimant
D2	Aged Widow	Second claimant
D3	Widower	Second claimant
D4	Widow	Remarried after attainment of age 60
D5	Widower	Remarried after attainment of age 60
D6	Surviving Divorced Wife	First claimant
D7	Surviving Divorced Wife	Second claimant
D8	Aged Widow	Third claimant
D9	Remarried Widow	Former B3, W2, or D2
DA	Remarried Widow	Former B8 or D8
E	Widowed Mother	First claimant
E1	Surviving Divorced Mother	First claimant
E2	Widowed Mother	Second claimant
E3	Surviving Divorced Mother	Second claimant
E4	Widowed Father	First claimant
E6	Widowed Father	Second claimant
E7	Widowed Mother	Third claimant
F1	Father	
F2	Mother	
F3	Stepfather	
F4	Stepmother	
F5	Adopting Father	

EXHIBIT I (cont.)

F6	Adopting Mother	
F7	Second Alleged Father	
F8	Second Alleged Mother	
HA	Wage earner	Disability
HB	Aged wife	Disability
HB1	Aged husband	Disability
HB2	Young wife	Disability
HB6	Divorced wife	Disability
HC	Child or grandchild	Disability
J1	Primary Prouty entitled	
	To deemed HIB	Less than three quarters of coverage
J2	‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’	Over two quarters of coverage
J3	Primary Prouty not entitled	
	To deemed HIB	Less than three quarters of coverage
J4	‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’ ‘’	Over two quarters of coverage

Code	**Type**	**Code**	**Type**
TV	MQGE disabled widow(er) (5th claimant)	**W6**	Disabled surviving divorced wife (1st claimant)
TW	MQGE disabled widow(er) (1st claimant)	**W7**	Disabled surviving divorced wife (2nd claimant)
TX	MQGE disabled widow(er) (2nd claimant)	**W8**	Disabled surviving divorced wife (3rd claimant)
TY	MQGE disabled widow(er) (3rd claimant)	**W9**	Disabled widow (4th claimaint)
TZ	MQGE disabled widow(er) (4th claimant)	**WB**	Disabled widower (4th claimant)
T2-T9	MQGE (CDB) (2nd to 9th claimant)	**WC**	Disabled surviving divorced wife (4th claimant)
W	Disabled widow (1st claimant)	**WF**	Disabled widow (5th claimant)
W1	Disabled widower (1st claimant)	**WG**	Disabled widower (5th claimant)
W2	Disabled widow (2nd claimant)	**WJ**	Disabled surviving divorced wife (5th claimant)
W3	Disabled widower (2nd claimant)	**WR**	Disabled surviving divorced husband (1st claimant)
W4	Disabled widow (3rd claimant)	**WT**	Disabled surviving divorced husband (2nd claimant)
W5	Disabled widower (3rd claimant)		

BLACK LUNG BENEFICIARY IDENTIFICATION CODES (BIC) AND
PAYMENT IDENTIFICATION (PIC) CODES

LM	Miner	**P2**	Natural mother of miner
LS	Wife of miner	**P3**	Adoptive father of miner
LT	Divorced wife of miner	**P4**	Adoptive mother of miner
LW	Widow of miner	**P5**	Stepfather of miner
LX	Divorced widow of miner	**P6**	Stepmother of miner
L1-L9	Children of miner	**S1-S8**	Brothers and Sisters of miner
P1	Natural father of miner		

EXHIBIT II

DATES OF WARS AND OTHER RECOGNIZED MILITARY CAMPAIGNS AND OPERATIONS UNDER 27-103, AS AMENDED BY PUBLIC ACT 03-85

Spanish-American War	April 21, 1898 to July 4, 1902
Spanish-American War-Moro Province	April 21, 1898 to July 15, 1903[1]
Mexican Border Period	March 10, 1916 to April 6, 1917
World War I	April 6, 1917 to November 11, 1918
World War I - Russia	April 6, 1917 to April 1, 1920[2]
World War II	December 7, 1941 to December 31, 1946[3]
Korean Conflict	June 27, 1950 to January 31, 1955
Vietnam Era	February 28, 1961 to July 1, 1975
Lebanon	July 1, 1958 to November 1, 1958 or September 29, 1982 to March 30, 1984[4]
Invasion of Grenada	October 25, 1983 to December 15, 1983[4]
Operation Earnest Will	July 24, 1987 to August 1, 1990[4]
Invasion of Panama	December 20, 1989 to January 31, 1990[4]
Persian Gulf War	After August 2, 1990[5]

[1] The Spanish American War includes the Philippine Insurrection, the Boxer Rebellion and service in the Moro Province, for which the ending date is eleven days later than the ending date for the Spanish American War.

[2] The ending date for service in Russia by a person serving with the United State military forces during World War I differs from the ending date for all service during that war.

[3] Pursuant to §12-86, twelve o'clock midnight on December 31, 1947 is the World War II termination date for purposes of granting a property tax exemption.

[4] A person must have served in a combat or combat support role for the duration of a campaign lasting less than 90 days (i.e., the Invasions of Grenada and Panama) in order to qualify for a property tax exemption. A person must also have served in a combat or combat support role in Lebanon or in Operation Earnest Will, during the specified dates, in order to qualify for an exemption. An armed Forces Expeditionary Medal is awarded to such individuals.

[5] Although referred to as the Persian Gulf War, service in the Persian Gulf is not required, nor is service in a combat or combat support role.