

Town Ordinance for Property Tax Relief for Certain Elderly and/or Totally Disabled Homeowners

1.) Purpose

The purpose of this ordinance is to assist elderly or disabled homeowners with their real property taxes. Pursuant to Section 12-129n of the Connecticut General Statutes, the town grants a tax credit for eligible residents of the town on the terms and conditions hereinafter provided.

2.) Effective Date of Tax Credit

The tax credit shall commence with the taxes due on the Grand List of ----- and yearly thereafter until this Ordinance shall be repealed or modified by action of the Town Council. All tax credits granted under this Ordinance shall be subject to the availability of funding by the Town Council.

3.) Eligibility

A.) Any person who owns real property in the Town of Prospect or is liable for the payment of taxes thereon under Connecticut General Statutes 12-48 and who occupies that property as his or her principal residence or held in trust for and occupied by such residents as their principal residence, shall be eligible for real property tax relief pursuant to Connecticut General Statutes 12-129n in the form of a tax credit, provided that all the following conditions 1-4 below are met:

1.) Applicant is:

A.) Sixty five (65) years of age or over at the close of the calendar year preceding the period in which a claim for relief is filed;

Or whose spouse living with him or her is sixty five (65) years of age or over at the close of the calendar year preceding the period in which the claim for relief is filed;

Or applicant is sixty (60) years of age or over and the surviving spouse of a taxpayer qualified in Prospect under this Ordinance at the time of applicant's death;

Or with respect to real property on which such applicant or his or her spouse is liable for taxes under Connecticut General Statutes 12-48

Or Applicant under age sixty five (65) years of age 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 has not qualified for benefits thereunder but has become qualified for permanent total disability benefits

under any federal, state, or local government retirement 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;

2.) The applicant and/or his or her spouse under Sec.3 (a) (1) above must have been a tax payer of the Town of Prospect for one (1) year immediately preceding application for tax benefits under this Ordinance and meet the requirements with respect to maximum income allowance during the calendar year preceding the year in which the application is made for the tax credit provided in this Ordinance;

3.) The applicant and/or his or her spouse must own and occupy the real property in the Town of Prospect for which this tax credit is claimed as their principal residence. Principal residence shall be defined as residency of at least six months and one day in each Grand List year for which the exemption is claimed;

4.) The applicant's qualifying income must not exceed 1.5 times the requirement as set forth in the Connecticut General Statute's 12-129b and 12-170aa.

4.) Applications

In Order to be eligible for this tax credit, all applicants must submit an application on a form approved by the Town Council together with all required supporting documents, including all financial information necessary to confirm eligibility.

5.) Income Limits

Income eligibility limits for participation in the tax credit provided for by this ordinance shall be 1.5 times those limits set forth for eligibility under Connecticut General Statutes 12-129b and 12-170aa and regulations promulgated thereunder, as such may be amended from time to time.

6.) Amount of Relief

1.) Applicants who meet the eligibility requirements shall be provided with a maximum flat tax credit in the amount of four hundred dollars (\$400.00) per tax year, provided, in no event, shall the total amount of the local tax relief any applicant receives from all available programs exceed seventy-five percent (75%) of the real property taxes assessed against the applicant. The Town Council may change the amount of such flat tax credit annually. Regardless of the number of eligible owners of a property, no real property shall be eligible for more than one tax credit as provided hereunder.

2.) The flat tax credit provided for in this Ordinance shall be prorated, however, according to the period of residency as follows:

Period of Residency	Percentage of Tax Credits to be applied
1-5 years	50%
6 or more years	100%

3.) The total tax relief of property tax revenue that may be granted by the Town of Prospect pursuant to the provisions of this Ordinance shall not exceed an amount equal to five percent (5%) of the total real property tax assessed in the Town of Prospect in the preceding tax year.

4.) In any case where the title to real property is recorded in the name of a taxpayer or in the name of his or her spouse, who is eligible for tax relief hereunder, and in the name of any other persons, the tax relief under this article shall be prorated to allow a tax credit equivalent to the financial share in the property of such taxpayer or spouse, and the persons not otherwise eligible for tax relief shall not receive any tax credit.

5.) Only one tax credit, as heretofore set forth, shall be allowed for each parcel of land eligible for the tax relief under this Ordinance.

6.) In the event the real property of a qualified applicant is sold, assigned, granted, or conveyed during the fiscal year when a credit is applicable, regardless of whether such transfer, assignment, grant or conveyance was voluntary or involuntary, the amount of the tax credit shall be prorated by the office of the Tax Assessor.

7.) Additional Benefits

Tax relief pursuant to this article shall not disqualify an eligible taxpayer from any other benefits to which he or she may be entitled by law.

This Ordinance supersedes the April 20th, 2004 passage of Ordinance # 71-04-20-04

Adopted _____, 2016

Thomas Galvin, Chairman
Prospect Town Council

Received for record:

Adopted Date:

Publication Date:

Effective Date:

Maryann C. Anderson
Town Clerk