



# OFFICE OF POLICY AND MANAGEMENT

QUESTION AND ANSWER BOOKLET

FOR THE

HOMEOWNERS,

TOTALLY DISABLED AND

ADDITIONAL VETERANS'

TAX RELIEF PROGRAMS

2023

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## **TAX RELIEF CALENDAR – 2023 (2022 Program Year)**

January 1	Freeze claim due at OPM. (Forms M-36 and M-36R).
January 16	Owner/Freeze applications made available to municipality from OPM (Forms M-35H and M-36R).
February 1	Assessor must notify Owner/Freeze applicants to refile <u>by this date</u> , by regular mail, enclosing an application form and an explanation.
April 15	Last day to receive Owner/Freeze applications in the mail from applicants. After this date applications must be filed <u>in person only</u> .
April 30	Assessor must notify Owner/Freeze applicants <u>by mail evidenced by a certificate of mailing</u> if they have not refiled by April 15.
May 15	Owners claim form made available to municipality by OPM (M-35B).
May 15	Last day to accept Owner/Freeze applications without an approved extension.
July 1	Owners claim form (M-35B and electronic file upload) and the Totally Disabled claim form (M-42B) are due for submission to OPM.
August 1	Additional Veterans claim form (M-59 and electronic file upload) are due for submission to OPM.
August 15	Last day for applicants to request (from OPM) an extension of time to file for the Owner/Freeze programs
September 15	Reimbursement issued to municipality for Freeze Program.
October 1	Owner/Freeze Proration forms due at OPM. (Forms M-35G/M-36G, M-35P/M-36P).
October 1	Last day to accept additional veteran applications (M-59a) without an approved extension <u>provided by the assessor</u> .
December 31	Reimbursements issued to municipality for Owners' program, Additional Veterans program and Totally Disabled program.
December 31	Last day for a veteran to request ( <u>from Assessor</u> ) an extension of time to file for the Additional Veterans program

## OWNERS' PROGRAM Q&A

### 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 prior to the end of the calendar year preceding the filing period or an SSA-1099 with Medicare premiums. (Note: In cases of pension plans other than Social Security, contact OPM 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 (such life use or life tenancy must be recorded on the town land records for the claimant to be eligible); 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 1<sup>st</sup> 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 eligibility to receive Social Security disability benefits** 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 AS 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. Applicants 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 2022 total income must not exceed \$40,300 if unmarried, or \$49,100 if married. For married couples, income for both husband and wife must be counted in establishing qualifying income. (Also see INCOME, Question 19.)
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 1<sup>st</sup> and May 15<sup>th</sup> of the calendar year following the October 1<sup>st</sup> 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. Applicants filing as disabled must have documentation that they were deemed “eligible to receive Social Security disability benefits” as of December 31 of the previous calendar year.
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 principal residence. 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 principle residence. 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 are your automobiles, if any, registered?
  5. What is the address provided on your federal tax return?
  6. 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 1<sup>st</sup> and occupies such home as his/her principal place of residence. If the claimant purchased the property after the October 1<sup>st</sup> 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, 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, 2022, for the 2021 Grand List. On March 15, 2023, Mr. Smith files an application for the 2022 Grand List, because his 2022 income was substantially lower than his 2021 income. Mr. Smith may then refile an application between February 1 and May 15, 2024 for the 2023 Grand List, in order to maintain the biennial filing period, **but this is no longer required.** He may wait to file in 2025 for the 2024 Grand List year. (Also, see Question 27.) 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 provided he/she can prove **they were eligible for the program as husband and wife at the time of the spouse's death.**
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 1<sup>st</sup> following the October 1<sup>st</sup> assessment date for the refile year. Such taxpayer may submit an application by mail provided it is received by the assessor not later than April 15<sup>th</sup>. Not later than April 30<sup>th</sup> of such year the assessor shall notify, by mail evidenced by a certificate of mailing, any taxpayer for whom an application was not received by said April 15<sup>th</sup>. Any person who did not refile by April 15<sup>th</sup> 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 an application by the May 15<sup>th</sup> deadline. Section 12-170aa(e) as amended by PA 16-143. (See also Question 16.)
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. IF TWO UNMARRIED PEOPLE OWN A HOME AS JOINT TENANTS WITH RIGHTS OF SURVIVORSHIP HOW MUST THEY APPLY FOR THE PROGRAM?
- A. Since the two owners are not a married couple they must apply as 50% owners.
16. Q. WHAT HAPPENS IF A CLAIMANT DOES NOT REFILE FOR TAX RELIEF WHEN REQUIRED TO DO SO?
- A. **Claimant may 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.
17. 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.
18. 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:

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

A. Owners' 2022 total income must not exceed **\$40,300** for unmarried persons, and **\$49,100** 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 (do not include depreciation expense)
- **Net** Social Security (Box 5 from SSA-1099), Federal Supplemental Security Income, payment for jury duty (excluding travel allowance)
- Dividends and interest
- IRA – include only "taxable" amount, (if taxable amount not determined then use full "total distribution" from 1099)
- Black Lung payments
- Green Thumb payments
- Interest or proceeds resulting from gifts received
- Lottery winnings
- Net income from sale or rental of real or personal property (do not include depreciation, receipts for expenses required when no tax return has been filed)
- Pensions and annuities – include only "taxable" amount, (if taxable amount not determined then use full "total distribution" from 1099)
- Veteran's pension and veteran's disability payments
- Railroad retirement
- Severance pay; UNEMPLOYMENT compensation (including any extra unemployment payments received under the CARES Act of 2020)
- Worker's compensation
- Alimony
- DSS cash assistance (SAGA or state supplement)
- Legal Settlements – Net Proceeds
- Dependency and Indemnity Compensation from Dept. of Veterans Affairs
- Cancellation of Debt
- If property is owned in trust any distributions received from the trust (verified with a copy of the trust federal tax return)
- Capital gains total from previous year only (a capital loss carryover from a previous year should be excluded from qualifying income calculations)



20. 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 – only if non-taxable. Any part of an inheritance that must be reported as taxable income must be included as income for the program. (any interest or other income produced by the gift, bequest or inheritance must be also included as income).
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. Income derived through the Federal Senior Community Service Employment Program.
7. Life insurance proceeds.
8. 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 to the facility.

The following must be submitted with the homeowner's application—

- (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.

9. Food stamps; fuel assistance; child support payments and TANF payments.
10. Reverse mortgages (return of capital).
11. Stimulus payments received under CARES Act of 2020

21. 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. Section 12-170aa(b).
22. 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 part of qualifying income.
23. 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 approval of the application, be presented. Section 12-170aa (f).
24. Q. CAN A 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 an income loss on any line of the tax return the assessor should **NOT** subtract that loss from the calculation of qualifying income. Rather than subtracting the loss the assessor should consider zero income for that line of the tax return. (This applies to any page of the tax return: Form 1040, Schedule 1 or any other schedule required to be filed).
25. 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 26 for Income treatment. Also, survivor benefits apply.
26. 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.
27. Q. HOW SHOULD THE INCOME OF A HUSBAND AND WIFE WHO ARE LEGALLY SEPARATED AND MAINTAINING SEPARATE RESIDENCES BE TREATED?
- A. Legislation has been established 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".

28. 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 may do so. (Also, see Question 9.)

29. Q. IS THE ESTATE OF A HOMEOWNER WHO HAS DIED PRIOR TO THE FILING PERIOD ELIGIBLE TO APPLY FOR THIS PROGRAM?

A. No. The applicant must be alive at the time of filing the application (between February 1<sup>st</sup> and May 15<sup>th</sup>) in order to be eligible for the program.

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

A. If the **\$40,300** or **\$49,100** income limit is exceeded, the applicant is denied relief for the year.

31. 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 1<sup>st</sup>. (Applicants can request a copy of their SSA-1099 by creating an account on the social security website at [ssa.gov](http://ssa.gov) OR they can request a copy by mail).

(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 the previous year's income. (See Question 32.)

32. Q. THE CURRENT YEAR (2023) **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 (2022) INCOME?

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

(1) In 2023 applicant receives \$390.00 per month

(2) **C.O.L.A. increase for 2023 is 8.7%**

(3) 1 minus .087 = 0.913

(4) \$390.00 X 0.913 = \$356.07; use \$356.00

Net 2022 Social Security income would be \$356.00 per month times 12 months plus Medicare premiums. The Amount of Medicare premium to be added for the year 2022 is \$2,041.20 for unmarried applicants or \$4,082.40 for married/civil union applicants.

33. Q. IF A SPOUSE 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 20, Answer - Part 8, this addresses married Homeowners only. It does not apply to unmarried owners).
34. Q. HOW IS INCOME FROM RENTAL REAL ESTATE CONSIDERED ON THE HOMEOWNERS APPLICATION?
- A. If a homeowner claims rental income on line 8 of 2022 Form 1040 and line 5 of 2022 Schedule 1 you should require that the homeowner also submit a Schedule E to support the amount of rental income. On Schedule E you should remove 'Depreciation' from the list of expenses and then recalculate the net real estate income without depreciation. This will, in turn, affect the total income on Form 1040, for purposes of this program, and the 'Qualifying Income' on the application.
35. Q. HOW DOES A NET OPERATING LOSS (NOL) CARRYOVER FROM A PREVIOUS YEAR AFFECT AN APPLICANTS QUALIFYING INCOME?
- A. A NOL carryover from a previous year does not affect the applicant's current year "qualifying income". The NOL carryover should be considered as zero on Schedule 1 of Form 1040 and the applicant's total income should be recalculated for purposes of this program.
36. Q. HOW DOES A CAPITAL LOSS CARRYOVER FROM A PREVIOUS YEAR AFFECT AN APPLICANTS QUALIFYING INCOME?
- A. A capital loss carryover from a previous year does not affect the applicant's current year "qualifying income". The capital loss carryover should be considered as zero on Schedule D of the applicant's tax return and the applicant's total income should be recalculated for purposes of this program.
37. Q. IF A HOMEOWNERS SSA-1099 INCLUDES INCOME PAID FOR PREVIOUS YEARS WHAT AMOUNT IS CONSIDERED INCOME FOR THE PROGRAM?
- A. The amount shown in Box 5 of the SSA-1099 should be considered "qualifying income" for the program. "Qualifying income" includes all income received during the application year, including any amount paid for a previous year.

**PROPERTY ON WHICH TAX CREDITS MAY BE APPLIED:**

38. 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), but 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 credit is calculated on both land and dwelling. If the claimant owns the mobile home but leases the land, the credit is calculated on the dwelling only.
39. 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 an audit reveal an assessment amount listed under what used to be Category 1-2 (excess acreage) on the old Grand List Abstract.
40. 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:**

41. 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. Per Public Act 19-66 the primary ingredient of the trust agreement is that the owner and such owner’s spouse are the grantor and beneficiary of the trust.
42. 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.

43. Q IN A LIFE USE/LIFE TENANCY SITUATION MUST THE DOCUMENTS GRANTING LIFE USE/LIFE TENANCY BE FILED ON THE TOWN LAND RECORDS?
- A. Yes. CT is a recording state, therefore, any documents granting life use/life tenancy must be filed on the land records in order to be recognized for this program.
44. 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.
45. Q IS AN “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:**

46. Q IS THE ASSESSOR RESPONSIBLE FOR COMPUTING BENEFITS DUE?
- A. Yes, but subject to audit by the Office of Policy and Management.
47. 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. **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 and does not include excess acreage.

**EXAMPLE:** John, Mary and Bridget Kelly, who are elderly unmarried siblings, own a three family house. The property tax bill based on the 2022 Grand List is \$2,541. John Kelly's income for 2022 is \$27,900; Mary's income is \$20,500 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 could receive the adjusted maximum credit (adjusted by the ownership %).

48. 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 state tax credit. The frozen tax should be entered in line 13a of the application and multiplied by the allowable table percentage on line 14 of the application to calculate the state tax credit.
49. 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 credit would be given.
50. 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 1<sup>st</sup> 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.
51. 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:**

52. 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.
53. Q. IN COMPUTING TAX CREDITS UNDER THE OWNERS' PROGRAM, SHOULD THE ASSESSOR INCLUDE THE TAXES ASSESSED AGAINST CITIES AND BOROUGHES?
- 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.

54. 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 submitted by the claimant, in writing, within thirty (30) business days of date 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.
55. 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:**

56. 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 1<sup>st</sup> 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 REPORT.
57. Q. IF AN ASSESSOR CANNOT SUBMIT HIS/HER OWNERS' REIMBURSEMENT CLAIM (FORM M-35B) ON OR BEFORE JULY 1<sup>ST</sup>, CAN A WAIVER AND EXTENSION BE GRANTED?
- A. A penalty waiver can be granted by OPM if a penalty waiver request form, 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.
58. 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.

**NOTE: the Assessor must also send to OPM an electronic file containing all of the application data. Electronic file requirements can be obtained by contacting OPM.**

59. Q. WHAT AMOUNT SHOULD BE REQUESTED FOR REIMBURSEMENT ON THE M-35B 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 1<sup>st</sup>. DO NOT REQUEST REIMBURSEMENT IN THE PRO-RATED AMOUNT. The reduction is handled on the Pro-rate Form M-35P.

60. Q. WHEN MUST THE ASSESSOR FILE CLAIM FORM M-35P REDUCTIONS TO HOMEOWNERS REIMBURSEMENT.

A. Claim form M-35P Reductions to Homeowners Reimbursement must be filed on or before October 1<sup>st</sup>.

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

A. Towns are reimbursed by December 31<sup>st</sup> each year, subject to the provisions of Section 12-170aa(g).

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

A. Two hundred fifty dollars (\$250.00). (See Question 56)

63. Q. WHAT PROOF MUST BE SUBMITTED BY THOSE APPLYING AS TOTALLY DISABLED?

A. The proof must indicate that the person was eligible to receive total disability benefits from Social Security for the year for which claim is made. It should include the benefit amount paid. An SSA-1099, a TPQY, a current (within the last 3 years) SSA award letter or a Benefit Verification 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 has not been engaged in employment covered by Social Security. Section 12-170aa(b).

## **PRORATION OF HOMEOWNER BENEFITS:**

64. 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 1<sup>st</sup>, 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 1<sup>st</sup>, but prior to the period in which an applicant is required to refile, the credit is removed as of October 1<sup>st</sup>.

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 1<sup>st</sup> and May 15<sup>th</sup> of 2022, in order to maintain her tax credit for the 2021 Grand List. She later sells her home on December 21, 2022. Ms. Casey's 2022 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, 2022 Grand List, she retains her tax credit up to the date of the sale.

EXAMPLE 2: Mr. Jones 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 1<sup>st</sup> and May 15<sup>th</sup> of 2023, in order to maintain his tax credit for the 2022 Grand List. If he sold his home on December 21, 2022, Mr. Jones's benefit would be removed as of the October 1<sup>st</sup>, 2022 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, 2023).

65. 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.

66. Q. WHEN AN ELDERLY CLAIMANT DIES AFTER OCTOBER 1<sup>st</sup>, 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 1<sup>st</sup>. The same procedural guidelines for prorations apply, whether a claimant transfers ownership or dies.

## TOTALLY DISABLED Q&A

### BASIC INFORMATION REQUIREMENTS:

1. Q. WHAT BASIC REQUIREMENTS AND CONDITIONS MUST BE MET IN ORDER FOR AN EXEMPTION 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 OR;
- (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- 1099 showing 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.

**FILING REQUIREMENTS:**

3. Q. HOW DOES AN APPLICANT APPLY FOR THE PROGRAM?

A. The applicant must submit an Application for Totally Disabled Program (Form D1) along with copies of the above mentioned proof of disability to the Assessor in the municipality where they own property.

4. Q. WHAT BENEFIT DOES AN APPROVED APPLICANT RECEIVE UNDER THE PROGRAM?

A. An approved applicant would receive an exemption of up to \$1,000 off of the assessment of their property.

5. Q. DOES THE TOTALLY DISABLED EXEMPTION UNDER SECTION 12-81(55) CONTINUE WITH THE SURVIVING SPOUSE WITH WHOM THE APPLICANT WAS DOMICILED?

A. No. This exemption ceases upon the death of the totally disabled applicant.

6. Q. WHAT IS THE DEADLINE FOR SUBMITTING AN APPLICATION (FORM D1) TO THE ASSESSOR?

A. 12-81(55) does not specify a filing date, therefore, a totally disabled person can file an application and provide proof of total disability up to the date the assessor signs the Grand List.

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

A. Yes, provided that the exemption on property cannot exceed \$1,000 per any single Grand List year through a combination of regular motor vehicle and supplemental motor vehicle.

8. 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 2021 supplemental motor vehicle appearing on the 2022 Grand List Totally Disabled claim should be multiplied by the 2021 mill rate (not the 2022 mill rate) to determine the amount of revenue loss.

## **FILING OF CLAIMS FOR REIMBURSEMENT:**

9. Q. HOW SHOULD THE ASSESSOR'S CLAIM FORM M-42B 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 and Assessor.
- The continuation sheet M-42bc which indicates the name and address of the qualifying applicant, the amount of the exemption (up to \$1,000), the revenue loss **and an indication as to whether or not the applicant is new.**
- **If the applicant is new you must 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.**
- If the exemption is being applied to a motor vehicle the continuation sheet should indicate if it is a regular motor vehicle or a supplemental motor vehicle.
- The M-42B claim form should indicate the number of exemptions being applied to supplemental motor vehicles and should calculate the revenue loss using the correct mill rate.

10. 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 TOTALLY DISABLED PROGRAM?

A. Claims must be received by OPM on or before July 1<sup>st</sup>. The total exemption amount and the total revenue loss listed on the claim form must match the exemption amount and revenue loss listed on the continuation sheets.

11. Q. IF AN ASSESSOR CANNOT SUBMIT HIS/HER TOTALLY DISABLED REIMBURSEMENT CLAIM ON OR BEFORE JULY 1<sup>ST</sup> CAN A WAIVER AND EXTENSION BE GRANTED?

A. A penalty waiver can be granted by OPM if a waiver request form, signed by the Tax Collector and the Chief Executive Officer, requesting the waiver and stating a reason is received within thirty business days before or after July 1<sup>st</sup>.

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

A. Per 12-94a the penalty for late and/or incomplete filing is \$250.00.

13. Q. WHEN DOES THE STATE REIMBURSE TOWNS AND CITIES UNDER THE TOTALLY DISABLED PROGRAM?

A. Per 12-94a towns and cities are reimbursed by December 31<sup>st</sup> each year.

## ADDITIONAL VETERANS Q&A

### ELIGIBILITY:

1. Q. WHO IS ELIGIBLE FOR AN ADDITIONAL VETERAN'S EXEMPTION?
  - A. Any person entitled to a veterans exemption in accordance with subdivisions 19 through 26 of CGS Section 12-81 **and** who also meets certain income limits.
2. Q. WHAT ARE THE ADDITIONAL VETERAN'S EXEMPTIONS?
  - A. (1) Those who meet the income requirements under 12-81g(a) and who file for an additional exemption receive an additional exemption equal to double the amount of the basic veterans exemption.  
  
(2) Those who do not meet the income requirements under 12-81g(a) shall be entitled to an additional exemption equal to one-half the amount of the basic veterans exemption. The one-half additional exemption will not be reimbursed by the State.  
  
(3) Beginning with the 2013 Grand List any municipality may, by vote of its legislative body, increase the additional veterans exemption from double the basic exemption to triple the basic exemption for any veteran entitled to an exemption under 12-81(20) who has a 100% disability rating from the Department of Veterans Affairs **and** who meets certain income limits established under Public Act 13-224.
3. Q. HOW DOES A VETERAN CONTINUE HIS/HER EXEMPTION UNDER THIS PROGRAM?
  - A. Additional Veterans exemptions, once filed for and approved by the Assessor, extend for a two year assessment period. After initially being granted the exemption claimants must reapply on a biennial basis.
4. Q. WHEN IS THE APPLICANT FILING PERIOD?
  - A. Between February 1<sup>st</sup> and October 1<sup>st</sup> of any given year for the exemption on the Grand List of that October 1<sup>st</sup>. Applications filed between February 1, 2023 and October 1, 2023 are for the **2023** Grand List. Income reported is for the year **2022**.
5. Q. CAN AN APPLICANT REQUEST AN EXTENSION OF TIME TO FILE?
  - A. Yes, in the case of illness or incapacitation, as evidenced by a physician's certificate, an applicant may make written application to the assessor for an extension of the application period. Such request shall be made on or prior to the 31<sup>st</sup> day of December next following the deadline for filing an application. The assessor may allow an extension of time not exceeding 30 days within which an application may be filed.

6. Q. IF A PERSON WHO WOULD BE ELIGIBLE FOR A 200% ADDITIONAL VETERAN'S EXEMPTION FAILS TO FILE WHAT HAPPENS?
- A. The veteran will not receive the additional exemption equal to double the amount of the basic exemption for that Grand List year. However, the veteran would still receive an additional exemption equal to one-half the amount of the basic exemption per 12-81g(b).
7. Q. CAN THE PERSON FILE FOR THE 200% ADDITIONAL VETERAN'S EXEMPTION IN A LATER YEAR?
- A. Yes.
8. 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:**

9. Q. WHAT ARE THE INCOME REQUIREMENTS? (2022 INCOME)
- A. Unmarried \$40,300.00 Married \$49,100.00 (joint income)
- With 100% V.A.-determined disability rating (adjusted gross income only):  
Unmarried \$18,000.00 Married \$21,000.00 (joint income)
10. Q. WHAT IS CONSIDERED INCOME FOR THE ADDITIONAL VETERANS EXEMPTION?
- A. Adjusted gross income as determined for purposes of the federal income tax plus any other income not included in such adjusted gross income, but does not include veterans' disability payments. Qualifying income is the individual's income if unmarried, or both spouses' incomes if the applicant is married.
- Exception - if the applicant has a 100% disability rating as determined by the Department of Veteran's Affairs, adjusted gross income only is considered. Section 12-81g(a).
11. Q. WHAT IS NOT CONSIDERED INCOME?
- A. See Question 20 in the Homeowner section of this booklet (excluding item #8)

12. Q. IF AN APPLICANT OR SPOUSE RESIDES AT A CONVALESCENT HOME, ARE THE BENEFITS RECEIVED UNDER TITLE XIX INCLUDED IN QUALIFYING INCOME?
- A. Yes – unlike the homeowners program for this situation the Additional Veterans statutes do not exclude Title 19 benefits from qualifying income. Therefore, all income for both spouses is included as qualifying income under the Additional Veterans program even if one spouse is on Title 19.
13. Q. DOES A VETERAN’S DISABILITY PAYMENT COUNT AS INCOME FOR THE ADDITIONAL VETERANS EXEMPTION PROGRAM?
- A. No. Veteran’s disability payments do not count as income for the Additional Veterans Program.
14. Q. DOES MONEY RECEIVED UNDER THE GI BILL COUNT AS INCOME FOR THE ADDITIONAL VETERANS PROGRAM?
- A. Any money received specifically for education would not count as income. However, money received for a Basic Housing Allowance does count as income.
15. 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:**

16. Q. WHEN SHOULD THE CLAIM AND THE INFORMATION ON THE FILING APPLICANTS BE SUBMITTED TO THE STATE BY THE ASSESSOR?
- A. On or before August 1<sup>st</sup> of the following year; e.g. August 1, 2023 for the 2022 Grand List
17. Q. IS IT NECESSARY TO SEND A COPY OF EACH APPLICATION TO O.P.M.?
- A. Beginning with the 2016 Grand List the assessor is required to submit all application data in an electronic format using the upload feature on the OPM Portal. If the assessor is unable to send application data in an electronic format then the application data must be manually entered into the OPM Portal by the assessor.



18. Q. MAY PRINT-OUTS SHOWING THE REQUIRED INFORMATION BE SUBSTITUTED FOR CONTINUATION SHEETS (M-59A-1)?
- A. Yes. The format must replicate the OPM Continuation Sheet and the print-out must be double spaced.
19. Q. WHEN IS THE MUNICIPALITY REIMBURSED?
- A. By December 31<sup>st</sup> of the year in which the exemption was granted; e.g. 2023 for the 2022 Grand List
20. Q. WHAT HAPPENS IF THE REIMBURSEMENT CLAIM IS FILED LATE?
- A. A penalty of \$250.00 will be levied against the municipality.
21. 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 1<sup>st</sup>, 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.
22. Q. WILL THE MUNICIPALITY BE INFORMED OF OPM'S ACCEPTANCE, REJECTION, OR MODIFICATION OF THE CLAIM
- A. Yes, notification will be sent not later than the following August 1<sup>st</sup>, one year after the filing.
23. 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:**

24. 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 may 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).

25. Q. WHO IS ELIGIBLE FOR THE EXEMPTION PROVIDED UNDER 12-81(53)?
- A. The exemption of one motor vehicle can be claimed by any member of the United States armed forces. Per CGS Section 27-103 armed forces means the Army, Navy, Marine Corps, Coast Guard and Air Force and any reserve component thereof, including the CT National Guard performing duty as provided in Title 32 of the United States Code.
26. Q. IS A MEMBER OF THE ARMED FORCES 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 any member of the United States armed forces regardless of whether the vehicle is garaged inside or outside the state.
27. Q. IS A MEMBER OF THE ARMED FORCES WHO IS RECEIVING THE BASIC EXEMPTION ALSO ELIGIBLE TO RECEIVE A MOTOR VEHICLE EXEMPTION?
- A. Yes, any member of the United States armed forces 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.
28. Q. ARE THERE ANY OTHER MOTOR VEHICLE EXEMPTIONS FOR AN ACTIVE DUTY SERVICE MEMBER?
- 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.).
29. Q. ARE LEASED CARS ELIGIBLE 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.
30. 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.
31. Q. IS AN APPLICATION REQUIRED IN ORDER TO RECEIVE THE LEASED MOTOR VEHICLE REFUND?
- A. Yes. Refer to 12-81(53) and 12-93a(b).

32. 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 V.A. disability rating is no longer required unless the disability rating changes.
33. 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.
34. 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 the 100% disability level as of the assessment date following his sixty-fifth birthday.
35. Q. UNDER THE EXEMPTION PROVIDED BY 12-81(20) MUST A DISABLED VETERAN HAVE SERVED AT LEAST 90 DAYS DURING A PERIOD OF WAR TO QUALIFY?
- A. No. The most important distinction between this exemption and that under 12-81(19) is that a disabled veteran does not have to have served at least 90 days during a time of war in order to qualify.
36. 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.
37. 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 or 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.

38. Q. UNDER THE LOCAL OPTION (12-81f) ADDITIONAL VETERAN'S EXEMPTION PROGRAM, CAN A TOWN INCREASE THE INCOME LIMITS?
- A. Yes. Public Act 18-102 provides that the local option maximum income can be any amount established by the municipality, provided such amount shall not be less than the applicable maximum amount under section 12-81f.
39. 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.
40. Q. WHAT IS THE DEFINITION OF "SERVICE IN TIME OF WAR"?
- A. Per CGS Section 27-103 "service in time of war" means service of ninety or more cumulative days during a period of war unless separated from service earlier because of an injury incurred or aggravated in the line of duty or a service-connected disability rated by the United States Department of Veterans Affairs, except that if the period of war lasted less than ninety days, "service in time of war" means service for the entire such period of war unless separated because of any such injury or disability.
41. Q. WHAT DISABILITY RATING SHOULD BE APPLIED WHEN A VETERAN RECEIVES A DISABILITY RATING LESS THAN 100% FROM THE DEPARTMENT OF VETERANS AFFAIRS BUT IS ENTITLED TO INDIVIDUAL UNEMPLOYABILITY (IU)?
- A. The veteran would qualify for benefits at the 100% disability level based on the finding that they are unemployable (totally disabled) due to their service connected disabilities. Individual Unemployability is a part of the VA's disability compensation program that allows the VA to pay certain veterans disability compensation at the 100% rate even though the VA has not rated their service connected disabilities at the total level. This reasoning applies only to the basic veterans exemption. In regards to the additional veterans exemption an individual must have a 100% disability rating from the Department of Veterans Affairs in order to qualify as 100% disabled.
42. Q. DOES SERVICE IN THE MERCHANT MARINES QUALIFY AN APPLICANT FOR A VETERANS EXEMPTION?
- A. Any resident of this state who served in the Merchant Marines during the Second World War during the period of armed conflict, December 7, 1941 to August 15, 1945, provided such resident has received an armed forces discharge certificate from the Department of Defense on the basis of their service would be entitled to receive a veterans exemption.

43. Q. WHEN BOTH SPOUSES IN A MARRIAGE ARE VETERANS WOULD THE SURVIVING SPOUSE BE ENTITLED TO BOTH ADDITIONAL EXEMPTIONS?
- A. Yes. The surviving spouse would be entitled to their own regular exemption and a surviving spouse regular exemption, therefore, per Section 12-81g the surviving spouse would also be entitled to both additional exemptions.
44. Q. IS A VETERAN WHO RECEIVED AN OTHER THAN HONORABLE (OTH) DISCHARGE ELIGIBLE FOR EXEMPTIONS IN CT?
- A. Yes – PA 18-47 extends eligibility for certain exemptions to veterans who received an Other Than Honorable (OTH) discharge characterization. To be eligible for an exemption under 12-81(19), 12-81(22) or 12-81(25) a veteran with an OTH discharge must be diagnosed with one or more of three “Qualifying Conditions”: (1) post-traumatic stress disorder (PTSD) resulting from military service, (2) a traumatic brain injury (TBI) resulting from military service or (3) experienced military sexual trauma (MST). In addition to filing a DD-214 veterans with an OTH discharge must also file a completed CT DVA OTH Form 1 with the Assessor. PA 21-79 added as a “qualifying condition” a determination that sexual orientation, gender identity or gender expression was more likely than not the primary reason for an other than honorable discharge.
45. Q. PA 22-34 AMENDED CGS SECTION 127-103 TO ADD SPECIFIC DATES FOR THE WARS IN AFGHANISTAN AND IRAQ. DOES THIS CHANGE HOW THE ASSESSOR WILL DETERMINE ELIGIBILITY FOR VETERAN EXEMPTIONS?
- A. NO – after consulting with their legal team OPM has determined that there should be no change in the way assessors determine eligibility for veteran’s exemptions. The federal definition of Persian Gulf War in 38 USC 101 has not changed. The assessor definition of Persian Gulf War should remain as “after August 2, 1990”. The new periods for Afghanistan and Iraq are two sub-periods within the Persian Gulf War established so that the Commissioner of Motor Vehicles can issue special license plates to veterans who served during these two periods. For exemption purposes there should be no distinction between veterans who served during the Persian Gulf War as defined by 38 USC 101 and those who served during these new periods.

## EXHIBIT I

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

<b>&amp;</b>	Wage Earner and Spouse	Old age or disability
<b>A</b>	Wage Earner (Primary Claimant)	Old age or disability
<b>B</b>	Aged Wife (aged 62 or over)	First claimant
<b>B1</b>	Aged Husband (aged 62 or over)	First claimant
<b>B2</b>	Young Wife, with child in her care	First claimant
<b>B3</b>	Aged Wife	Second claimant
<b>B4</b>	Aged Husband	Second claimant
<b>B5</b>	Young Wife	Second claimant
<b>B6</b>	Divorced Wife (aged 62 or over)	First claimant
<b>B7</b>	Young Wife	Third claimant
<b>B8</b>	Aged Wife	Third claimant
<b>B9</b>	Divorced Wife	Second claimant
<b>C1-C9</b>	Child or grandchild	Including disabled or student child
<b>CA-CK</b>		
<b>D</b>	Widow, aged 60 or over	First claimant
<b>D1</b>	Widower, aged 60 or over	First claimant
<b>D2</b>	Aged Widow	Second claimant
<b>D3</b>	Aged Widower	Second claimant
<b>D4</b>	Widow	Remarried after attaining age 60
<b>D5</b>	Widower	Remarried after attaining age 60
<b>D6</b>	Surviving Divorced Wife, over 60	First claimant
<b>D7</b>	Surviving Divorced Wife	Second claimant
<b>D8</b>	Aged Widow	Third claimant
<b>D9</b>	Remarried Widow	Second claimant
<b>DA</b>	Remarried Widower	Third claimant
<b>DC</b>	Surviving divorced husband	First claimant
<b>E</b>	Widowed Mother	First claimant
<b>E1</b>	Surviving Divorced Mother	First claimant
<b>E2</b>	Widowed Mother	Second claimant
<b>E3</b>	Surviving Divorced Mother	Second claimant
<b>E4</b>	Widowed Father	First claimant
<b>E6</b>	Widowed Father	Second claimant
<b>E7</b>	Widowed Mother	Third claimant
<b>F1</b>	Father	
<b>F2</b>	Mother	
<b>F3</b>	Stepfather	
<b>F4</b>	Stepmother	

**EXHIBIT I (cont.)**

**F5** Adopting Father  
**F6** Adopting Mother  
**F7** Second Alleged Father  
**F8** Second Alleged Mother

<b>HA</b>	Wage earner	Disability
<b>HB</b>	Aged wife	Disability
<b>HB1</b>	Aged husband	Disability
<b>HB2</b>	Young wife	Disability
<b>HB6</b>	Divorced wife	Disability
<b>HC</b>	Child or grandchild	Disability

**Code Type**

**TV** MQGE disabled widow(er) (1st claimant)  
**TW** Disabled widow(er) (1st claimant)  
**TX** MQGE disabled widow(er) (2nd claimant)  
**T2-T9** Multiple eligible children  
**W** Disabled widow, 50 or over (1<sup>st</sup> claimant)  
**W1** Disabled widower, 50 or over (1<sup>st</sup> claimant)  
**W2** Disabled widow (2<sup>nd</sup> claimant)  
**W3** Disabled widower (2<sup>nd</sup> claimant)  
**W4** Disabled widow (3<sup>rd</sup> claimant)  
**W5** Disabled widower (3<sup>rd</sup> claimant)

**Code Type**

**W6** Disabled surviving divorced wife (1<sup>st</sup> claimant)  
**W7** Disabled surviving divorced wife (2<sup>nd</sup> claimant)  
**W8** Disabled surviving divorced wife (3<sup>rd</sup> claimant)  
**W9** Disabled widow (4<sup>th</sup> claimant)  
**WB** Disabled widower (4<sup>th</sup> claimant)  
**WC** Disabled surviving divorced wife (4<sup>th</sup> claimant)  
**WF** Disabled widow (5<sup>th</sup> claimant)  
**WG** Disabled widower (5<sup>th</sup> claimant)  
**WJ** Disabled surviving divorced wife (5<sup>th</sup> claimant)  
**WR** Disabled surviving divorced husband (1<sup>st</sup> claim)  
**WT** Disabled surviving divorced husband (2<sup>nd</sup> claim)

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

**LM** Miner  
**LS** Wife of miner  
**LT** Divorced wife of miner  
**LW** Widow of miner  
**LX** Divorced widow of miner  
**L1-L9** Children of miner  
**P1** Natural father of miner

**P2** Natural mother of miner  
**P3** Adoptive father of miner  
**P4** Adoptive mother of miner  
**P5** Stepfather of miner  
**P6** Stepmother of miner  
**S1-S8** Brothers and Sisters of miner

## EXHIBIT II

### PERIODS OF WARS AS PROVIDED IN §27-103 FOR DETERMINING PROPERTY TAX EXEMPTION ELIGIBILITY FOR ACTIVE DUTY SERVICE MEMBERS AND VETERANS UNDER §12-81(19)

**NOTE: Service of 90 or more cumulative (as opposed to consecutive) days is required <sup>1</sup>**

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 <sup>2</sup>
World War II	December 7, 1941 to December 31, 1946 <sup>3</sup>
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 <sup>4</sup>
Invasion of Grenada	October 25, 1983 to December 15, 1983 <sup>4</sup>
Operation Earnest Will	July 24, 1987 to August 1, 1990 <sup>4</sup>
Invasion of Panama	December 20, 1989 to January 31, 1990 <sup>4</sup>
Persian Gulf War	After August 2, 1990 <sup>5</sup>

<sup>1</sup> A veteran who recorded proof of honorable discharge in any Connecticut town on or before October 1, 1977 is eligible for the exemption under §12-81(19) **even if the duration of service was less than 90 days**. See also footnote 4 below.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> A person must have served in a combat or combat support role for the duration of a period of war 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 during the specified dates in order to qualify for an exemption. An Armed Forces Expeditionary Medal is awarded to such individuals. Prior to June 8, 2009 the dates for service in Operation Earnest Will were February 1, 1987 to July 23, 1987; a person who established exemption eligibility on or before September 30, 2008 due to service during those dates for an exemption on or before October 1, 2008 must have received an Armed Forces Expeditionary Medal.

<sup>5</sup> 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. PA 22-34 added specific dates for the wars in Afghanistan: October 24, 2001 to August 30, 2021 and Iraq: March 19, 2003 to December 31, 2011 or June 1, 2014 to December 9, 2021 for the exclusive purpose of a veteran obtaining special license plates for serving during these dates.