

The 2013 Amendments to Connecticut's Municipal Revenue Collection Statutes

**What You Need to Do Differently
Under Public Act 13-276**

Connecticut Tax Collectors Association

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Background

The most comprehensive overhaul of Connecticut's municipal revenue collection statutes in decades will go into effect on October 1, 2013. Signed by Governor Malloy on July 11, 2013, Public Act 13-276 will make comprehensive changes to the manner in which towns and other municipal entities enforce property taxes and other types of assessments.

The legislation was drafted by the Legislative Committee of the Connecticut Tax Collectors Association, co-chaired by Stonington Tax Collector Gisela Harma and Cheshire Collector of Revenue William Donlin. The 12-member Committee and CTx's lobbyist, Mary Phil Guinan of Guinan and Associates, devoted hundreds of hours over a two-year period to drafting and revising the proposed statutory language as well as testifying to legislative committees in Hartford and meeting with key lawmakers to make the bill become law. Almost every one of the Committee's original proposals was included in the approved legislation and codified verbatim. Thanks to the efforts of the Committee and CTx's members in reaching out to our legislators, the legislation passed all committees and both houses of the General Assembly unanimously.

The purpose of this project was to further CTx's missions to promote efficient, effective, and equitable municipal tax collections and to foster uniformity in practices and applications of statutory procedures. The legislation should not only streamline and standardize municipal tax collection practices across Connecticut, but as the General Assembly's Office of Fiscal Analysis concluded, "to the extent that these changes improve tax collectors' ability to collect taxes, the bill could result in both a revenue gain associated with a higher rate of collections and a savings associated with reduced administrative costs."

The Act will primarily impact collection procedures for taxes levied by cities, towns, boroughs, and taxing districts on real estate and personal property such as business equipment and motor vehicles. Because various statutes provide that several other types of charges imposed by municipal entities are collected in the same manner as taxes, the Act will also affect water and sewer assessments and usage fees as well as blight liens, certain demolition and make-safe expenses, and ordinances which incorporate these procedures. The amendments apply to all collections as of October 1, 2013 regardless of when the tax or charge was assessed or fell delinquent.

The full text of Public Act 13-276 is appended after the commentary. Also appended are relevant sections of Public Acts 13-135 and 13-247 which make additional important changes.

Collection Powers

Several sections of the Act clarify provisions concerning a tax collector's statutory powers which had previously been presumed.

Section 2 clarifies that taxing districts have all of the same powers to enforce taxes as towns do (unless the special act creating them says otherwise). Section 12 clarifies that a judicial warrant authorizing a tax collector to collect taxes is signed by either a judge or a justice of the peace, not both. Section 28 deletes outdated statutory language which suggested a tax collector could be personally liable for failing to collect a tax.

Section 24 expands the town's power to withhold or deny business licenses and permits to coerce payment of delinquencies which date back at least one year. The statute had previously allowed this only for taxes on personal property used in the business, while the Act will now also allow this for any kind of tax on any property owned by the business even if not used in it.

Section 29 authorizes two or more municipalities to conduct an enforcement procedure jointly against a single taxpayer, such as where one property is delinquent to both a town and a district. (Compare C.G.S. §§ 7-148cc and 7-339a et al., which allow municipalities to sign contracts to share tax collection personnel for multiple efforts or long-term collection programs.)

Section 40 authorizes the purchaser of a tax lien assignment to recover from the delinquent taxpayer the costs of preparing and recording the assignment documents (such as the attorney's fees the town incurs to draft them). In an effort to save properties from foreclosure, it also authorizes the purchaser to collect through direct suits and payment plans instead of foreclosures (as the water/sewer lien assignment statutes already do).

Note that § 16 of Public Act 13-135, which is separate legislation also effective October 1, 2013, further amended the tax lien assignment statute (but not the water/sewer lien assignment statutes) to require the purchaser of a tax lien to notify all mortgageholders of the assignment and amount owed within 30 days. A copy of that amendment is also appended to this packet.

What you need to do differently: Consider doing tax sales, garnishments, and other collection activity jointly with districts, WPCAs, and other municipal entities which are owed money on the same property. Coordinate with other town departments to withhold and revoke permits for tax-delinquent businesses. When assigning tax liens, add the town's internal costs to the purchase price, and warn the purchaser to do title searches so that they can notify the mortgageholders.

Administrative Procedures

Many provisions in the Act will eliminate unused and outdated procedures and allow notices between town departments to be properly directed.

Section 3 amends the statute which makes personal property declarations confidential, so as to clarify that assessors may share them with other municipal officers for use in tax collection efforts. Some town assessors had previously withheld this information from their collectors, fearing that doing so would be illegal.

Section 4 says that when a town acquires property, the chief executive officer must notify not only the tax collector, but also the assessor so that the property can be exempt from taxation. It also clarifies that the exemption is effective on the acquisition date rather than the notification date.

Section 13 says that the assessor, instead of the town clerk, is responsible for assigning numbers to each tax account. Section 16 says the collector notifies not just the town clerk, but also the assessor, of any property which the collector learns has not been assessed or was assessed against the wrong owner.

Sections 1, 25, 26, 27, and 43 repeal obsolete statutes relating to treasurers' lists of unsettled accounts, carbon copy record-receipt books, and state-issued forms for undischarged tax liens. Section 14 repeals a law still on the books from 1818 which authorized the executor of the estate of a deceased tax collector to continue performing his or her duties.

Section 15 clarifies that the permanent successor to an acting collector might be appointed, not just elected.

What you need to do differently: Most of these amendments are meant solely to conform to existing practice so no real changes will be necessary. Nevertheless, take advantage of the new right to review the assessor's personal property tax declaration records for information about a taxpayer's assets, principals, and contact information which may be useful for collection efforts. When doing so, take care not to leave any confidential information in your tax file where the public might access it.

Interest and Partial Payments

Several sections of the Act standardize the calculation of interest and application of partial payments so that all municipalities will handle them in generally the same way.

Section 20 says that partial payments and partial recoveries must be applied in the following order:

- first, to collection expenses like attorney’s fees, marshal fees, and recording fees relating to all unsecured delinquencies (like motor vehicle, or personal property for which no UCC-1 has been filed);
- second, to unsecured delinquencies’ interest and then principal on each grand list year in chronological order;
- third and fourth, in the same order as above for all secured delinquencies (like real estate, water/sewer, or personal property for which a UCC-1 has been filed).

The exceptions to this rule include another statute requiring a different order (which is rare), the payor directing payment to specific property (such as a mortgage bank paying only a person’s real estate taxes but not his motor vehicle taxes), litigation pending between the owner and municipality over an older delinquency (such as a bankruptcy or payment dispute), or a collection expense relating to only a specific charge (like a recording fee incurred only for a particular year’s delinquency).

Section 20 of the Act also invalidates any notation on or accompanying a payment that falsely purports to be payment in full, contradicts the statutes, directs application in the wrong order, or waives any rights of the municipality. For example, the tax collector can safely deposit a check marked “paid in full” or “apply only to tax, not interest or marshal fees” without losing the right to apply the payment normally or to continue collecting the shortfall.

Section 23 of the Act clarifies that the \$2.00 minimum interest charge applies to each installment of a tax or sewer use charge, rather than once per grand list year (note the \$5.00 minimum for sewer assessment interest in C.G.S. § 7-254(b) has not changed). It also allows a municipality’s governing body to require that any delinquent tax, rather than just a motor vehicle tax, be paid with cash, money order, or certified funds. It also deletes two ignored provisions in the interest statute: one that had prohibited collectors from accepting any payment less than total interest owed, and one that had delayed the accrual of new interest until one month after the last partial payment had been received.

Section 39 clarifies that when the last day to pay any installment of any tax without interest falls on a weekend or holiday, that accrual is postponed until the next business day.

What you need to do differently: Apply partial payments to collection expenses first, even if the taxpayer instructs otherwise. This can include ordinary lien fees, which can be credited without releasing the lien until the principal is later paid in full. Add \$2.00 minimum interest for each unpaid installment but allow until the next business day if it would start on a weekend or holiday. Don’t worry about depositing a check falsely marked “payment in full.”

Quality Data Services – Sample Screen Shot for Lien Fees

From the Inquiry Grid, the lien amount will show due, and the word Lien will show in the end column.

Bill Number Unique-ID Org, New, TRF	P	Name Address New Owner/Co Name	Tax + Adj Tax Paid Due Now	Tax Due Int Due Lien Due	D M	Prop Loc. Flags Message
2011-01-0000246-00 246 [TR] Original	<input type="checkbox"/>	BATES SHARA 1 MAIN ST ANYTOWN CT 10101	\$1,403.04 \$0.00 \$1,679.59	\$1,403.04 \$252.55 \$24.00	0	Dist: 0 1 MAIN ST B-Tax Lien

In the main screen, the L code will show (we are looking to spell this out rather than just the letter), and the Lien Due will show.

General Data		Deferred	Flags	No Message	Msg(Priority)	Transfer date + Change Log	Vol & Page						
BILL NO:	2011-01-0000246			Seq# 0		CURRENT OWNER:		1-0000246-0					
UNIQUE ID:	246					ORIGINAL OWNER:	BATES SHARA						
M/B/L:	38 69 3					2nd NAME-C/O:							
VOL/PAGE:	752-4			LINK#		STREET ADDR:	1 MAIN ST						
LIEN VOL/PAGE:	0-0			FILE #		2nd ADDR:							
BANK:				ESCROW		CITY ST ZIP:	ANYTOWN, CT 10101-0000						
PROP ASSESS:	63,200			DISTRICT:	0 -	COUNTRY:							
EXEMPTIONS:	0			COC #:		PROP LOC:	1 MAIN ST						
COC CHANGE:	0			ASSM CHANGE:	0	EXTR PROP LOC:							
NET VALUE:	63,200			EXEMP CHANGE:	0								
CB / FREEZE AMT:	0.00			TOWN BENEFIT:	0.00								
MILL RATE:	22.2000												
L/BACK TAXES													
TOWN		DUES / TOTALS		AS OF		09/13/2013							
INST1:	701.52			INT DUE:	252.55					252.55			
INST2:	701.52			LIEN DUE:	24.00					24.00			
INST3:	0.00			FEES DUE:	0.00					0.00			
INST4:	0.00			TAX DUE NOW:	1,403.04					1,403.04			
ADJS:	0.00			TOT DUE NOW:	1,679.59					1,679.59			
TOT TAX:	1,403.04			BALANCE DUE:	1,679.59					1,679.59			
TOT PAID:	0.00												
Type	Cyc	Date	Adj	COC#	T/B/S	Inst	AMT	INT	Lien	Fees	Totals	Def	OVR

After a partial payment is made the lien code will still show, although there is no longer a lien due.

Bill Number Unique-ID Org, New, TRF	P	Name Address New Owner/Co Name	Tax + Adj Tax Paid Due Now	Tax Due Int Due Lien Due	D M	Prop Loc. Flags Message
2011-01-0000246-00 246 [TR] Original	<input type="checkbox"/>	BATES SHARA 1 MAIN ST ANYTOWN CT 10101	\$1,403.04 \$1,000.00 \$403.04	\$403.04 \$0.00 \$0.00	0	Dist: 0 1 MAIN ST B-Tax Lien

General Data		Deferred	Flags	No Message	Msg(Priority)	Transfer date + Change Log	Vol & Page						
BILL NO:	2011-01-0000246			Seq# 0		CURRENT OWNER:		1-0000246-0					
UNIQUE ID:	246					ORIGINAL OWNER:	BATES SHARA						
M/B/L:	38 69 3					2nd NAME-C/O:							
VOL/PAGE:	752-4			LINK#		STREET ADDR:	1 MAIN ST						
LIEN VOL/PAGE:	0-0			FILE #		2nd ADDR:							
BANK:				ESCROW		CITY ST ZIP:	ANYTOWN, CT 10101-0000						
PROP ASSESS:	63,200			DISTRICT:	0 -	COUNTRY:							
EXEMPTIONS:	0			COC #:		PROP LOC:	1 MAIN ST						
COC CHANGE:	0			ASSM CHANGE:	0	EXTR PROP LOC:							
NET VALUE:	63,200			EXEMP CHANGE:	0								
CB / FREEZE AMT:	0.00			TOWN BENEFIT:	0.00								
MILL RATE:	22.2000												
L/BACK TAXES													
TOWN		DUES / TOTALS		AS OF		09/13/2013							
INST1:	701.52			INT DUE:	0.00					0.00			
INST2:	701.52			LIEN DUE:	0.00					0.00			
INST3:	0.00			FEES DUE:	0.00					0.00			
INST4:	0.00			TAX DUE NOW:	403.04					403.04			
ADJS:	0.00			TOT DUE NOW:	403.04					403.04			
TOT TAX:	1,403.04			BALANCE DUE:	403.04					403.04			
TOT PAID:	1,000.00												
Type	Cyc	Date	Adj	COC#	T/B/S	Inst	AMT	INT	Lien	Fees	Totals	Def	OVR
Pay	3	09/13/2013				T	1,000.00	252.55	24.00	0.00	1,276.55		P
F TOTAL PAYMENTS:							1,000.00	252.55	24.00	0.00	1,276.55		View

The lien will not be released until the bill has been paid in full. Once it is released the L-REL will show on the grid.

Bill Number Unique-ID Org, New, TRF	P	Name Address New Owner/Co Name	Tax + Adj Tax Paid Due Now	Tax Due Int Due Lien Due	D M	Prop Loc. Flags Message
2011-01-0000246-00 246 [TR] Original	<input type="checkbox"/>	BATES SHARA 1 MAIN ST ANYTOWN CT 10101	\$1,403.04 \$1,403.04 \$0.00	\$0.00 \$0.00 \$0.00	0	Dist: 0 1 MAIN ST B-Tax L-REL

An R will now show on the main inquiry screen.

General Data	Deferred	Flags	No Message	Msg(Priority)	Transfer date + Change Log	Vol & Page	1-0000246- 0
BILL NO:	2011-01-0000246		Seq# 0		CURRENT OWNER:		
UNIQUE ID:	246				ORIGINAL OWNER:	BATES SHARA	
M/B/L:	38 69 3				2nd NAME-C/O:		
VOL/PAGE:	752-4				STREET ADDR:	1 MAIN ST	
LIEN VOL/PAGE:	0-0				2nd ADDR:		
BANK:					CITY ST ZIP:	ANYTOWN, CT 10101-0000	
PROP ASSESS:	63,200				COUNTRY:		
EXEMPTIONS:	0				DISTRICT:	0 -	
COC CHANGE:	0				COC #:		
NET VALUE:	63,200				ASSM CHANGE:	0	
CB / FREEZE AMT:	0.00				PROP LOC:	1 MAIN ST	
MILL RATE:	22.2000				EXTR PROP LOC:		
					TOWN BENEFIT:	0.00	
					R/BACK TAXES		
	TOWN				DUES / TOTALS		AS OF 09/13/2013
INST1:	701.52				INT DUE:	0.00	0.00
INST2:	701.52				LIEN DUE:	0.00	0.00
INST3:	0.00				FEES DUE:	0.00	0.00
INST4:	0.00				TAX DUE NOW:	0.00	0.00
ADJS:	0.00				TOT DUE NOW:	0.00	0.00
TOT TAX:	1,403.04				BALANCE DUE:	0.00	0.00
TOT PAID:	1,403.04						

The change log will also display when the lien was released.

(LOG) Date/Time	User	Reason	Note
2/12/2013 2:59:36 PM	QDS	PRINT DELINQUENT STATEMENT	
3/13/2013 2:13:41 PM	QDS	PRINT DELINQUENT STATEMENT	
5/1/2013 10:18:57 AM	QDS	PRINT LIEN	
5/1/2013 2:53:11 PM	QDS	PRINT DELINQUENT STATEMENT	
9/13/2013 10:11:20 AM	QDS	RELEASED LIEN	

Abatements and Suspense

The Act changes the narrow circumstances under which certain delinquencies may be “written off.”

Section 21 amends the statute which had previously allowed a municipality’s governing body to “waive” a tax under \$25.00 before its due date, such that now waiver after its due date is also permitted. This is optional, usually as a matter of administrative convenience.

Sections 6 and 8 of the Act say that the municipality’s governing body cannot abate anyone’s taxes or interest above that \$25.00 amount – usually requested by the taxpayer on the basis of extreme hardship – without approval from either the municipality’s own standing abatement committee or, if no such committee exists, the state Office of Policy and Management.

In an effort to save more homes from tax foreclosure, Section 7 says that towns which grant low-income individuals more time to pay at a reduced interest rate under the program outlined at C.G.S. § 12-124a need no longer subordinate their tax liens to mortgages on the property. This should eliminate a significant deterrent to use of this program.

Section 35 simplifies the suspense statute. It eliminates the need to attempt a foreclosure or tax sale before suspending a real estate tax, and instead allows the collector to just list out any delinquent tax accounts believed to be uncollectible for whatever reason, to be approved by the board of finance.

Sections 37 and 38 explicitly prohibit collectors from compromising or releasing any tax except as specifically allowed by law (usually under one of the sections mentioned above) and from knowingly submitting a false report to the DMV that a motor vehicle tax is no longer delinquent.

What you need to do differently: Don’t incur the expense of a foreclosure or tax sale on worthless property just to make it eligible for suspense. Put all of those old unbuildable strips and swamps into permanent suspense. Don’t let your selectmen or other officers unilaterally negotiate or promise to reduce someone’s taxes or interest, and when someone asks you to do the same, show them the language in C.G.S. § 14-33a and § 12-168 which prohibits you from doing so.

Bills, Demands, and Notices

Certain provisions in the Act simplify the bills, demands, and public notices which tax collectors must issue.

Section 11 of the Act says that annual tax bills no longer need to attach a statement of the years and amounts of the person's back taxes. (These amounts would still be included in a payment demand letter before collection efforts commence under C.G.S. § 12-155.) This Section also clarifies that a tax remains valid despite a failure not only to send out a bill, but also to receive it.

Section 22 gives the collector the option to use a bulletin board or the municipality's website, instead of a "signpost," for the annual tax notice, in addition to newspaper advertising.

Section 29 eliminates the requirement to send a demand letter before starting collection efforts if the assessor cannot identify the owner or other person responsible for the delinquency after reasonable efforts.

Section 41 clarifies that although a person's municipal water, sewer, electric, or gas usage and billing information is confidential, collectors can still publicly disclose delinquencies and enforcement actions (usually because the information is needed for an upcoming private closing or pending foreclosure).

Section 42 would have relaxed a requirement that collectors include a state-approved list of foreclosure relief hotlines with all tax, water, and sewer delinquency statements. It would have limited this requirement to owners who were actually served with municipal foreclosure complaints, but it became moot when a totally different piece of legislation – § 326 of P.A. 13-247 – repealed this statute in its entirety effective July 1, 2013. A copy of this legislation is appended after the commentary.

What you need to do differently: Stop including back taxes in annual bill mailings and foreclosure hotlines lists with delinquency statements. Go ahead and disclose utility delinquencies upon request, just like taxes. Keep records of the efforts made by the assessor to identify who is liable for "owner unknown" properties, proceed with collection efforts as needed, and either submit those records to the court or attach them to the collector's affidavit at the end of the enforcement action.

Refunds and Escheats

Section 10 of the Act modifies the procedures governing overpayment refunds. The three-year deadline for claiming a refund is slightly extended, in that postmarks will count against the deadline and that up to an additional 90 days is permitted after an assessment is reduced by a court, assessor, or appeals board. The Act will also entitle the municipality to deny a refund on the ground that the applicant owes the municipality other taxes or nontax debt. See also Hartford v. Tucker, 14 Conn.App. 515 (1988) (town can garnish overpaid taxes to apply against the owner's separate tax delinquencies on other property).

In the past, the state Treasurer's Office has taken inconsistent positions on whether unclaimed overpayments of taxes should escheat. Sections 9 and 10 of the Act clarify that all overpayments which are not claimed by the applicable deadline (usually six years for veterans and their families, three years for everyone else, with minor extensions as explained above) become the permanent property of the municipality, and thereafter cannot be reclaimed by either the taxpayer or the State.

Section 5 clarifies that lien fees incurred while an assessment appeal is litigated will be deducted from any overpayment refund awarded to the owner who wins the lawsuit. See C&H Associates, L.P. v. Town of Stratford, 122 Conn.App. 198 (2010) (tax collector was entitled to charge lien fees to owner who won assessment reduction).

What you need to do differently: Do not reject a refund request as untimely as long as it is postmarked within three years of the tax's original due date or 90 days after an assessment reduction, whichever is later. Check carefully for anything else the applicant owes the municipality before approving a refund, and either offset the difference or deny the request. After the deadline has expired, transfer the unclaimed excess to the Town's general funds account rather than reflecting it as a credit on the taxpayer's account. Work with the town's attorney to ensure that lien fees incurred during an assessment appeal are properly paid regardless of its outcome.

Fees and Expenses

The Act will change the manner in which certain fees are charged on delinquent accounts.

Most importantly, Section 17 will delete ancient statutory language which charged 20¢ for each levy and mile traveled, 25¢ for each posting, and so on, as well as language which suggested that fees were only chargeable for certain collection mechanisms. Instead, the actual amount of all reasonable and necessary costs and expenses which the municipality incurs to undertake and defend any collection effort are added to the delinquent account. This includes fees for filings in the land records, all fees owed to a marshal, attorney, or collection agency, and any fees paid to another government entity such as DMV reporting fees. (The \$6 fee for an alias tax warrant remains in place.)

Section 18 further clarifies that all attorney's fees, marshal fees, collection agency fees, administrative fees, expenses, interest, penalties, and charges are considered part of the delinquency owed by the taxpayer for all statutory purposes.

Section 19 states that municipalities which accept credit card payments can include the charges of any service provider, not just the card issuer, for handling payments.

In order to deter litigation against municipalities by disgruntled taxpayers, Section 36 provides that a court cannot limit the amount by which a municipality's attorney's fees incurred during a collection procedure will be reimbursed by the taxpayer if the municipality is the plaintiff rather than the defendant.

What you need to do differently: Stop adding nominal fees to collection accounts, and be sure to document all actual fees and expenses incurred so that they are added instead. Develop a common-sense formula for passing along DMV reporting fees to delinquent motor vehicle accounts.

Tax Sales

Comprehensive amendments will be made to the statutes regulating tax sales, which are nonjudicial foreclosures of real estate for municipal delinquencies.

Section 30 of the Act changes the contents of tax sale notices in that street addresses need not be identified for properties which have none (like many undeveloped lots), and legal descriptions can cite a deed's volume and page, an assessor's map, or another public record rather than quoting it verbatim. It also relaxes requirements as to where the notices are issued by allowing them to be posted on a bulletin board in or near the office of the municipality's collector or clerk (rather than on a "signpost"), allowing them to be advertised in any newspaper which circulates in the town (rather than giving preference to those "published" in town or whether it comes out daily or weekly), and allowing them to be mailed to any address of a corporate debtor as the collector believes will cause them to be received (like the statute already allows for individual debtors).

Section 30 also resolves several issues which title insurers believed affected the validity of tax sale deeds. First, some title insurers have asserted that the holders of liens recorded at any time during the tax sale procedure are entitled to notice. The Act resolves this by stating that the warrant will function as a "lis pendens," which means the collector does not need to discover or notify creditors who file their liens after the first warrant is recorded. Second, some title insurers have asserted that the unprobated real estate of a dead person could not be sold at tax sale. (They were wrong. See Adams v. Castle, 30 Conn. 404 (1862), upholding the validity of a tax sale despite that the owner died between the assessments and first warrant.) It states that, if the collector knows the debtor to be deceased, notices can be mailed to the person's estate or fiduciary. Finally, the Act clarifies that only the holders of "choate" interests (that is, encumbrances which are explicitly reflected in the land records) are entitled to notice, as opposed to inchoate liens which the collector would have no way of discovering from a title search (automatic paperless lienholders like adverse possessors, mechanic's liens, and unknown heirs). See Cornelius v. Rosario, 138 Conn.App. 1 (2012) (so holding).

Section 30 clarifies that costs and fees related to the tax sale should be divided equally among all of the properties included in it only if they are "shared," such that an expense limited to one property (like its title search) is chargeable only to that property. It also clarifies that any other taxes owed can be deducted from the overbid before depositing it with the court, regardless of the kind of tax or the location of the property on which it was assessed, and that the municipality cannot be sued to claim the overbid without the municipality's consent (which it would only give in order to submit its own claim to the overbid for an unsatisfied non-tax lien).

Section 30 makes two important changes to redemptions. First, the redemption must include any additional debts owed to the municipality which were not recovered by the tax sale, either because the winning bid was too low, or because the debt had not yet been incurred, or because the debt was not enforceable through tax sale. Second, in an effort to save homes, lienholders will be incentivized to redeem by a provision which gives them tax-level priority over other encumbrancers for the amounts they choose to pay to stop the tax sale.

Section 31 eliminates the requirement that the tax sale deed identify the mill rate for each delinquent grand list year for which the property was sold.

The statutes already explained the narrow circumstances in which a person could sue to invalidate a tax sale afterward, but were silent on when a tax sale could be enjoined beforehand. Sections 32 and 33 state that the procedure will be the same for both scenarios. This means that a court cannot order a municipality to halt a tax sale unless the plaintiff neither received the notices nor learned about it in some other way (which should be impossible, since the plaintiff knew to file the lawsuit), or the property was not legally liable to be sold to satisfy the tax (which presumably means nothing was owed). See Hartford v. Faith Center, Inc., 196 Conn. 487, 492-93 (1985) (“an action in equity to enjoin the collection of a tax ... is not generally available, but may be rendered only in ‘extreme cases’”); Arnold v. Town of Middletown, 39 Conn. 401, 406 (1872) (“[t]he reasons are obvious and numerous, on grounds of public policy, why the extraordinary power of injunction should not be exercised [so as to] interrupt the collection of taxes, one of the most important attributes of the sovereign power, one of its most vital functions. Such an interference might, at times, be dangerous to the safety of the state, and is not to be resorted to except for the most imperative reasons.”).

Section 34 shortens the statute of limitations for suing to challenge a tax sale to one year after the date the sale occurred or deed was recorded, whichever is later (presumably always be the latter).

What you need to do differently: Simplify your tax sale notices as the statute now permits and include all of the fees and costs to which the municipality is entitled. Make sure encumbrancers know they will get priority benefits if they redeem. Most importantly, when calculating the redemption amount, include *everything* the owner owes the municipality – not just other taxes but also assistance liens, zoning fines, and so on – or else you could lose priority to the redeemer.



Substitute Senate Bill No. 965

Public Act No. 13-276

AN ACT CONCERNING CHANGES TO MUNICIPAL REVENUE COLLECTION STATUTES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 7-109 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any official, board or commissioner of a municipality may, with the approval of the chief administrative officer of such municipality and of the Public Records Administrator, destroy any document in his or its custody relating to any matter which has been disposed of and of which no record is required by law to be kept, after such document has been held for the period of time specified in a retention schedule adopted by the Public Records Administrator. The tax collector may, with like approval, destroy any duplicate record receipt book, duplicate tax receipts or rate bills, at a time specified by the Public Records Administrator. **[The provisions of section 12-151 requiring the retention of duplicate tax receipts as permanent records shall not apply in the case of such receipts destroyed as provided in this section.]** The tax collector may, with like approval, destroy any old age assistance or personal tax records. The town clerk may, with like approval, destroy any liquor permit, any corporation annual report, any registration list of motor vehicles, any voting check list, any tax list or abstract, any tax lien, release of tax lien, attachment or any original document lodged with him for record, of which the proper owner or owners are not known to him, and which has remained in his office uncalled for, at a time specified by the Public Records Administrator. In lieu of destroying any document, under any provision of this section, any official, board or commissioner of a municipality may, with like approval, deposit the same in the custody of any society incorporated or organized under the laws of this state exclusively for historical or educational purposes; provided all documents so deposited shall be maintained and made available by such society for the use of the public. No original document dated prior to the year 1900 shall be destroyed under the provisions of this section without the express written approval of the Public Records Administrator.

Sec. 2. Subsection (a) of section 7-328 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) The territorial limits of the district shall constitute a separate taxing district, and the assessor or assessors of the town shall separate the property within the district from the other property in the town and shall annually furnish the clerk of the district with a copy of the grand list of all property in the district after it has been completed by the board of assessment appeals of the town. If the legislative body of the town elects, pursuant to section 12-62c, to defer all or any part of the amount of the increase in the assessed value of real property in the year a revaluation becomes effective and in any succeeding year in which such deferment is allowed, the grand list furnished to the clerk of the district for each such year shall reflect assessments based upon such deferment. When the district meeting has fixed the tax rate, the clerk shall prepare a rate bill, apportioning to each owner of property his proportionate share of the taxes, which rate bill, when prepared, shall be delivered to the treasurer; and the district and the treasurer thereof shall have the same powers as towns and collectors of taxes to collect and enforce payment of such taxes, and such taxes when laid shall be a lien upon the property in the same manner as town taxes, and such liens may be continued by certificates recorded in the land record office of the town, and foreclosed in the same manner as liens for town taxes or enforced in accordance with any provision of the general statutes for the collection of property taxes. The

assessor or board of assessment appeals shall promptly forward to the clerk of the district any certificate of correction or notice of any other lawful change to the grand list of the district. The district clerk shall, within ten days of receipt of any such certificate or notice, forward a copy thereof to the treasurer, and the assessment of the property for which such certificate or notice was issued and the rate bill related thereto shall be corrected accordingly. If the district constructs any drain, sewer, sidewalk, curb or gutter, such proportion of the cost thereof as such district determines may be assessed by the board of directors, in the manner prescribed by such district, upon the property specially benefited by such drain, sewer, sidewalk, curb or gutter, and the balance of such costs shall be paid from the general funds of the district. In the construction of any flood or erosion control system, the cost to such district may be assessed and shall be payable in accordance with sections 25-87 to 25-93, inclusive. The cost for the maintenance of water quality in a lake shall be assessed on the land in a district and payment shall be apportioned equally among the owners of parcels of property. Subject to the provisions of the general statutes, the district may issue bonds and the board of directors may pledge the credit of the district for any money borrowed for the construction of any public works or the acquisition of recreational facilities authorized by sections 7-324 to 7-329, inclusive, and such board shall keep a record of all notes, bonds and certificates of indebtedness issued, disposed of or pledged by the district. All moneys received by the directors on behalf of the district shall be paid to the treasurer. No contract or obligation which involves an expenditure in the amount of (1) ten thousand dollars or more in districts where the grand list is less than or equal to twenty million dollars, or (2) twenty thousand dollars or more in districts where the grand list is greater than twenty million dollars, in any one year shall be made by the board of directors, unless the same is specially authorized by a vote of the district, nor shall the directors borrow money without like authority. The clerk of the district shall give written notice to the treasurer of the town in which the district is located of any final decision of the board of directors to borrow money, not later than thirty days after the date of such decision. The district may adopt ordinances, with penalties to secure their enforcement, for the purpose of regulating the carrying out of the provisions of sections 7-324 to 7-329, inclusive, and defining the duties and compensation of its officers and the manner in which their duties shall be carried out.

Sec. 3. Subsection (c) of section 12-41 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(c) The annual declaration of the tangible personal property owned by such person on the assessment date, shall include, but is not limited to, the following property: Machinery used in mills and factories, cables, wires, poles, underground mains, conduits, pipes and other fixtures of water, gas, electric and heating companies, leasehold improvements classified as other than real property and furniture and fixtures of stores, offices, hotels, restaurants, taverns, halls, factories and manufacturers. Commercial or financial information in any declaration filed under this section shall not be open for public inspection [but may be disclosed to municipal officers for tax collection purposes](#).

Sec. 4. Section 12-81d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

When any town receives by purchase, conveyance, gift or otherwise any property that would be exempt from property taxation under subdivision (4) of section 12-81, the chief executive officer of such town shall notify the tax collector [and assessor](#) of such town of the receipt of such property. Upon such notification [and effective upon the date of the receipt of such property](#), the [\[tax collector\] assessor](#) shall declare such property exempt from said taxation and shall not levy any property tax against the town for such property.

Sec. 5. Section 12-117a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any person, including any lessee of real property whose lease has been recorded as provided in section 47-19 and who is bound under the terms of his lease to pay real property taxes, claiming to be aggrieved by the action of the board of tax review or the board of assessment appeals, as the case may be, in any town or city may, within two months from the date of the mailing of notice of such action, make application, in the nature of an appeal therefrom, with respect to the assessment list for the assessment year commencing October 1, 1989, October 1, 1990, October 1, 1991, October 1, 1992, October 1, 1993, October 1, 1994, or October 1, 1995, and with respect to the assessment list for assessment years thereafter, to the superior court for the judicial district in which such town or city is situated, which shall be accompanied by a citation to such town or city to appear before said court. Such citation shall be signed by the same authority and such appeal shall be returnable at the same time and served and returned in the same manner as is required in case of a summons in a civil action. The authority issuing the citation shall take from the applicant a bond or recognizance to such town or city, with surety, to prosecute the application to effect and to comply with and conform to the orders and decrees of the court in the premises. Any such application shall be a preferred case, to be

heard, unless good cause appears to the contrary, at the first session, by the court or by a committee appointed by the court. The pendency of such application shall not suspend an action by such town or city to collect not more than seventy-five per cent of the tax so assessed or not more than ninety per cent of such tax with respect to any real property for which the assessed value is five hundred thousand dollars or more, and upon which such appeal is taken. If, during the pendency of such appeal, a new assessment year begins, the applicant may amend his application as to any matter therein, including an appeal for such new year, which is affected by the inception of such new year and such applicant need not appear before the board of tax review or board of assessment appeals, as the case may be, to make such amendment effective. The court shall have power to grant such relief as to justice and equity appertains, upon such terms and in such manner and form as appear equitable, and, if the application appears to have been made without probable cause, may tax double or triple costs, as the case appears to demand; and, upon all such applications, costs may be taxed at the discretion of the court. If the assessment made by the board of tax review or board of assessment appeals, as the case may be, is reduced by said court, the applicant shall be reimbursed by the town or city for any overpayment of taxes, together with interest and any costs awarded by the court, or, at the applicant's option, shall be granted a tax credit for such overpayment, interest and any costs awarded by the court. Upon motion, said court shall, in event of such overpayment, enter judgment in favor of such applicant and against such city or town for the whole amount of such overpayment, [less any lien recording fees incurred under sections 7-34a and 12-176](#), together with interest and any costs awarded by the court. The amount to which the assessment is so reduced shall be the assessed value of such property on the grand lists for succeeding years until the tax assessor finds that the value of the applicant's property has increased or decreased.

Sec. 6. Section 12-124 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

The selectmen of towns, the mayor and aldermen of cities, the warden and burgesses of boroughs and the committees of other communities [\(1\)](#) may abate the taxes, or the interest on delinquent taxes, or both, assessed by their respective communities upon such persons as are poor and unable to pay the same or upon railroad companies in bankruptcy reorganization, [provided either a standing abatement committee of a community or, if a community has no such committee, the Secretary of the Office of Policy and Management shall approve such abatement](#), and [\(2\)](#) shall present to each annual meeting of their respective communities a list of all persons whose taxes, or the interest on whose taxes, they have abated in the preceding year.

Sec. 7. Subsection (b) of section 12-124a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(b) Whenever any municipality has approved abatement of taxes as provided in subsection (a) of this section, the owner or owners shall deliver to the tax collector in such municipality, not later than ten days following the tax due date for such taxes abated, an agreement, on a form executed and acknowledged in the form and manner required for the transfer of an interest in real property, to reimburse such municipality in the amount of the taxes abated, with interest at six per cent per annum or such rate as approved by the legislative body. Such agreement shall contain a legal description of the real property with respect to which such abatement is approved and shall be recorded in the land records of such municipality. Such agreement shall constitute a lien on such real property which shall remain valid until paid. Such lien shall be due and payable in full upon the sale or transfer of such real property or upon the death of the owner, or if owned by more than one person at the time such lien is created, upon the death of the last of such owners surviving. Such lien shall be released by the tax collector in such municipality when the taxes secured thereby have been paid. **[No lien recorded under the provisions of this subsection shall take precedence over any mortgage recorded in the land records prior to such certificate of lien.]** [Liens recorded under the provisions of this subsection shall have the same precedence as tax liens under section 12-172.](#)

Sec. 8. Section 12-125a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any municipality may, upon approval by its legislative body, or by the board of selectmen in any town in which the legislative body is a town meeting, waive property taxes and interest related thereto which may be due for any tax year with respect to real or personal property held by any person, firm or corporation for the purpose of creating or furnishing a supply of water for domestic use, exclusive of any such property (1) owned by a municipal corporation or (2) used by any such person, firm or corporation in creating or furnishing such a supply of water for purposes of profit related to such use, with such profit inuring to such person or the owners of such firm or corporation, [provided either a standing abatement committee of such municipality or, if such municipality has no standing abatement committee, the Secretary of the Office of Policy and Management shall approve such waiver.](#)

Sec. 9. Section 12-128 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

The amount of any tax which has been collected erroneously from any person who has served in the Army, Navy, Marine Corps, Coast Guard or Air Force of the United States, or from his relative, as specified in section 12-81, may be recovered from the municipality to which the same has been paid at any time within six years from the date of such payment upon presentation of a claim therefor to the collector of taxes. The collector shall examine such claim and, upon finding the claimant entitled thereto, shall certify to that effect to the selectmen of such town or other proper official of such municipality. Upon receipt of such certification, the selectmen or other proper official shall draw an order upon the treasurer in favor of such claimant for the amount, without interest, to which such claimant is entitled. Any payment for which no timely application is made or granted under this section shall be the property of the municipality.

Sec. 10. Section 12-129 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any person, firm or corporation who pays any property tax in excess of the principal of such tax as entered in the rate book of the tax collector and covered by his warrant therein, or in excess of the legal interest, penalty or fees pertaining to such tax, or who pays a tax from which the payor is by statute exempt and entitled to an abatement, or who, by reason of a clerical error on the part of the assessor or board of assessment appeals, pays a tax in excess of that which should have been assessed against his property, or who is entitled to a refund because of the issuance of a certificate of correction, may make application in writing to the collector of taxes for the refund of such amount. Such application shall be [made] delivered or postmarked [not later than] by the later of (1) three years from the date such tax was due, [or] (2) such extended deadline as the municipality may, by ordinance, establish, or (3) ninety days after the deletion of any item of tax assessment by a final court order or pursuant to subdivision (3) of subsection (c) of section 12-53 or section 12-113. Such application shall contain a recital of the facts and shall state the amount of the refund requested. The collector shall, after examination of such application, refer the same, with his recommendations thereon, to the board of selectmen in a town or to the corresponding authority in any other municipality, and shall certify to the amount of refund, if any, to which the applicant is entitled. The existence of another tax delinquency or other debt owed by the same person, firm or corporation shall be sufficient grounds for denying the application. Upon receipt of such application and certification, the selectmen or such other authority shall draw an order upon the treasurer in favor of such applicant for the amount of refund so certified. Any action taken by such selectmen or such other authority shall be a matter of record, and the tax collector shall be notified in writing of such action. Upon receipt of notice of such action, the collector shall make in his rate book a notation which will date, describe and identify each such transaction. Each tax collector shall, at the end of each fiscal year, prepare a statement showing the amount of each such refund, to whom made and the reason therefor. Such statement shall be published in the annual report of the municipality or filed in the town clerk's office within sixty days of the end of the fiscal year. Any payment for which no timely application is made or granted under this section shall permanently remain the property of the municipality. Nothing in this section shall be construed to allow a refund based upon an error of judgment by the assessors. Notwithstanding the provisions of this section, the legislative body of a municipality may, by ordinance, authorize the tax collector to retain payments in excess of the amount due provided the amount of the excess payment is less than five dollars.

Sec. 11. Section 12-130 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) When any community, authorized to raise money by taxation, lays a tax, it shall appoint a collector thereof; and the selectmen of towns, and the committees of other communities, except as otherwise specially provided by law, shall make out and sign rate bills containing the proportion which each individual is to pay according to the assessment list; and any judge of the Superior Court or any justice of the peace, on their application or that of their successors in office, shall issue a warrant for the collection of any sums due on such rate bills. Each collector shall mail or hand to each individual from whom taxes are due a bill for the amount of taxes for which such individual is liable. [and shall attach thereto a statement of the year and amount of all back taxes for which such individual is liable.] In addition, the collector shall include with such bill, using one of the following methods (1) attachment, (2) enclosure, or (3) printed matter upon the face of the bill, a statement of state aid to municipalities which shall be in the following form:

The (fiscal year) budget for the (city or town) estimates that . . . Dollars will be received from the state of Connecticut for various state financed programs. Without this assistance your (fiscal year) property tax would be (herein insert the amount computed in accordance with subsection (b) of this section) mills.

Failure to send out [or receive](#) any such bill or statement shall not invalidate the tax. For purposes of this subsection, "mail" includes to send by electronic mail, provided an individual from whom taxes are due consents in writing to receive a bill and statement electronically. Prior to sending any such bill or statement by electronic mail, a community shall provide the public with the appropriate electronic mail address of the community on the community's Internet web site and shall establish procedures to ensure that any individual who consents to receive a bill or statement electronically (1) receives such bill or statement, and (2) is provided the proper return electronic mail address of the community sending the bill or statement.

(b) The mill rate to be inserted in the statement of state aid to municipalities required by subsection (a) shall be computed on the total estimated revenues required to fund the estimated expenditures of the municipality exclusive of assistance received or anticipated from the state.

Sec. 12. Section 12-132 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Warrants for the collection of taxes may be in the following form:

To A. B. , collector of taxes of the (here insert the name of community laying the tax), in the county of . . . , greeting: By authority of the state of Connecticut, you are hereby commanded forthwith to collect of each person named in the annexed list his proportion of the same, as therein stated, being a tax laid by (name of community), on the . . . day of . . . , A. D. 20. . . And you are to pay the amount of said tax, less abatements, and less taxes the lien for which has been continued by certificate to the treasurer of said (name of the community), on or before the . . . day of . . . , A. D. 20. . . And if any person fails to pay his proportion of said tax, upon demand, you are to levy upon his goods and chattels, and dispose of the same as the law directs; and after satisfying said tax and the lawful charges, return the surplus, if any, to him; and if such goods and chattels do not come to your knowledge, you are to levy upon his real estate, and sell enough thereof to pay his tax and the costs of levy, and give to the purchaser a deed thereof.

Dated at . . . this . . . day of . . . , A. D. 20. . .

A. B. ,

Judge of the Superior Court [.]

[or](#) Justice of the peace.

Sec. 13. Section 12-134 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Each [[town clerk](#)] [assessor](#) or rate maker shall assign a number to each tax account, and the collector shall issue a tax receipt containing the same number for such account.

Sec. 14. Section 12-135 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) Any collector of taxes, and any state marshal or constable authorized by such collector, shall, during their respective terms of office, have authority to collect any taxes and any water or sanitation charges due the municipality served by such collector for which a proper warrant and a proper alias tax warrant, in the case of the deputized officer, have been issued. Such alias tax warrant may be executed by any officer above named in any part of the state, and the collector in person may demand and collect taxes or water or sanitation charges in any part of the state on a proper warrant. Any such state marshal or constable so authorized who executes such an alias tax warrant outside of such state marshal's or constable's precinct shall be entitled to collect from the person owing the tax or the water or sanitation charges the fees allowed by law, except that the minimum total fees shall be five dollars and the maximum total fees shall be fifteen dollars for each alias tax warrant so executed. For the purposes of this subsection, "water or sanitation charges" means (1) any rates or charges established pursuant to section 7-239, or (2) any charges imposed by a municipality for the collection and disposal of garbage, trash, rubbish, waste material and ashes.

(b) Upon the expiration of the collector's term of office, such collector shall deliver to his or her immediate successor in office the rate bills not fully collected and such successor shall have authority to collect the taxes due thereon. Any person who fails to deliver such rate bills to such person's immediate successor within ten days from the qualification of such successor shall be fined not more than two hundred dollars or imprisoned not more than six months, or both.

[(c) When any collector, after having settled his or her rate bill with the proper officers, dies before completing the collection of the tax, such collector's executor or administrator may, within six years after his or her decease, recover the amount uncollected from those liable to pay the same, with interest thereon.]

Sec. 15. Section 12-137 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

When the tax collector of any town, city, borough, fire district or other municipality, by reason of illness or disability, becomes unable to discharge the duties of his office, the selectmen of the town, or a majority of them, or the governing body of any such municipality, may, by a writing signed by them or by the authorized officer of the governing body, as the case may be, appoint some suitable person as acting tax collector, who, upon being sworn and giving a bond satisfactory to the selectmen or such governing body, may thereupon exercise all the duties and perform all the functions of such tax collector until such time as such tax collector is found by such selectmen or such governing body to have become able to discharge the duties of his office or until his successor is elected or appointed and has qualified.

Sec. 16. Section 12-138 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

The collector of town taxes in each town shall report to the town clerk and assessor all property liable to assessment therein which is not assessed, or is assessed to wrong parties, as soon as such fact comes to his knowledge, and the town clerk shall make a proper memorandum thereof, to be kept in his office for the use of the board of assessors of such town.

Sec. 17. Section 12-140 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

The fee of collectors for issuing an alias tax warrant shall be six dollars. **[The fees of collectors upon a levy and sale shall be as follows: For each levy on real or personal property, twenty cents; for each notice posted, filed, published or sent by mail, as required by law, twenty-five cents; for each mile of travel from the residence of the collector to the farthest point where he is by law required to take a notice, or to go to levy upon personal property, and thence back to his residence once, twenty cents; for each sale of real or personal property, four dollars; for each deed or bill of sale, two dollars.]** All **[other]** reasonable and necessary costs or expenses for necessary advertising, postage on notices, and reasonable sums paid town clerks or other persons for examining records to ascertain encumbrances upon property sold, for preparing notices at the direction of the tax collector, for drafting collector's deeds, for attorney's fees, for all fees and costs incurred by the municipality in defending any civil action brought as a result of a tax sale or an alias tax warrant or which seeks to enjoin or declare unlawful any tax sale or alias tax warrant, for the services of auctioneers, clerks and other persons retained to assist the collector in conducting the tax sale, for filings in the land records, fees paid to any federal, state or local government entity or agency and for any other fees and expenses incurred **[, shall be added to the above fees. All fees and additions provided for by this section] or otherwise provided by law** shall be paid by the delinquent taxpayer or as provided in section 12-157.

Sec. 18. Section 12-141 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

"Municipality", wherever used in sections 12-142 to **[12-150] 12-170**, inclusive, includes each town, consolidated town and city, consolidated town and borough, city, borough, school district, fire district, fire and sewer district, sewer district, lighting district and improvement association and each municipal organization and taxing district not previously mentioned. Except as otherwise indicated in the context, "tax", wherever used in said sections, includes each property tax and each installment and part thereof due to a municipality, including any interest, penalties, fees and charges, including collection fees of a collection agency, attorney's fees and those fees and charges set forth in section 12-140, as amended by this act.

Sec. 19. Section 12-141a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any municipality may allow the payment of taxes, penalties, interest and fees by means of a credit card and may charge the taxpayer a service fee for any such payment made by credit card. The fee shall not exceed any charge by the credit card issuer or service provider, including any discount rate. Payments by credit card shall be made at such times and under such conditions as the municipality may prescribe. The debt incurred through the payment of taxes by means of a credit card shall not be considered a tax collectible pursuant to the provisions of section 12-172.

Sec. 20. Section 12-144b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

[Each tax payment made to a municipality for taxes due on any specific property shall be applied by the municipality toward payment of the oldest outstanding tax levied on such property with the interest thereon; provided, if] Except as otherwise provided by the general statutes, all payments made to or recovered by the municipality on any specific property shall be applied (1) first, for any outstanding unsecured taxes, to expenses concerning such unsecured taxes, including attorney's fees, collection expenses, recording fees, collector's fees and other expenses and charges related to all delinquencies owed by the party liable therefor before the interest accrued, then to the principal of such outstanding unsecured taxes, paying the oldest such tax first, and (2) for any outstanding secured taxes, first to expenses concerning such secured taxes, including attorney's fees, collection expenses, recording fees, collector's fees and other expenses and charges related to all delinquencies owed by the party liable therefor before the interest accrued, then to the principal of such outstanding secured taxes, paying the oldest such tax first. If there is litigation pending between the municipality and the party liable for the oldest outstanding tax on such property concerning such oldest outstanding tax, such tax payment shall only be applied to the oldest outstanding tax on such property which is not involved in such litigation, provided this section shall not apply to tax payments tendered by third parties pursuant to contract or by operation of law. The municipality shall not be bound by any notation on or accompanying a payment that purports to be payment in full, proposes to waive any rights or powers of the municipality, directs application of the payment in any manner that contradicts any applicable statute or ordinance or is otherwise contrary to law.

Sec. 21. Section 12-144c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any municipality may waive any property tax due in an amount less than twenty-five dollars by action of its legislative body. [before the date such tax is due.]

Sec. 22. Section 12-145 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

The tax collector of each municipality shall, at least five days next preceding the time when each tax becomes due and payable, give notice of the time and place at which the tax collector will receive such tax by advertising in a newspaper published in such municipality or, if no newspaper is published in such municipality, by advertising in any newspaper of the state having a general circulation in such municipality and by posting such notice on a signpost, [therein, if any, otherwise on a signpost in the town within which such municipality is situated, if any, or at some other exterior place near the office of the town clerk] a bulletin board or the municipality's Internet web site. The tax collector shall repeat such advertising within one week after such tax has become due and payable and, again, at least five days before such tax becomes delinquent. Each such notice shall give each date on which such tax shall become due and payable and each date on which such tax shall become delinquent, and shall state that, as soon as such tax becomes delinquent, it shall be subject to interest at the rate of one and one-half per cent of such tax for each month or fraction thereof which elapses from the time when such tax becomes due and payable until the same is paid. The tax collector of a municipality may waive the interest on delinquent property taxes if the tax collector and the assessor, jointly, determine that the delinquency is attributable to an error by the tax assessor or tax collector and is not the result of any action or failure on the part of the taxpayer. The tax collector shall notify the taxing authority of the municipality of all waivers granted pursuant to this section.

Sec. 23. Section 12-146 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Unless the context otherwise requires, wherever used in this section, "tax" includes each property tax and each installment and part thereof due to a municipality as it may have been increased by interest, fees and charges. If any tax due in a single installment or if any installment of any tax due in two or more installments is not paid in full (1) on or before the first day of the month next succeeding the month in which it became due and payable, or if not due and payable on the first day of the month, (2) on or before the same date of the next succeeding month corresponding

to that of the month on which it became due and payable, the whole or such part of such installment as is unpaid shall thereupon be delinquent and shall be subject to interest from the due date of such delinquent installment. Except for unpaid real estate taxes the collection of which was, or is, deferred under the provisions of section 12-174, and any predecessor and successor thereto, which unpaid real estate taxes continue to be subject to the provisions of such deferred collection statutes, the delinquent portion of the principal of any tax shall be subject to interest at the rate of eighteen per cent per annum from the time when it became due and payable until the same is paid, subject to a minimum interest charge of two dollars [per installment](#) which any municipality, by vote of its legislative body, may elect not to impose, and provided, in any computation of such interest, under any provision of this section, each fractional part of a month in which any portion of the principal of such tax remains unpaid shall be considered to be equivalent to a whole month. Each addition of interest shall become, and shall be collectible as, a part of such tax. Interest shall accrue at said rate until payment of such taxes due notwithstanding the entry of any judgment in favor of the municipality against the taxpayer or the property of the taxpayer. **[Except as hereinafter specified for taxes representing two or more items of property, the collector shall not receive any partial payment of a delinquent tax which is less than the total accrued interest on the principal of such tax up to the date of payment and]** [The collector](#) shall apply each partial payment to the wiping out of such interest before making any application thereof to the reduction of such principal. **[; provided, whenever the first partial payment is made after delinquency, interest from the due date of such delinquent tax to the date of such partial payment shall be figured on the whole or such part of the principal of such tax as is unpaid at the beginning of delinquency and provided, whenever a subsequent partial payment of such tax is made, interest shall be figured from the date of payment of the last-preceding, to the date of payment of such subsequent, partial payment on the whole or such balance of the principal of such tax as remains unpaid on the date of the last-preceding partial payment.]** If any tax, at the time of assessment or because of a subsequent division, represents two or more items of property, the collector may receive payment in full of such part of the principal and interest of such tax as represents one or more of such items, even though interest in full on the entire amount of the principal of such tax has not been received up to the date of such payment; in which event, interest on the remaining portion of the principal of any such tax shall be computed, as the case may be, from the due date of such tax if no other payment after delinquency has been made or from the last date of payment of interest in full on the whole amount or unpaid balance of the principal of such delinquent tax if previous payment of interest has been made. Each collector shall keep a separate account of such interest and the time when the same has been received and shall pay over the same to the treasurer of the municipality of the collector as a part of such tax. No tax or installment thereof shall be construed to be delinquent under the provisions of this section if the envelope containing the amount due as such tax or installment, as received by the tax collector of the municipality to which such tax is payable, bears a postmark showing a date within the time allowed by statute for the payment of such tax or installment. Any municipality may, by vote of its legislative body, require that any delinquent property taxes **[applicable with respect to a motor vehicle]** shall be paid only in cash or by certified check or money order. Any municipality adopting such requirement may provide that such requirement shall only be applicable to delinquency exceeding a certain period in duration as determined by such municipality. Any municipality shall waive all or a portion of the interest due and payable under this section on a delinquent tax with respect to a taxpayer who has received compensation under chapter 968 as a crime victim.

Sec. 24. Section 12-146a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any municipality, as defined in subsection (a) of section 12-41, or any district health department, formed under chapter 368f, may withhold or revoke any license or permit, issued by such municipality or district health department, to operate a business enterprise if any taxes levied by such municipality or, in the case of a district department of health, by any constituent municipality of such district, against **[personal]** [any](#) property [owned by or](#) used in such business enterprise are delinquent and have been so delinquent for a period of not less than one year.

Sec. 25. Section 12-147 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Except as otherwise provided by law, each tax collector shall, on or before the tenth day of each month, pay to the treasurer of the municipality all moneys collected by him previous to the first day of that month in taxes, interest, penalties and lien fees thereon. All moneys collected by the collector or his duly appointed agent in taxes and interest, penalties, fees and charges and lien fees thereon, during the period in which they are held by the collector or his duly appointed agent, shall be deposited at least weekly, as provided in section 7-402, in the name of the municipality for which they were collected. The treasurer of each **[town designated in section 12-151]** [municipality](#) shall examine monthly the books of the tax collector. **[provided for in said section.]** If the collector of any municipality retains any of such moneys **[or lists]** or fails to pay any of such moneys **[or deliver any of such lists]** as

required herein, he shall thereupon forfeit all compensation for collecting such moneys and the treasurer shall forthwith inform the selectmen if a town not consolidated with a city or borough, the common council or board of aldermen if a city, the warden and burgesses if a borough or the governing board if any other municipality, in writing, of such retention or neglect, and such authority shall enforce such forfeiture.

Sec. 26. Section 12-150 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any person who violates any provision of section 12-134, [as amended by this act](#), 12-147, [as amended by this act](#), [12-149, 12-151] or 12-153, [as amended by this act](#), shall forfeit to the municipality where such violation occurs the sum of one hundred dollars.

Sec. 27. Section 12-153 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Whenever a partial payment is made on any tax account because of the transfer of title of part of any property represented by such account, the collector shall, if requested, indicate on such partial payment receipt the property on which such partial payment applies. [\[and shall make endorsement on the original tax receipt blank, as required in section 12-151. \]](#)

Sec. 28. Section 12-154 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

If any collector of taxes fails to [\[collect and pay the same\]](#) [pay taxes collected](#) within the time limited by law or by the community imposing such tax, any judge of the Superior Court, on application of the selectmen of the town or the committee of the municipal district imposing such tax, shall grant an execution against the estate of such collector, of the same form and to be levied in the same manner as executions in civil actions. If any collector of taxes fails to perform the duties of his appointment, any judge of the Superior Court, on written application of the selectmen of the town, the mayor and alderman of the city, the warden and burgesses of the borough or the committee of the municipal district which laid the taxes, after due notice and hearing, may remove him from office.

Sec. 29. Section 12-155 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) If any person fails to pay any tax, or fails to pay any water or sanitation charges within thirty days after the due date, the collector or the collector's duly appointed agent shall make personal demand of such person therefor or leave written demand at such person's usual place of abode or deposit in some post office a written demand for such tax or such water or sanitation charges, postage prepaid, addressed to such person at such person's last-known place of residence [unless, after making reasonable efforts, the assessor is unable to identify the owner or persons responsible](#). If such person is a corporation, limited partnership or other legal entity, such written demand may be sent to any person upon whom process may be served to initiate a civil action against such corporation, limited partnership or entity.

(b) After demand has been made in the manner provided in subsection (a) of this section, the collector [for the municipality, alone or jointly with the collector of any other municipality owed taxes by such person](#), may (1) levy for any unpaid tax or any unpaid water or sanitation charges on any goods and chattels of such person and post and sell such goods and chattels in the manner provided in case of executions, or (2) enforce by levy and sale any lien upon real estate for any unpaid tax or levy upon and sell such interest of such person in any real estate as exists at the date of the levy for such tax.

(c) For the purposes of this section, "water or sanitation charges" means (1) any rates or charges established pursuant to section 7-239, or (2) any charges imposed by a municipality for the collection and disposal of garbage, trash, rubbish, waste material and ashes.

Sec. 30. Section 12-157 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) When a collector levies one or more tax warrants on real estate, he [or she](#) shall prepare notices thereof, containing the name of the taxpayer, a legal description of the real property [or citation to an instrument in the land records, an assessor's map or another publicly available document identifying the real property's boundaries](#), [\[including\]](#) the street address, [\[upon which taxes are due\]](#) [if such real property has one](#), the amount of the tax or taxes due, including

any interest and charges attributable to the property as of the last day of the month immediately preceding the notice, a statement that additional taxes, interest, fees and other charges authorized by law accruing after the last of the month immediately preceding the notice [will be] have been added to the amount indicated as due and owing in the notice, and the date, time and place of sale. The collector shall post one notice on a [signpost] bulletin board in or near the collector's office in the town where such real estate is situated, if any, or at some other exterior place near the office of the town clerk, which is nearest thereto; one shall be filed in the town clerk's office of such town and such town clerk shall record and index the same as a part of the land records of such town, which recording shall serve as constructive notice equivalent to a lis pendens for all purposes, and one shall be sent by certified mail, return receipt requested, to the taxpayer and each mortgage, lienholder and other [record] encumbrancer of record whose interest is choate and will be affected by the sale. Such posting, filing and mailing shall be done not more than twelve and not less than nine weeks before the time of sale and shall constitute a legal levy of such warrant or warrants upon the real estate referred to in the notice. Such collector shall also publish a similar notice for three weeks, at least once each week, in a newspaper published in such town, [if any, otherwise] or in a newspaper published in the state having a general circulation in such town. The first notice shall be published beginning not more than twelve and not less than nine weeks before the time of sale and the last shall be published not more than four weeks nor less than two weeks before such sale. He shall also send by certified mail, return receipt requested, to the delinquent taxpayer and to each mortgagee, lienholder and other [record] encumbrancer of record whose interest in such property is choate and will be affected by such sale, a similar notice which shall not be required to list information pertaining to properties in which the person to whom the notice is directed has no interest. The notice shall be sent at least twice, the first not more than eight nor less than five weeks before such sale and the last not more than four weeks nor less than two weeks before such sale. The notice shall be addressed to his or her place of residence, if known to the collector, or to his or her estate or the fiduciary thereof if the collector knows him or her to be deceased, or to the address, or the agent of such person, to which such person has requested that tax bills be sent. If there is no address of such person, or if no such agent is given in the records of such town, the notice shall be sent to the place where such person regularly conducts business or other address as the collector believes will give notice of the levy and sale. If a person is a corporation, limited partnership or other legal entity, the notice may be sent to any person upon whom process may be served to initiate a civil action against such corporation, limited partnership or entity or to any other address that the collector believes will give notice of the levy and sale. If no place of residence or business is known and cannot be determined by the tax collector for any owner, taxpayer, mortgagee, lienholder or other encumbrancer whose interest in the property is choate and will be affected by the sale, in lieu of notice by certified mail as provided in this subsection, the notice, together with the list of mortgagees, lienholders, and other [record] encumbrancers of record whose interests in the property are choate and will be affected by such sale, shall be published in a newspaper published in this state, having a [daily] general circulation in the town in which such property is located at least twice, the first not more than eight weeks nor less than five weeks before such sale and the last not more than four weeks nor less than two weeks before such sale.

(b) The collector may, for any reason, adjourn such sale from time to time by causing public notice of such adjournment and the time and place of such adjourned sale to be given either by oral announcement or posting of a written notice at the time and place designated for the sale in the notices of such sale. If the adjourned date is set for a date more than three days from the date of the original or rescheduled sale date, the tax collector shall provide a postage prepaid written notice of the new time and place of the sale to the delinquent taxpayer and each mortgagee, lienholder and other [record] encumbrancer of record whose interest is choate and will be affected by the sale.

(c) At the time and place stated in such notices, or, if such sale is adjourned, at the time and place specified at the time of adjournment as aforesaid, such collector (1) may sell at public auction to the highest bidder all of said real property, to pay the taxes with the interest, fees and other charges allowed by law, including, but not limited to, those charges set forth in section 12-140, as amended by this act, or (2) may sell all of said real property to his municipality if there has been no bidder or the amount bid is insufficient to pay the amount due.

(d) The collector shall post, at the time and place of the sale, a written notice stating the amount of all taxes, interest, fees and other charges authorized by law with respect to each property to be sold. The tax collector may publish or announce any rules for the orderly conduct of the auction and the making of payment by successful bidders which are not inconsistent with the requirements of law. The tax collector or the municipality may retain the services of auctioneers, clerks and other persons to assist the tax collector in the conduct of the sale and the cost of such persons paid for their services shall be added to the taxes due from the delinquent taxpayer. If more than one property is sold, the tax collector shall apportion [such] all shared costs equally among all the properties.

(e) Within two weeks after such sale, the collector shall execute a deed thereof to the purchaser or to the municipality conducting the sale and shall lodge the same in the office of the town clerk of such town, where it shall remain unrecorded six months from the date of such sale.

(f) Within sixty days after such sale, the collector shall cause to be published in a newspaper having a daily general circulation in the town in which the real property is located, and shall send by certified mail, return receipt requested, to the delinquent taxpayer and each mortgagee, lienholder and other [record] encumbrancer of record whose interest in such property is choate and is affected by such sale, a notice stating the date of the sale, the name and address of the purchaser, the amount the purchaser paid for the property and the date the redemption period will expire. The notice shall include a statement that if redemption does not take place by the date stated and in the manner provided by law, the delinquent taxpayer, and all mortgagees, lienholders and other [record] encumbrancers who have received actual or constructive notice of such sale as provided by law, that their respective titles, mortgages, liens and other encumbrances in such property shall be extinguished. Not later than six months after the date of the sale or within sixty days if the property was abandoned or meets other conditions established by ordinance adopted by the legislative body of the town, if the delinquent taxpayer, mortgagee, lienholder or other [record] encumbrancer whose interest in the property will be affected by such sale, pays [or tenders] to the collector, the amount of taxes, interest and charges which were due and owing at the time of the sale together with interest on the total purchase price paid by the purchaser at the rate of eighteen per cent per annum from the date of such sale plus any taxes and debts owed to the municipality that were not recovered by the sale and any additional charges under section 12-140, as amended by this act, such deed, executed pursuant to subsection (e) of this section, shall be delivered to the collector by the town clerk for cancellation and the collector shall provide a certificate of satisfaction to the person paying [or tendering] the money who, if not the person whose primary duty it was to pay the tax or taxes, shall have a claim against the person whose primary duty it was to pay such tax or taxes for the amount so paid, and may add the same with the equivalent precedence and priority as the tax paid over other encumbrances but without precedence or priority over any tax that was not yet due and payable when notice of the levy was first published to any claim for which he has security upon the property sold, provided the certificate of satisfaction is recorded on the land records but the interests of other persons in the property shall not be affected. Within ten days of receipt of such amounts in redemption of the levied property, the collector shall notify the purchaser by certified mail, return receipt requested, that the property has been redeemed and shall tender such payment, together with the amount held pursuant to subparagraph (A) of subdivision (1) of subsection (i) of this section, if any, to the purchaser. If the purchase money and interest are not paid within such redemption period, the deed shall be recorded and have full effect.

(g) During the redemption period, the purchaser or the municipality shall have a sufficient insurable interest in buildings and improvements upon such property to insure them against fire and other risk of physical loss, and may petition the Superior Court for the appointment of a receiver or for other equitable relief if there shall be imminent danger of damage or destruction thereto or imminent danger of injury to persons or to other property resulting from conditions thereon or on adjoining properties. The purchaser or the municipality shall not be liable to any person, or subjected to forfeiture of their interest, solely by reason of acquisition by the person of the tax deed, for any condition existing or occurrence upon such property or adjoining public sidewalks and streets, or for any failure to act to remedy or investigate any such condition or occurrence during such redemption period. The expenses of any receiver appointed on the application of such purchaser or municipality in excess of any rents or profits paid to the receiver, all taxes and debts owed to the municipality that were not recovered by the sale, and any additional charges under section 12-140, as amended by this act, shall be added to the amount of the purchase money and interest required to be paid [or tendered] by any person to the purchaser or municipality for the collector's deed and paid to the party that incurred such expenses.

(h) Any municipality holding a lien for unpaid taxes on real estate, other than the municipality conducting the sale, may purchase all of such property at a tax sale.

(i) (1) If the sale realizes an amount in excess of the amount needed to pay all delinquent taxes, interest, penalties, fees, and costs, the amount of the excess shall be held in an interest-bearing escrow account separate from all other accounts of the municipality. (A) If the property is redeemed prior to the expiration of the redemption period, the amount held in escrow shall, within ten days of the tax collector receiving notice of redemption, be turned over to the purchaser. Any interest earned shall be the property of the municipality. (B) If the property is not redeemed in the redemption period, the amount held in escrow may be used to pay the delinquent taxes, interest, penalties, fees and costs on the same or any other property of the taxpayer, [located in the town,] including personal property and motor vehicles. In the case of subparagraph (B), the tax collector shall, within ten days of the expiration of the redemption period, pay to the clerk of the court for the judicial district in which the property is located the amount held in escrow

remaining after paying the delinquent taxes, interest, fees, penalties and costs owed by the taxpayer to the municipality. The tax collector shall, within five days of the payment, provide notice to the delinquent taxpayer, any mortgagee, lienholder, or other encumbrancer of record whose interest in such property is choate and is affected by the sale, by certified mail, return receipt requested of the name and address of the court to which the moneys were paid, the person's right to file an application with the court for return of said money, and the amount of money paid to the court.

(2) If the tax collector pays to the court any moneys pursuant to subparagraph (B) of subdivision (1) of this subsection, the delinquent taxpayer, any mortgagee, lienholder or other encumbrancer whose interest in such property is choate and is affected by the sale may, within ninety days of the date the tax collector paid the moneys to the court, file an application with the court for return of the proceeds. Any person may make an application for payment of moneys deposited in court as provided for in this subsection to the superior court for the judicial district in which the property that is the subject of the proceedings referred to is located, or if said court is not in session to any judge thereof, for a determination of the equity of the parties having an interest in such moneys. Notice of such application shall be served in the same manner as to commence a civil action on all persons having an interest of record in such property on the date the collector's deed is recorded, provided the municipality shall not be a party to such action without its consent. The court or judge upon such motion or upon its own motion may appoint a state referee to hear the facts and to make a determination of the equity of the parties in such moneys. Such referee, after providing at least ten days' notice to the parties interested of the time and place of hearing, shall hear the applicant and any parties interested, take such testimonies as such referee deems material and determine the equities of the parties having a record interest in such moneys and immediately report to the court or judge. The report shall contain a detailed statement of findings by the referee, sufficient to enable the court to determine the considerations upon which the referee based his conclusions. The report may be rejected for any irregular or improper conduct in the performance of the duties of such referee. If the report is rejected, the court or judge shall appoint another referee to make such determination and report. If the report is accepted, such determination of the equities shall be conclusive upon all parties given notice of such hearing, subject to appeal to the Appellate Court. If no appeal to the Appellate Court is filed within the time allowed by law, or if one is filed and the proceedings have terminated in a final judgment determining the amount due to each party, the clerk shall send a certified copy of the statement of compensation and of the judgment to the prevailing party or parties, as the case may be, which shall, upon receipt thereof, pay such parties the amount due them as compensation.

(3) If no application is filed with the court, any moneys held by the court shall escheat to the state pursuant to the provisions of part III of chapter 32.

Sec. 31. Section 12-158 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) The deed given by any collector for real estate sold by him for taxes shall be in substance in the form following:

Know all men by these presents, that, whereas the (here insert the name of the taxing authority) did on the day of , 20. . . , lay a tax [of mills on the dollar] on its grand list next to be (or last) perfected, a rate bill for which and for a personal tax (if such be the fact), in all respects made out according to law with a warrant thereto attached, was placed in my hands, I being the duly appointed and qualified collector thereof, for collection, which tax became due on the day of , 20. . . ; and, whereas A. B. , upon demand made, neglected and refused to pay the tax set opposite his name in said rate bill, and thereupon, on the day of , 20. . . , I levied upon the parcel of real estate hereinafter described for that portion of said tax which was assessed thereon, to wit: \$ and accrued interest (or if the levy was for the whole tax, for the amount of said tax, to wit: \$ and accrued interest) and gave due notice thereof to said taxpayer and to as by law provided, which real estate so levied upon is situated in and bounded , and on the day of , 20. . . , no one having previously tendered me said tax with interest and my fees, in pursuance of said levy, and in accordance with the terms of said notice, I sold at public auction the whole of (or the following portion of) said real estate of (to wit) to C. D. , for the sum of \$ Now, therefore, in consideration of the premises, and of said sum of money, received to my full satisfaction, of said C. D. , I hereby bargain and sell unto him the premises last above described, with the appurtenances, to have and to hold the same to him and his heirs forever, subject only to taxes laid by such municipality which were not yet due and payable when I first published notice of levy and sale, easements, covenants and restrictions in favor of other parcels of land, interests exempt from levy and sale under the Constitution and laws of the United States and such other interests, if any, hereinafter described, to wit And also, I, the said collector, acting in the name of and for (name of municipality), do by these presents bind (name of municipality), forever, to warrant and defend the above granted

and bargained premises to the said grantee, his heirs and assigns, against all claims and demands arising from any necessary act omitted or unlawful act done by me in connection with the aforesaid levy or sale which impairs the same. In witness whereof I have hereunto set my hand and seal this . . . day of . . . , 20. . .

E. F. , (Seal).

Collector as aforesaid.

Signed, sealed, and delivered

in the presence of

(Usual form of acknowledgment).

(b) The liability of any municipality for breach of the warranties contained in a collector's deed shall be limited to the amount paid to the collector by the grantee and amounts reasonably expended after its recording to improve and operate the property conveyed by the deed to the extent such amounts are not recoverable from the person found to be the true owner of the property.

Sec. 32. Section 12-159 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any deed, or the certified copy of the record of any deed, purporting to be executed by a tax collector and similar, or in substance similar, to the above, shall be prima facie evidence of a valid title in the grantee to the premises therein purported to be conveyed, encumbered only by the lien of taxes to the municipality which were not yet due and payable on the date notice of levy was first made, easements and similar interests appurtenant to other properties not thereby conveyed, and other interests described therein and of the existence and regularity of all votes and acts necessary to the validity of the tax therein referred to, as the same was assessed, and of the levy and sale therefor, and no tax collector shall be required to make return upon his warrant of his doings thereunder, except that the purchaser may, within ninety days of the recording of the collector's deed, request in writing from the tax collector, an affidavit which complies with the provisions of section 12-167a. The tax collector shall provide such affidavit within thirty days of receipt of such request. The town clerk shall record such affidavit in the land records of such town and shall index the affidavit under the name of the purchaser as grantee. No act done or omitted relative to the assessment or collection of a tax, including everything connected therewith, after the vote of the community laying the same, up to and including the final collection thereof or sale of property therefor, shall in any way affect or impair the validity of such tax as assessed, collected or sought to be collected or the validity of such sale, unless the person [seeking to enjoin or](#) contesting the validity of such sale shows that the collector neglected to provide notice pursuant to section 12-157, [as amended by this act](#), to such person or to the predecessors of such person in title, and who had a right to notice of such sale, and that the person or they in fact did not know of such sale within six months after it was made, and provided such property was by law liable to be sold to satisfy such tax. The fact that the collector may have charged or received illegal fees upon such sale shall not impair the sale's validity. If the person contesting such fees shows that illegal fees were charged by the collector, the municipality shall refund such illegal fees together with legal interest from the date of their payment in accordance with section 12-129, [as amended by this act](#).

Sec. 33. Subsection (a) of section 12-159a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(a) In any action brought to prove the invalidity of a collector's deed [or enjoin tax sale proceedings](#), other than an action based on fraud, the court shall, if the complaining party is successful, order the complaining party to pay to the tax collector or to the person or persons claiming an interest pursuant to such deed, (1) amounts representing taxes, interest and other charges lawfully due from the complaining party at the time of such tax sale with interest from the date of such tax sale at the rate provided in section 12-157, [as amended by this act](#), and (2) the reasonable costs of payment of taxes, insurance premiums, repairs, maintenance and demolition of any structures constituting a nuisance, and the fair market value of any capital improvements made to the property by such persons, with interest at the rate provided in section 37-3a computed from the time of such expenditure or improvement.

Sec. 34. Section 12-159b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

No action alleging the invalidity of a collector's deed, substantially, in the form provided in section 12-158, [as amended by this act](#), on any grounds other than fraud, shall be brought by any person except within one year from the date the collector's deed was recorded or **[within two years]** from the date of the sale, whichever is longer.

Sec. 35. Section 12-165 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Each municipality shall have a suspense tax book. At least once in each year each collector of taxes in each municipality shall deliver to the board of finance or other similar board by whatever name called or, if no such board exists, to the board of selectmen if a town not consolidated with a city or borough, to the common council or board of aldermen if a city, to the warden and burgesses if a borough and to the governing board if any other municipality, a statement giving by rate bill: (1) The **[amount of each old age assistance tax unpaid on the old age assistance tax rate books of each municipality as of July 1, 1953, which amount shall be transferred to the old age assistance suspense tax book, except that it shall not be necessary to comply with the foregoing provisions of this chapter relating to such transfers and the provisions of subdivisions (2), (3) and (5) of this section; the amount of each uncollectible personal property tax and the amount of uncollectible balance of each real estate tax which remains after crediting such tax with the proceeds obtained from a tax sale or lien sale of the real estate represented by such tax and which balance cannot be collected by any other means; (2) the]** name and address of the person against whom each **[such uncollectible]** tax was levied, and **[(3)] (2)** the reason why such collector believes each such tax is uncollectible. At the end of such statement, the tax collector shall certify that, to the best of his knowledge and belief, each tax contained in such statement has not been paid and is uncollectible. A detailed examination shall be made by the authority to which such statement has been given of each tax shown thereon and, after such examination, it shall designate in writing each tax which is believed by it to be uncollectible. Thereupon, each tax so designated as uncollectible shall be transferred by such collector to the suspense tax book. **[(4) Opposite each tax in the appropriate rate bill shall be placed the following words: "Suspense Tax Book . . . day of . . . , 20. . ", together with the name of the tax collector who transferred such tax to the suspense tax book.] (3)** Each tax so transferred shall not thereafter be included as an asset of such municipality. **[(5)]** The amount of each tax so transferred during the last fiscal year and the name of the person against whom each such tax was levied shall be published in the next annual report of such municipality or filed in the town clerk's office within sixty days of the end of the fiscal year. **[(6)] (4)** Nothing herein contained shall be construed as an abatement of any tax so transferred, but any such tax, as it has been increased by interest or penalty, fees and charges, may be collected by the collector then or subsequently in office. The provisions of section 12-147, [as amended by this act](#), shall be applicable to all moneys so collected.

Sec. 36. Section 12-166 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Unless the context otherwise requires, "tax", wherever used in this section, includes each property tax and each installment and part thereof due to a municipality, as such tax may have been increased by interest, penalties, fees and charges, including collection fees of a collection agency and attorneys' fees, provided such attorneys' fees shall be limited to those ordered by the court in any court action or proceeding brought [by the municipality](#) to recover such tax. Each collector of taxes of each municipality may collect any tax at any time by authority of any present or future legislation providing for the collection of any tax and said collector may photostat the receipted bills of such collected taxes. Each collector of taxes of each municipality shall, within a reasonable period after each unpaid tax, or the first installment thereof in case installment payments have been authorized, has become due and payable, exclusive of each lawful abatement, exclusive of each lawful deduction because of a correction which has been made under the provisions of any legislation providing for corrections of taxes, exclusive of each uncollectible tax which has been lawfully transferred to the suspense tax book under the provisions of section 12-165, [as amended by this act](#), exclusive of each uncollectible tax removed under the provisions of section 12-164 and exclusive of each uncollectible tax removed from the rate bills under the provisions of section 12-195, proceed to collect such tax as it has been increased by interest, penalties, fees and charges and shall, when collection has been made, pay the same, together with all interest, penalties, fees and charges, to the treasurer of the municipality served by him.

Sec. 37. Section 12-168 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Whenever used herein, the "municipality" has the meaning given to it in section 12-141, [as amended by this act](#), and "tax moneys" include the receipts from each property tax or assessment, and each installment and part thereof due a municipality, with any interest or other lawful charges incident thereto. The tax collector of any municipality in this state shall not be held personally liable for the loss of any tax moneys collected by him when he has performed all of

the duties required of him by statute pertaining to such tax moneys and when such loss is not due to negligence or wilful misconduct on his part. [No tax collector shall compromise or release the amount of any tax except as specifically provided by law.](#)

Sec. 38. Section 14-33a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

When a taxpayer who was reported to the Commissioner of Motor Vehicles as delinquent in taxes by a tax collector in accordance with section 14-33 is no longer delinquent, the tax collector shall immediately notify the Commissioner of Motor Vehicles, on forms prescribed and furnished by him, specifying the name, address and registration number to be removed from the motor vehicle delinquent tax list. [No tax collector shall knowingly submit a false report to the Commissioner of Motor Vehicles that a motor vehicle tax is no longer delinquent pursuant to this section.](#)

Sec. 39. Section 12-169 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

When the final day for payment of any tax [or any installment thereof](#) occurs on Saturday, Sunday or a legal holiday, payment may be made without interest or penalty on the following business day.

Sec. 40. Section 12-195h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

Any municipality, by resolution of its legislative body, as defined in section 1-1, may assign, for consideration, any and all liens filed by the tax collector to secure unpaid taxes on real property as provided under the provisions of this chapter. The consideration received by the municipality shall be negotiated between the municipality and the assignee. The assignee or assignees of such liens shall have and possess the same powers and rights at law or in equity as such municipality and municipality's tax collector would have had if the lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection [and of preparing and recording the assignment](#). The assignee shall have the same rights to enforce such liens as any private party holding a lien on real property [including, but not limited to, foreclosure and a suit on the debt](#).

Sec. 41. Subsection (e) of section 16-262c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2013*):

(e) No provision of the Freedom of Information Act, as defined in section 1-200, shall be construed to require or permit a municipal utility furnishing electric, gas or water service, a municipality furnishing water or sewer service, a district established by special act or pursuant to chapter 105 and furnishing water or sewer service or a regional authority established by special act to furnish water or sewer service to disclose records under the Freedom of Information Act, as defined in section 1-200, which identify or could lead to identification of the utility usage or billing information of individual customers, to the extent such disclosure would constitute an invasion of privacy. [Nothing in this section prohibits the disclosure of delinquencies or enforcement actions.](#)

Sec. 42. Subsection (b) of section 49-31r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(b) A municipality shall include such form with any **[statements sent to]** [complaint served on](#) a homeowner **[regarding]** [to judicially foreclose](#) an arrearage owed by the homeowner for public sewer or water services or for property taxes.

Sec. 43. Sections 12-143, 12-149, 12-151 and 12-180 of the general statutes are repealed. (*Effective October 1, 2013*)

Approved July 11, 2013



Substitute House Bill No. 6339

Public Act No. 13-135

**AN ACT CONCERNING BANKS, LOAN PRODUCTION OFFICES, EXCHANGE FACILITATORS,
PUBLIC DEPOSITS AND REAL PROPERTY TAX LIENS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

* * * *

Sec. 16. Section 12-195h of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2013):

Any municipality, by resolution of its legislative body, as defined in section 1-1, may assign, for consideration, any and all liens filed by the tax collector to secure unpaid taxes on real property as provided under the provisions of this chapter. The consideration received by the municipality shall be negotiated between the municipality and the assignee. The assignee or assignees of such liens shall have and possess the same powers and rights at law or in equity as such municipality and municipality's tax collector would have had if the lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection. The assignee shall have the same rights to enforce such liens as any private party holding a lien on real property. The assignee, or any subsequent assignee, shall provide written notice of an assignment, not later than thirty days after the date of such assignment, to any holder of a mortgage, on the real property that is the subject of the assignment, provided such holder is of record as of the date of such assignment. Such notice shall include information sufficient to identify (1) the property that is subject to the lien and in which the holder has an interest, (2) the name and addresses of the assignee, and (3) the amount of unpaid taxes, interest and fees being assigned relative to the subject property as of the date of the assignment.

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Approved June 18, 2013



House Bill No. 6706

Public Act No. 13-247

AN ACT IMPLEMENTING PROVISIONS OF THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015 CONCERNING GENERAL GOVERNMENT.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

* * * *

Sec. 326. Section 49-31r of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(a) A mortgagee, as defined in section 49-8a, shall include the form promulgated by the Judicial Branch, in accordance with subdivision (3) of subsection (c) of section 49-31l, concerning notice of community-based resources to parties involved in foreclosure mediation with any notice to a mortgagor, as defined in said section 49-8a, of an intent to accelerate the mortgage loan.

[(b) A municipality shall include such form with any statements sent to a homeowner regarding an arrearage owed by the homeowner for public sewer or water services or for property taxes.]

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Approved June 19, 2013