

ACTS CONCERNING PROPERTY REVALUATIONS

The 2006 General Assembly passed a new public act (PA 06-183) that allows Hartford to phase out the 15% surtax on businesses and limit the residential property tax increase as a result of revaluation to 3.5% per year for the next five years. The governor signed this into law on June 7, 2006.

Essentially this allows the city to complete the revaluation of all property for October 1, 2006 without the large shift in taxes that would have otherwise occurred. Due to the increase in residential market values over the last five years, the tax burden would have been much

greater on those properties. A revaluation is mandated every five years for all cities and towns in Connecticut. Hartford conducted their last revaluation in 1999. The 2003 revaluation was completed and then postponed for three years to allow the city time to establish a process that would prevent large tax increases on residential property.

This legislation was the result of hard work from both city and state employees as well as members of the business community. All parties submitted many different versions and the final bill is an effective compromise. It fulfills the Mayor's goal of eliminating the business surtax while also limiting the tax increase for home-

owners and other residential property owners.

One additional public act that the General Assembly passed this year deals with the details of the revaluation process. It is Public Act 06-148. The main purpose of this act is to clarify many of the processes that assessors need to follow in order to comply with the State Statutes. It officially sets the revaluation cycle to 5 years (revised from 4) and it outlines the requirements regarding inspections, valuation notices and the penalties for failing to implement a required revaluation.

If you should have any questions, please contact Mr. Lawrence LaBarbera at (860) 757-9645, or visit the finance website.