

Sec. 12-62c. Municipal option to phase in assessment increases resulting from revaluation of real property. (a)(1) A town implementing a revaluation of all real property may phase in a real property assessment increase or a portion of such increase resulting from such revaluation, by requiring the assessor to gradually increase the assessment or the rate of assessment applicable to such property in the assessment year preceding that in which the revaluation is implemented, in accordance with one of the methods set forth in subsection (b) of this section. The legislative body of the town shall approve the decision to provide for such phase-in, the method by which it is accomplished and its term, provided the number of assessment years over which such gradual increases are reflected shall not exceed five assessment years, including the assessment year for which the revaluation is effective. If a town chooses to phase in a portion of the increase in the assessment of each parcel of real property resulting from said revaluation, said legislative body shall establish a factor, which shall be not less than twenty-five per cent, and shall apply such factor to such increases for all parcels of real property, regardless of property classification. A town choosing to phase in a portion of assessment increase shall multiply such factor by the total assessment increase for each such parcel to determine the amount of such increase that shall not be subject to the phase-in. The assessment increase for each parcel that shall be subject to the gradual increases in amounts or rates of assessment, as provided in subsection (b) of this section, shall be (A) the difference between the result of said multiplication and the total assessment increase for any such parcel, or (B) the result derived when such factor is subtracted from the actual percentage by which the assessment of each such parcel increased as a result of such revaluation, over the assessment of such parcel in the preceding assessment year and said result is multiplied by such parcel's total assessment increase.

(2) The legislative body may approve the discontinuance of a phase-in of real property assessment increases resulting from the implementation of a revaluation, at any time prior to the completion of the phase-in term originally approved, provided such approval shall be made on or before the assessment date that is the commencement of the assessment year in which such discontinuance is effective. In the assessment year following the completion or discontinuance of the phase-in, assessments shall reflect the valuation of real property established for such revaluation, subject to additions for new construction and reductions for demolitions occurring subsequent to the date of revaluation and on or prior to the date of its completion or discontinuance, and the rate of assessment applicable in such year, as required by section 12-62a.

(b) A town shall use one of the following methods to determine the phase-in of real property assessment increases or the phase-in of a portion of such increases resulting from the implementation of a revaluation:

(1) The assessment of each parcel of real property for the assessment year preceding that in which such revaluation is effective shall be subtracted from the assessment of each such parcel in the effective year of said revaluation, and the annual amount of incremental assessment increase for each such parcel shall be the total of such subtraction divided by the number of years of the phase-in term, provided if a town chooses to phase in a portion of the assessment increase for each real property parcel, the amount of such increase that is not subject to the phase-in shall not be reflected in said calculation; or

(2) The ratio of the total assessed value of all taxable real property for the assessment year preceding that in which a revaluation is effective and the total fair market value of such property as determined from records of actual sales in said year, shall be subtracted from the rate of assessment set forth in section 12-62a, and the annual incremental rate of assessment increase applicable to all parcels of real property shall be the result of such subtraction divided by the number of years of the phase-in term. Prior to determining such annual incremental rate of assessment increase, a town that chooses to phase in a portion of the assessment increase for each real property parcel shall multiply the result of said subtraction by the factor established in accordance with subsection (a) of this section, to determine the rate of assessment that shall not be subject to such phase-in; or

(3) The ratio of the total assessed value of all taxable real property in each of the following property classes for the assessment year preceding that in which a revaluation is effective and the total fair market value of such property in each class as determined from records of actual sales in said year, shall be subtracted from the rate of assessment set forth in section 12-62a, and the annual incremental rate of assessment increase applicable to all parcels of real property in each such class shall be the result of such subtraction divided by the number of years of the phase-in term, where such property classes are: (A) Residential property; (B) commercial property, including apartments containing five or more dwelling units, industrial property and public utility property; and (C) vacant land. In the event the assessor determines that there are no records of actual sales of real property in any such property class in said year or that the number of such actual sales is insufficient for purposes of determining a rate of increase under this subdivision, the annual incremental rate of assessment increase determined under subdivision (2) of this subsection shall be used for said property class.

(c) The assessment of any new construction that first becomes subject to taxation during an assessment year encompassed within the term of a phase-in shall be determined in the same manner as the assessment of all other comparable real property in said assessment year, such that the total of incremental increases applicable to such other comparable real property are reflected in the assessment of such new construction prior to the proration of such assessment pursuant to section 12-53a.

(d) Not later than thirty business days after the date a town's legislative body votes to phase in real property assessment increases resulting from such revaluation, or votes to discontinue such a phase-in, the chief executive officer of the town shall notify the Secretary of the Office of Policy and Management, in writing, of the action taken. Any chief executive officer failing to submit a notification to said secretary as required by this subsection, shall forfeit one hundred dollars to the state for each such failure.