

ARTICLE IV

Tax Incentive Program**[Adopted 5-29-2007; amended in its entirety 12-6-2017]****§ 247-8. Authority; administration.**

The Thomaston Tax incentive Program is established pursuant to C.G.S. §§ 12-65b and 12-65h, as may be amended, and shall be administered by the Board of Selectmen in cooperation with the Thomaston Economic Development Commission, with support from the Planning and Zoning Commission, Assessor and Tax Collector.

§ 247-9. Statement of purpose.

The purpose of the Thomaston Tax Incentive Program (the "Program") is to attract, retain and expand qualified businesses, to create employment opportunities, and to promote responsible economic growth to ensure Thomaston's future as a desirable community in which to live and work.

§ 247-10. Eligibility.

- A. The Town of Thomaston may enter into written tax agreements with the owners and/or lessees of real property adjusting the assessments of real property improvements to be dedicated and used for any of the following purposes:
- (1) Office facilities;
 - (2) Retail businesses or any property to be rehabilitated for retail use;
 - (3) Recreation, including sports and tourism facilities;
 - (4) Transportation facilities and associated parking structures;
 - (5) Warehousing, storage and distribution facilities;
 - (6) Manufacturing firms as defined in the Economic Development and Manufacturing Assistance Act of 1990, as amended, including research and development facilities;
 - (7) Hospitals and other health care facilities as defined in C.G.S. § 19a-506c, as amended;
 - (8) Multiunit housing developments of four or more dwelling units;
 - (9) Mixed-use developments as defined in C.G.S. § 8-13m, as amended.
- B. Only legally existing uses and facilities, or facilities approved for such uses by the Planning and Zoning Commission, are eligible to participate in the Program. Home occupations, most residential uses, and other uses which do not fall within the above categories are not eligible to be considered for the Program.
- C. Benefits granted through any state incentive programs shall be applied prior to local abatements.

§ 247-11. Tax abatement schedule.

- A. The Board of Selectmen may enter into a tax agreement with any party owning or proposing to acquire an interest in real property in the Town of Thomaston, adjusting the assessment of the real property; which is the subject of the agreement; and all improvements thereon or therein and to be constructed thereon or therein, subject to any of the limitations in the tables below. The tables list the minimum value of an improvement that qualifies a project for an abatement as well as the maximum abatement amount and the maximum abatement period.
- B. Real property tax incentive options.
 - (1) The following tables, in combination with bonus abatement credits and conditions in § 247-12, shall be used as guidance by the Economic Development Commission in the final determination of abatement term recommendations to the Board of Selectmen.

Table "A"				
Value of Improvements; Eligible Years of Abatement				
Min. Value of Improvements	\$25,000+	\$250,000+	\$2,500,000+	\$5,000,000+
Abatement Duration (Years)	3	5	7	10

Table "B"										
Annual Percentage of Tax Abatement Eligibility For Real Estate and Personal Property New to Town Grand List										
Years/ Percentage Abatement	1	2	3	4	5	6	7	8	9	10
3	75%	40%	25%	0	0	0	0	0	0	0
5	75%	50%	40%	25%	25%	0	0	0	0	0
7	85%	75%	60%	40%	40%	25%	25%	0	0	0
10	90%	85%	75%	75%	50%	50%	40%	40%	25%	25%

- (2) The Board of Selectmen shall determine the specific abatement for each project based upon the benefits to the Town. The final valuation shall be determined by the Town of Thomaston Assessor.

§ 247-12. Application.

- A. Any eligible owner and/or lessee may apply under the Program in writing to the Economic Development Commission by filing the "Application for Tax Abatement under the Tax Incentive Policy." The applicant shall provide all required information in sufficient detail to allow the Economic Development Commission to determine costs and benefits associated with the implementation of the requested tax agreement. Personal or confidential financial information shall be submitted on a confidential addendum which, together with tax returns, financial statements, trade secrets or other

proprietary information, shall not be subject to public inspection or disclosure under the Freedom of Information Act, C.G.S. Ch. 14.

- B. On the recommendation of the Economic Development Commission, the Board of Selectmen may enter into a tax agreement under this policy only if the proposed agreement will:
- (1) Cause a business to locate in Thomaston;
 - (2) Cause a business to replace expand or remodel existing buildings;
 - (3) Cause a business to construct new buildings;
 - (4) Cause an increase in or preserve existing employment opportunities.
 - (5) Cause a substantial investment in new equipment or other personal property subject to taxation;
 - (6) Cause a business to utilize a distressed or abandoned property;
 - (7) Cause a property owner to make a significant rehabilitation investment within the Downtown Development District;
 - (8) Provide a product, need or service to the local community; or
 - (9) Improve or renovate historic structures.
- C. In addition to the foregoing, the Board of Selectmen may consider the following factors:
- (1) Compatibility of the proposed project with the Town's resources and infrastructure, including roads and utilities; and
 - (2) The proposed project developer/owner's business, zoning, safety, and environmental track record.
- D. Within the uses specified in § 247-10, priority will be given to those applications which are or propose to locate in the Downtown Development District as shown on the Thomaston Zoning Map and/or which propose to use or rehabilitate existing commercial and industrial buildings.
- E. If the applicant is a lessee, or if an owner is applying on behalf of a lessees, tax benefits shall accrue to the benefit of the lessee, shall be reflected in a recorded lease with a term equal to, or greater than, the period for which benefits shall accrue, and shall be so demonstrated to the Board of Selectmen.
- F. To the extent feasible, the applicant shall commit to hire Town residents for new positions created as a result of the proposed project. Up to an additional 5% abatement each year for the term of the abatement may be awarded for creation of a minimum of 10 new permanent jobs within the Town and retention of these jobs for the term of the abatement. A further 5% per year for the term of the abatement may be awarded if at least 35% of 10 minimum new jobs created are filled and maintained for the term of the abatement by Thomaston residents. Annual employment reporting shall be required to confirm the terms of these additional abatements.

- G. Applicants shall estimate the number of anticipated new hires, the skills required and the timing of new hires.
- H. Applicants shall provide a copy of its affirmative action/hiring statement or plan.
- I. The applicants shall provide architectural plans for any proposed new construction or improvements within the Downtown Development District. Up to an additional 10% abatement for the term of the total abatement may be granted for improvements reflecting the architectural history and historic character of the Town of Thomaston, and upon favorable recommendation from the Thomaston Historical Commission.
- J. In no cases shall a total tax abatement exceed 90% of real estate or property new to the grand list in any year.

§ 247-13. Procedure.

- A. The Economic Development Commission with the advice of the Assessor and the Planning and Zoning Commission shall review and evaluate each tax incentive application. After thorough review by the Commission, the application, along with a written analysis, shall be referred to the Board of Selectmen. After review, the Board of Selectmen may submit any application recommended to a Town Meeting for final action, reject the application, or refer it back to the Commission for additional information. The final form of agreement must be reviewed by Town Counsel prior to final action by the Town Meeting.
- B. The Board of Selectmen may modify, amend, or waive the terms of the agreement in keeping with the intent and purpose of the Program and the best interests of the Town of Thomaston.
- C. There is no right to appeal under this article.

Figure A: Tax Abatement Qualified Activities Checklist

<input type="checkbox"/> Cause a new business to locate in Thomaston (1)	OR	<input type="checkbox"/> Existing business in in Thomaston
<input type="checkbox"/> Cause a business to construct new buildings (3)	AND OR	<input type="checkbox"/> Cause a business to replace, expand or remodel existing buildings (2)
		<input type="checkbox"/> Cause a business to utilize a distressed or abandoned property (6)
		<input type="checkbox"/> Cause a property owner to make a significant rehabilitation investment within the Downtown Development District (7)
		<input type="checkbox"/> Improve or renovate historic structures (9)
<input type="checkbox"/> Cause an increase in or preserve existing employment opportunities (4)		
<input type="checkbox"/> Cause a substantial investment in new equipment or other personal property subject to taxation (5)		
<input type="checkbox"/> Provide a product, need or service to the local community (8)		

§ 247-14. Conditions of approval.

- A. Improvements shall be completed within 24 months of approval and signing of any such tax agreement. In the event that improvements are not completed within the specified time frame, then any agreement entered into pursuant to this policy shall immediately terminate and the full amount of the tax, including accrued interest, that would otherwise be due shall immediately become due and payable, unless alternative arrangements are authorized in writing by the Board of Selectmen.
- B. If an applicant fails to comply with the payment of taxes upon the due date determined by the Board of Selectmen, then any agreement entered into pursuant to this policy shall immediately terminate and the full amount of the tax, including the accrued interest that would otherwise be due shall immediately become due and payable.

- C. Any person or firm who or which is delinquent in any taxes and/or fees due the Town of Thomaston or the State of Connecticut or in violation of local zoning or inland wetlands regulations at the time of application shall be ineligible for abatement approval under this policy.
- D. Any tax assessed and levied upon motor vehicles shall not be subject to any such agreement pursuant to this policy.
- E. The applicant agrees to maintain and make available upon request to the Assessor supporting documentation, including but not limited to income tax returns, business records, Invoices, bills of sale, and bills of lading pertaining to the improvements for which the applicant is claiming exempt status.

§ 247-15. Tax assessment agreement.

- A. Any tax agreement entered into pursuant to this policy shall not be subject to assignment or transfer without the prior written consent of the Board of Selectmen. In the event that any such agreement is assigned or transferred without the written consent of the Board of Selectmen, the agreement shall terminate as of the effective date of assignment or transfer, and the full amount of the tax that would otherwise be due the Town of Thomaston shall immediately become due and payable.
- B. Any tax agreement entered into pursuant to this policy shall be recorded in the Thomaston land records and shall constitute a priority lien against the property benefited until the conditions of the tax abatement have been fulfilled and the agreement has expired.
- C. Any person or firm who or which becomes delinquent in any taxes and/or fees due the Town of Thomaston or the State of Connecticut or in violation of local zoning or inland wetlands regulations shall be considered in default of the agreement. Upon default under the terms of the agreement, or material misrepresentation in the application, the taxes abated shall immediately become due and payable, with interest as provided by law, and may be liened, and the lien may be foreclosed in the same manner as provided by law for tax property liens generally. All tax abatement agreements shall contain a provision that any business granted a tax abatement shall repay the Town the amount of any abatement contained in such agreement if such business does not meet the obligations contained within the agreement.
- D. Any tax agreement will commence either with the assessment date following the issuance of a certificate of occupancy or the partial year in which a certificate of occupancy is issued, on a pro-rated basis, at the option of the applicant. A partial year abatement shall be considered year one in accordance with § 247-11, Table B.

§ 247-16. General provisions.

- A. Nothing in this policy shall require the Town of Thomaston to enter into a tax agreement. The final decision as to any tax abatement is at the sole discretion of the Town of Thomaston.

- B. The Board of Selectmen may terminate an abatement granted hereunder prior to the expiration thereof in the event a fraud or misrepresentation by an applicant regarding any statements or representations contained in the application, addendum, or any supporting documentation.
- C. A tax agreement shall expire and terminate as provided herein or as set forth in the agreement.
- D. The Economic Development Commission is authorized to develop the application, addendum, agreement, and promotional and program materials and to develop policy regulations and guidelines, subject to approval by the Board of Selectmen.

ARTICLE V

Tax Payments, Refunds and Fees

[Adopted 3-31-2010; amended in its entirety 12-6-2017]

§ 247-17. Refunds.

Pursuant to C.G.S. § 12-129, the Tax Collector is authorized to retain any payment in excess of the amount due of any property tax, interest or lien fee payment which is less than \$5, whenever the Tax Collector determines that the administrative cost of issuing the refund is likely to exceed that amount of the refund.

§ 247-18. Payments.

Pursuant to C.G.S. § 12-144c, the Tax Collector is authorized to waive the payment of any property tax, interest or lien fee which is \$10 or less, whenever the Tax Collector determines that the administrative cost of collection is likely to exceed the amount due.

§ 247-19. Administrative fee for delinquent motor vehicle taxes.

Pursuant to C.G.S. § 12-166, the Tax Collector may charge an administrative fee of \$2, to be added to the tax levied on each motor vehicle when a motor vehicle tax is delinquent and a report concerning the vehicle subject of the delinquent tax is generated to the Connecticut Department of Motor Vehicles. The purpose of the fee is to defray the Tax Collector's administrative costs and to recover the Town's payment to the Commissioner of Motor Vehicles for participation in the reporting program. The amount of this administrative fee may be changed from time to time to be equal to the amount which the Town must pay per vehicle to the Commissioner of Motor Vehicles pursuant to C.G.S. § 14-33.

ARTICLE VI

Tax Liens**[Adopted 1-25-2012; amended in its entirety 12-6-2017]****§ 247-20. Assignment of tax liens.**

Pursuant to C.G.S. § 12-195h, the Tax Collector is authorized to assign for consideration such real property tax liens as deemed appropriate for assignment by the Tax Collector and the Board of Selectmen, the amount of such consideration to be determined by the Tax Collector and the Board of Selectmen.

ARTICLE VII

Required Filings**[Adopted 8-26-2015]****§ 247-21. Waiver of information reporting penalty.**

Effective with the grand list of October 1, 2014, and thereafter, rental property income and expense information required to be filed with the assessor pursuant to § 12-63c of the Connecticut General Statutes shall be requested by the assessor at least 45 days prior to the June 1 filing deadline. The information required for the calendar year preceding the deadline is due at the assessor's office on June 1. If the owner fails to file, or submits information in incomplete or false form with intent to defraud, the owner shall be penalized an amount equal to 10% of the assessment on the grand list preceding the June filing deadline. This penalty may be waived by the assessor if the current owner provides verification that the property was acquired after the assessment date to which such penalty would otherwise be applied. This penalty may also be waived if, on or before September 30 of said assessment year, such information is provided to the assessor which complies with § 12-63c of the Connecticut General Statutes.