

Stonington EDC Executive Summary

CGS 12-65b – A CT State statute establishing rules for municipal property tax abatement based on the dollar cost of improvements to real property.

Approval authority – vote of legislative body, Stonington Board of Selectman.

Eligible property types – Improvements for at least one of the following uses: (1) Office use; (2) retail use; (3) permanent residential use; (4) transient residential use; (5) manufacturing use; (6) warehouse, storage or distribution use; (7) structured multilevel parking use necessary in connection with a mass transit system; (8) information technology; (9) recreation facilities; or (10) transportation facilities.

Abatement threshold and duration – (1) Large scale project - maximum abatement of seven years - provided the cost of the improvements are not less than \$3,000,000; (2) Medium scale project – maximum abatement period of not more than two years - provided the cost of the improvements are not less than \$500,000; (3) Small scale project – to the extent of not more than 50% of such increased assessment, for a period of not more than three years provided the cost of such improvements is not less than \$25,000.

Abatement amounts – subject to agreement – from 1% to 100%

Comments – Towns use 12-65b to establish the abatement thresholds and durations and then on a case by case basis tailor abatement percentages.