



House of Representatives

File No. 718

General Assembly

February Session, 2026

(Reprint of File No. 336)

Substitute House Bill No. 5500
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
April 24, 2026

**AN ACT CONCERNING THE ABATEMENT OR REFUND OF INTEREST
ON DELINQUENT MUNICIPAL PROPERTY TAXES OR SEWERAGE
SYSTEM USE CHARGES OWED BY CERTAIN COMMON INTEREST
COMMUNITIES.**

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

- 1 Section 1. (NEW) (*Effective from passage*) (a) Notwithstanding the
2 provisions of chapter 204 of the general statutes, a municipality may, by
3 vote of its legislative body, (1) abate all or a portion of the total amount
4 of interest on any delinquent real property taxes owed to the
5 municipality by a common interest community, as defined in section 47-
6 202 of the general statutes, that is composed of more than five hundred
7 units, or (2) refund all or a portion of the total amount of such interest
8 paid on such taxes by such community, provided to be eligible for such
9 abatement or such refund pursuant to this section, such community
10 shall be in receivership pursuant to an order of the Superior Court.
- 11 (b) A municipal water pollution control authority may, by vote of the

12 authority, (1) abate all or a portion of the total amount of interest on any
13 delinquent sewerage system use charge owed to the municipality by a
14 common interest community, as defined in section 47-202 of the general
15 statutes, that is composed of more than five hundred units, or (2) refund
16 all or a portion of the total amount of such interest paid on any such use
17 charge by such community, provided to be eligible for such abatement
18 or such refund pursuant to this section, such community shall be in
19 receivership pursuant to an order of the Superior Court.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 27 \$	FY 28 \$
Various Municipalities	Potential Revenue Loss	Potential	Potential
Various Municipalities	Potential Cost	Potential	Potential

Explanation

The bill allows municipalities and water pollution control authorities to abate all or a portion of interest on certain delinquent property taxes owed by a common interest community that meets certain requirements. This results in a revenue loss to municipalities beginning in FY 27 that choose to abate any delinquent property taxes.

The bill also allows municipalities and water pollution control authorities to refund all or a portion of interest that has already been paid if the common interest community meets certain requirements. This results in a cost to municipalities beginning in FY 27 to the extent interest payments are refunded.

House "A" eliminates the original bill and its associated fiscal impact, and results in the impact described above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the number and value of abatements and refunds.

OLR Bill Analysis

sHB 5500 (File 336, as amended by House "A") *

AN ACT CONCERNING THE ABATEMENT OR REFUND OF INTEREST ON DELINQUENT MUNICIPAL PROPERTY TAXES OWED BY CERTAIN COMMON INTEREST COMMUNITIES.

SUMMARY

This bill allows municipalities, by a vote of their legislative bodies, to waive some or all of the interest on delinquent property taxes owed by a common interest community that has more than 500 units and is in a Superior Court-ordered receivership. Under the bill, municipalities may also refund all or some of the interest the common interest community has already paid.

The bill similarly allows water pollution control authorities to vote to waive or refund some or all of the interest on delinquent sewer system use charges that a qualifying common interest community owes or owed.

*House Amendment "A" adds the provision on water pollution control authorities.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/13/2026)