



**NOTE: Sections 12-94f and 12-94g are repealed, effective July 1, 2011**

Dear Taxpayer:

Connecticut General Statutes (CGS) §12-81(72) and (76) allows a five-year, 100% property tax exemption for certain new or newly-acquired machinery and equipment acquired (by purchase, lease, or self-construction) and installed in a facility after October 1, 2011. The predominant use of such machinery and equipment must be for manufacturing or biotechnology purposes. Machinery and equipment acquired and installed in a Material Resource Recovery Facility, or, a Volume Reduction Plant and predominantly used for recycling solid waste is also eligible for this exemption. All such eligible machinery and equipment must also be tangible personal property defined in §168(e) of the IRS code as either five-year or seven-year property.

In order to claim this property tax exemption, you must file **Form M-65, Manufacturing Machinery and Equipment Exemption Claim**, with this office on or before November 1, annually. This exemption may be granted for a five-year period following acquisition and installation of eligible property, but only if an annual application is filed. You must include the property for which you are seeking exemption on your Personal Property Declaration, which is also due to be filed with the Assessor by November 1, annually.

**Include ALL required information when completing the exemption claim.** Your Form M-65 must be COMPLETE and any attachments must be in the same format as the enclosed Form M-65. Please be sure that your business name is on all documents. Forms that are incomplete will not be processed. If a Form M-65 is incomplete and an exemption is denied, there is a very limited time period within which an applicant can furnish the missing information. After the time has elapsed, the exemption WILL BE DENIED.

**Failure to file the exemption claim form in the manner and form and within the time limit prescribed constitutes a waiver of the right to the exemption for the assessment year.**

Please note that:

- The Assessor may grant an applicant an extension (until not later than December 15<sup>th</sup>) to file Form M-65 upon receiving an applicant's request. A late filing fee is required unless the Assessor waives the fee. If the Assessor grants an extension of time to file the Personal Property Declaration, the filing deadline for Form M-65 is automatically extended.
- A maximum exemption term of five years is allowed for leased equipment acquired by a lessee from the lessor. A new five-year term of exemption does not begin with sale to the original lessee. If there is a balance of the five-year term left, the exemption may be allowed for that period only. The same limitations apply in the transfer of assets to a "related business" as defined in CGS §12-81(72).
- Construction in progress ("CIP") of eligible machinery and equipment will qualify for exemption under CGS §12-81(72) once installed. Until then, CIP is not taxable pursuant to CGS §12-71(b).
- Form M-65 is subject to review and adjustment by the Assessor and the Office of Policy and Management (OPM). If OPM makes an adjustment, notice will be sent to the claimant at the address entered on Form M-65 unless, subsequent to the date Form M-65 is filed; the claimant sends OPM a written request that any correspondence be sent to another name or address.

Owners of eligible property must complete the *Supplemental Form* that is part of the Personal Property Declaration they annually file. Since information on the Supplemental Form identifies the machinery and equipment eligible for this new property tax exemption, the Assessor **cannot apply this new exemption unless a Supplemental Form is correctly completed and submitted.**

If you have any questions concerning this matter, please call the Assessor's Office at 203-854-7888 or visit the Assessor's Office at 125 East Avenue, Room 106, Norwalk, CT 06851.