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Executive Order 7W Extends Tax Relief Programs to Quasi-Municipal Corporations and Revises Tax Relief Time Periods

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By Jessica Grossarth Kennedy

On April 9, 2020, Governor Ned Lamont issued Executive Order No. 7W (“Order 7W”) revising several aspects of Executive Order 7S (“Order 7S”) dated April 1, 2020. Order 7S directed municipalities to establish one or both of two new tax relief programs offered for taxpayers, businesses, nonprofits, and residents who have been economically affected by the COVID-19 pandemic (the “Programs”). The Programs include the Deferment Program and the Low Interest Rate Program, both of which are explained in detail in a Pullman & Comley, LLC alert dated April 3, 2020 that can be found [here](#). Below is a summary of the revisions to Order 7S:

Order 7W expands the requirements of the Programs to all “quasi-municipal corporations” that levy their own taxes or water, sewer or electric charges. Under Order 7W, “quasi-municipal corporations” are defined as entities created by statute, ordinance, charter, or special act, including but not limited to any town, city or borough, whether consolidated or unconsolidated, any village, school, sewer, fire, lighting, special services or special taxing districts, beach or improvement association, any regional water or resource recovery authority or any other political subdivision of the state or of any municipality having the power to make appropriations or to levy assessments or taxes. For “quasi-municipal corporations” located in a single municipality, the “quasi-municipal corporation” must follow the same Programs and eligibility determinations as the municipality in which it is located and is not required to notify the Secretary of the Office of Policy and Management (“OPM”) by April 25, 2020. For “quasi-municipal corporations” located in multiple municipalities, they must either adopt a program or Programs and apply it uniformly throughout the “quasi-

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municipal corporation” or apply within the boundaries of each municipality the same program or Programs used by such municipality and notify OPM of their decision by April 25, 2020. Additionally, Order 7W clarifies that the Programs apply to benefit assessments under Section 16a-40g of the Connecticut General Statutes.

Order 7W revises and replaces all 90-day time periods referenced in Order 7S to three (3) months because interest on past due taxes, utilities, or other assessments are calculated by the month, and not by the day. Order 7W also revises the references to March 10 in Order 7S to April 1 because the principal portion of the taxes is typically due on the first of the month, and not the tenth.

Please feel free to contact any member of our Public Finance team to assist you with interpreting the Governor’s Executive Orders or any actions your municipality should take as a result of the orders.

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