

ANNUAL INCOME AND EXPENSE REPORT (FOR THE YEAR ENDING DECEMBER 31, 2015)

THIS IS YOUR ONLY NOTICE TO FILE NO LATER THAN JUNE 1, 2016

PLACE MAILING ADDRESS LABEL HERE
RUN LABELS BY STATE CODES:
2-2, 2-3, 2-4, 2-5, 2-7, 3-2, 3-3, 3-4
AND
UID# 4086 AND 4098 AND 8516

DATE MAILED: April 1, 2016

PLACE PROPERTY LOCATION LABEL HERE

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The Assessor's Office is required by law to revalue all property in this municipality for the October 1, 2017 Grand List. In order to assess your real property equitably, information regarding the income and expenses related to your property is essential. Connecticut General Statutes (Section 12-63c) requires all owners of rental property to annually file the enclosed forms. Any information related to the actual rental and rental related income and operating expenses shall **not** be a public record and is **not** subject to public disclosure.

Please complete the enclosed forms and return them to this office no later than June 1, 2016. Extensions are granted for "good cause" only. If an extension is needed, your written request must state the reason for the extension, must be filed with this office no later than May 2, 2016 and then approved by this office.

In compliance with 12-63c (d) C.G.S., any owner of rental real property who fails to file this form by June 1, 2016 or files an incomplete form or files a false form with intent to defraud, shall be subject to a ten percent (10%) increase in the taxes for that property. (The penalty is also applicable to owner-occupied properties who do not file that they are owner-occupied.)

The required forms are also available on the Town of Guilford's website:
<http://www.ci.guilford.ct.us/pdf/i-&-e-forms.pdf>

If you are no longer the owner of the above-captioned property, please call and provide us with the new owner's name(s) and mailing address.

FOR 100% OWNER-OCCUPIED PROPERTIES			
If the real estate is 100% owner-occupied <u>and</u> there is <u>no</u> rental/lease income generated by this property then, in lieu of completing the enclosed forms, please sign (where indicated below), date and return this letter <u>no</u> later than June 1, 2016. However, if the property is rented/leased, partially rented/leased, rented/leased for a only a portion of the year or only partially owner-occupied, then the enclosed forms must be completed and filed <u>no</u> later than June 1, 2016. The owner or authorized agent, by his/her signature below, deposes that this affidavit has been read and understood. The maker of a false affidavit/statement shall be subject to such fines, penalties and/or imprisonment as provided by the law			
SIGNATURE	PRINT SIGNATURE	DATE SIGNED	SIGNER'S TELEPHONE/FAX/CELL NUMBER

PLEASE READ THE REVERSE SIDE OF THIS LETTER

WHY ARE WE REQUESTING YOUR INCOME AND EXPENSE INFORMATION?

Commercial property can be valued by one or more of the following appraisal methods: comparable sales, replacement cost and income.

When values are estimated by these methods, the replacement cost method tends to result in the highest value.

The comparable sales method is preferred.

But the sales comparison method is dependent upon sales.

Currently we are in a very slow commercial market with very few commercial sales.

So with the absence of commercial sales, the income method is the most appropriate method to value commercial property.

After all, most commercial property is generally bought for its income producing ability.

But in order to value property by the income method, we need your income and expense information.

Connecticut state law (Section 12-63b) allows the Assessor to request annual filings of the Income and Expense forms.

However, the Town of Guilford does not ask you to file these forms every year. We reasonably ask that you file them only for the two years before a revaluation.

Therefore, because we request these forms only for two years, it is even more important that you file these forms.

Important for the Town and important for you.

Connecticut state law (Section 12-63b) states that the assessor “shall consider the actual rental income” of a property “under the terms of an existing contract of lease”.

However, if you do not file these forms, then we have no way to consider your actual income and expenses.

Therefore it is in your best interest to file these forms.

Then there is the penalty pursuant to Connecticut state law (Section 12-63b).

If these forms are not filed by June 1st, then the assessment for your property must be increased by 10%.

Or in other words, if you do not timely file these forms, then your tax bill will be increased by 10%.

Even if your property is owner-occupied, the penalty will be applied if these forms are not timely filed. After all, how do we know if your property is owner-occupied unless you timely file these forms so indicating?

The Board of Assessment Appeals cannot waive this penalty. And there are Superior Court cases supporting the Town’s right to impose this penalty.

PLEASE FILE YOUR FORMS BY JUNE 1ST AND AVOID A PENALTY

THANK YOU