

Bond Case Briefs

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Town of Stratford v. Jacobelli

Supreme Court of Connecticut - August 18, 2015 - A.3d - 2015 WL 4727134

Town and its tax assessor brought action against owners of aircraft hangars located at airport for declaration that the hangars were subject to municipal taxation. The trial court rendered judgment in favor of town and assessor. Owners appealed.

The Supreme Court of Connecticut held that:

- Hangars were buildings subject to municipal taxation as real property;
- Hangars were not exempt as held in trust for State;
- Trial court did not clearly err in finding that owners failed to show a substantial measure of supervision and control over the hangars by the city; and
- Hangars were not exempt under statute requiring Office of Policy and Management to determine the amount due to each town for a municipally owned airport.

Portable aircraft hangars located on city land at airport were “buildings,” similar to sheds, which were enumerated in statute making buildings used for business and sheds liable to taxation and, thus, hangars were subject to municipal taxation as real property, where hangars had shed-like metal walls with wooden cross-beams mounted with studs, were affixed to the ground by means of heavy spikes driven through openings in the metal base into the asphalt paving, and, although the hangars were capable of being disassembled, it would have required much effort, as the spikes and boards would have to be removed and the walls collapsed.

Aircraft hangars were not exempt from municipal taxation as held in trust for the State or belonging to any general aviation airport or other airport, where airport was not a general aviation airport, and airport was not owned by the State or the State Airport Authority.

Trial court did not clearly err in finding that hangar owners failed to show a substantial measure of supervision and control over the hangars by the city such that ownership should more properly be placed with the city, although terms of owners’ occupancy pursuant to sublease and month-to-month lease with the city evinced some control by city over lessee’s access to the airport, where terms did not necessarily amount to substantial control over the hangars such that ownership of the hangars was more properly placed in the city, and each hangar was for the private use of their respective owners or occupants, some hangars could be purchased with various options, and owners could purchase their hangars from any supplier.

Aircraft hangars were not exempt from taxation under statute that required Office of Policy and Management to determine the amount due, as a state grant in lieu of taxes, to each town for a municipally owned airport, where there were no facts in the record to suggest that city submitted the assessed value of the hangars to the State, received a grant in lieu of taxes that took into consideration lost tax revenue relating to the hangars, and also sought to assess the hangars to the owners.

