

**Subject** Community land trust property classification

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## Overview

Allows community land trust units that are owned and occupied as a homestead to receive a classification rate of 0.75 percent. Under current law, these units are classified as residential homesteads and have a classification rate of one percent for the first \$500,000 of market value, and a rate of 1.25 percent on any value over this amount. The bill also allows these properties to qualify for property tax refunds.

## Summary

Section	Description
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1	<b>Community land trusts.</b>
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States that community land trust units that are owned and used as a homestead by the occupant can qualify for the 4d property tax classification.

**Effective date:** This section is effective beginning with assessment year 2024 and thereafter.

2	<b>Class 4.</b>
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Sets the classification rate at 0.75% for any community land trust unit that is owned and used as a homestead by the occupant, provided that (i) the community land trust owns the real property on which the unit is located, and (ii) the unit owner is a member in good standing of the community land trust.

**Effective date:** This section is effective beginning with assessment year 2024 and thereafter.

3	<b>Homestead.</b>
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Allows properties receiving the class 4d(2) classification under section 2 to qualify for property tax refunds.

**Section** **Description**

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**Effective date:** This section is effective for refund claims based on taxes payable in 2025 and thereafter.



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