

DOCKET NO: HHB-CV 17-6039384

SUPERIOR COURT

UNITES STATES POSTAL SERVICE
and 29 VALLEY LLP

JUDICIAL DISTRICT OF

V.

NEW BRITAIN

TOWN OF GREENWICH

AUGUST 18, 2021

MEMORANDUM OF DECISION ON ISSUE OF EXEMPTION, ESTOPPEL
PREVENTING CHANGE OF EXEMPTION AND ESTOPPEL AND LACK OF NOTICE

For many years the post office building in Greenwich, Connecticut had enjoyed tax exempt status as property belonging to the United States. In 2015 a new assessor began employment with the Town of Greenwich and determined that the post office building should no longer enjoy the federal exemption. In this case the plaintiffs appeal from the assessment under Connecticut General Statutes § § 12-117a and 12-119, alleging that this post office building is exempt from local taxation and seeking reimbursement for overpayment of taxes.

Procedural History

Both parties have previously moved for summary judgment. Those motions were denied by this court, Aronson, J., on June 24, 2020. On December 14, 2020, this court, Klau, J., ordered that the trial of this action was bifurcated with the exemption/estoppel issues to be tried first.

Judicial District of New Britain
SUPERIOR COURT
FILED

AUG 18 2021

ASSISTANT CLERK

*Electronic notice sent to all counsel & record.
Sent to Rptr of Judicial Decisions.
A. Jordan Jones 8/18/21*

Pursuant to the foregoing order, the parties filed a Joint Stipulation of Facts for Trial of Exemption/Estoppel/Notice Issues on April 5, 2021. The trial on the aforementioned issues took place on April 6, 2021 and the parties filed simultaneous post-trial briefs on May 14, 2021.

Stipulated Facts

The Joint Stipulation of Facts provides, inter alia, the following facts. The plaintiff, 29 Valley LLP ("Landlord"), on October 1, 2015 and October 1, 2016, was the owner of property located 500 Old Post Road, No. 3, Greenwich, ParcelID #0321991/S(" Subject Property"). The Subject Property is also known as 29 Valley Drive. The plaintiff, the United States Postal Service("USPS"), on October 1, 2015 and October 1, 2016, was the lessee of the "Demised Premises" at the Subject Property pursuant to a Lease dated May 26, 1993(the "Lease") and amended February 8, 1994("Amendment").

The Lease term commenced on May 26, 1993 with a forty year term and five five-year renewal options. A building and other improvements were constructed on a preexisting reinforced concrete slab foundation on the Subject Property by the USPS at the expense of the USPS and completed in 1995.

By letter dated January 4, 1994, the USPS through its attorney, Ruth L. Gottlieb, advised the Town of Greenwich of its interpretation of the Lease and discussed the Amendment. The letter provided, in part:

The Postal Service has been involved in discussions with the Town Attorney of Greenwich concerning the applicability of town and state building code requirements to the construction of the new West Putnam Station post office [the Subject Property]. Although in the summer of 1992 the Town conceded that the Postal Service is exempt from municipal zoning regulations, the Town has distinguished zoning laws from building code regulations, and now takes the position that our contractor is required to comply with the State Building Code. On December 22, I received a

letter from the Town Attorney which sets forth that office's view in detail; I am enclosing a copy.

In his letter, the Town Attorney premises his argument, in part, on his reading of the lease between the Postal Service and your clients and on his conclusion that as a lessee, the Postal Service does not take an ownership interest in the building that we are constructing. I have highlighted the language. . . In the view of the Town Attorney, because the Postal Service has no ownership position, the leased property is not under the exclusive jurisdiction of the government, and is accordingly subject to municipal regulation.

I believe the Town Attorney has misread the lease as well as the law. Article 5 of the lease provides that at the termination of the lease, all improvements placed on the Demised Premises by Tenant shall become the property of the Landlord. Article 6 states that all improvements shall become the property of Landlord and shall remain upon, and be surrendered with said premises, at the end of the term. The lease does not specifically state that until that time, title to the improvements will be held by the Postal Service. But, *it is clear when reading the lease as a whole, integrated document, that during the term of the lease the Postal Service acquires exclusive use and control of the improvements the Postal Service constructs.* In support of this, I note that your clients retain no control over the postal Services's use of the leased land; increases to rent are computed on the basis of the fair market rental value of the land; the Postal Service bears all expenses, taxes and fees in connection with the premises, including the improvements; the Tenant is required to indemnify Landlord from all liens, losses, and damages arising out of construction of the improvements; and the Postal Service may sublet all or a portion of the demised premises without Landlord's consent.

I am writing to request that the lease agreement be amended, by virtue of an amendment to Articles 5 and 6 or a sideletter, *to clarify that all improvements placed on the Demised Premises shall be the exclusive property of the Tenant during the term of the lease.* I make this request because the Postal Service wishes to resolve it's ongoing debate with the Town without the necessity for litigation. . .

Emphasis added.

The lease amendment referred to in Attorney Gottlieb's letter was executed on February 8, 1994 ("Amendment"), and provides, in part:

1. Section 5.03 of said Lease is deleted and the following sections 5.03 (a) and (b) are substituted in lieu thereof:

Section 5.03 (a) After the completion of any new building, as above set forth, Tenant, in addition to any other rights granted to it hereunder, shall have the right at any time and ;from time to time during the term hereof to substantially alter, renovate or modernize the then existing building in accordance with Article 6.

(b) Any and all building, alterations, additions and improvements placed upon the Demised Premises by Tenant during the term of this Lease, including renewals thereof shall during said term be the property of the Tenant

2. Section 6.01 of said Lease is deleted and the following Section 6.01 is substituted in lieu thereof:

Section 6.01. Tenant shall be permitted to make structural alterations, installations, additions, or improvements in or to the Demised Premises. All such structural alterations, installations, additions, or improvements in or to the Demised Premises shall be done at Tenant's sole expense and in full compliance with all governmental bodies having jurisdiction there over. *All alterations, installations, decorations, additions and improvements upon the Demised Premises . . . affixed to the realty, shall be the property of Tenant during the term of this Lease, including renewals thereof, and shall become the property of Landlord and shall remain upon, and be surrendered with, said premises as a part thereof at the end of the term or renewal term, as the case may be.*

The plaintiff, 29 Valley LLP, received title to the Subject Property via Quit Claim Deed dated May 15, 1998. By partnership resolution of the Central Land Company of Greenwich dated May 15, 1998, Pasquale M. Cecio, Jr. was authorized to execute all documents necessary to transfer title to the Subject Property and assigned the Lease for no consideration to the plaintiff, 29 Valley LLP, a partnership controlled by the Cecio family.

In 2005 Louise Cecio of 29 Valley LLP requested a Certificate of Insurance from the USPS. The USPS responded with a letter stating, in part:

[Please be advised that the Postal Service is an independent establishment of the executive branch of the Government of the United States, (39 U.S.C. Section 2019) and as such is self-insured. The Federal Tort Claims Act and other applicable federal statutes govern the limits of liability of the Postal Service. Therefore, we are unable to comply with your request for a Certificate of Insurance.

Prior to October 1, 2015 the Subject Property was carried by the Greenwich Assessor as two lots: Parcel 1676 and Parcel 1728. The two parcels together were 2.81 Legal Acres and noted as "Land supporting post office." The Assessor carried a separate Parcel Number 4531 for the Subject Property Building and Site Improvements only for the Post Office and noted on the Assessor's card for Parcel 4531 that the "[i]mprovements straddle two parcels(03-1676 and 03-1728/S)."

As part of a town wide 2015 Revaluation, the Assessor reexamined the assessment of the Subject Property and assessed the value of the land and building as taxable. For at least as far back as 2005 the value of the building and other improvements had not been deemed as taxable. The land on the Grand List of October 1, 2016 was \$12,547,570, indicating a fair market value of \$17,925,100 allocated as \$8,732,100 for the land, \$9,193,000 building and other improvements.

Prior to October 1, 2015, the Assessor designated Parcel 4531 as "EXEMPT." Although the Post Office building was valued on Parcel 4531 Assessor Card at \$8,948,100, it was not taxed. The 2.81 acres of land on which the Building was constructed was taxed as Parcel 1676 and Parcel 1728.

On or prior to October 21, 2015, the Assessor merged the 3 parcels designated as 1676, 1728, and 4531 and designated one taxable combined building and land (2.81 acres) parcel: Parcel 2199. Thus, beginning with the 2015 Grand List, the building was deemed taxable by the Assessor.

Prior to the implementation of the change in assessment on the October 1, 2015 Grand List, a Preliminary Assessment Change Notice was sent to 29 Valley LLP c/o Cecio Management c/o US Postal Service - Att Lynn Swider, 6 Griffin Rd. North, Windsor, Connecticut. That notice is undated and does not advise that there has been a change in exemption status. Instead, it says, "Please note that the new assessment does not reflect any exemptions or credits."

By letter dated February 26, 2016, the Assessor, Lauren Elliott, Esq., CCMA II, sent a 2015 Revaluation - Final Assessment Notice to 29 Valley LLP c/o Cecio Management c/o US Postal Service - Att Lynn Swider, 6 Griffin Rd. North, Windsor, Connecticut. . This notice states that the October 1, 2014 assessed value of "your property"(without any assessor card number) is \$6,263,670 and the October 1, 2015 assessed value of "your property"(without any assessor card number) is \$12,547,570. The Notice does not advise that the Assessor has terminated the USPS exemption. It does advise that any appeal to the Board of Assessment Appeals must be filed no later than March 21, 2016.

In July 2016, the Town of Greenwich sent a tax bill for the 2015 Grand List based on the assessment figures contained in the Preliminary Assessment Change Notice and the 2015 Revaluation Final Assessment Notice. The plaintiffs did not apply to the Board of Assessment Appeals in 2016. This court finds that the reason for the plaintiffs' failure to so apply was their lack of notice that the USPS exemption had been terminated. The plaintiffs commenced this action on or about May 15, 2017 after timely applying to and receiving a March 17, 2017 denial from the Board of Assessment Appeals on the October 1, 2016 Grand List.

In 2014, 2015 and 2016 29 Valley LLP did not take any depreciation for federal or state income tax purposes regarding the land, improvements or buildings on the Subject Property.

Exemption

Connecticut General Statutes § 12-81 lists property that is exempt from the real estate property tax,: "[t]he following-described property shall be exempt from taxation: (1) **Property of the United States.** Property belonging to, or held in trust for, the United States, the taxation of which has not been authorized by Congress. The USPS argues that the language of the Lease and the

Amendment clearly establish that the building and improvements on the Subject Property belong to the USPS. The court agrees.

Is "belonging to" as used in the statute, synonymous with ownership? The Connecticut Supreme Court considered this issue in *Consolidated Diesel Electric Corp. v. City of Stamford*, 156 Conn.33, 238 A.2d 410 (1968). In *Consolidated Diesel*, the plaintiff manufactured power equipment in Stamford. The contract between the plaintiff and the United States Air Force provided that title to all material, goods, and inventory produced by the plaintiff would vest in the federal government. The court had to address whether the city had the power to tax the parts, materials and work in progress possessed by the manufacturer but to which title had vested in the United States. The court concluded that "when title vested in the United States government, the government became the owner of the property as that term is used in our taxing statutes. Title to property means in its ordinary sense the right to, or ownership in, the property." *Id.* at 37.

The USPS believed that the ownership issue with respect to the buildings built by the USPS on the Subject Property was resolved between the parties in 1994 when Attorney Gottlieb advised the Town of Greenwich as follows:

But, it is clear when reading the lease as a whole, integrated document, that during the term of the lease the Postal Service *acquires exclusive use and control of the improvements the Postal Service constructs*. In support of this, I note that your clients retain no control over the postal Services's use of the leased land; increases to rent are computed on the basis of the fair market rental value of the land; the Postal Service bears all expenses, taxes and fees in connection with the premises, including the improvements; the Tenant is required to indemnify Landlord from all liens, losses, and damages arising out of construction of the improvements; and the Postal Service may sublet all or a portion of the demised premises without Landlord's consent.

See Page 3 above.

In order to clarify the ownership issue, the Lease was amended in 1994 to provide that "Any and all buildings, alterations, additions and improvements placed upon the Demised Premises by Tenant during the term of this Lease, including renewals thereof, shall during said term be the property of the Tenant." Amendment, § 5.03(b). See p. 4 above. Attorney Gottlieb hoped that Amendment would obviate the need for litigation.

Unfortunately, litigation between the Town of Greenwich and the USPS ensued almost immediately after the Amendment and resulted in *United States Postal Service v. Town of Greenwich, et al*, 901 F. Supp 500 (1995). The issue in that case, as in this one, turned on the ownership of the buildings on the Subject Property. The contract between the USPS and its contractor provided that state and local building codes did not apply to "Postal Service-owned properties but generally do apply to Postal Service-leased properties." 901 F. Supp. at p. 502. The USPS took the position that the buildings it wished to construct on the Subject Property were Postal Service-owned improvements on leased property and not subject to building code regulations.

Judge Arteron's decision acknowledges the existence of the Lease and the Amendment, and assumes that the USPS will build its building(s) on leased land, that the Lease is for forty years with five five-year renewal options, that the Amendment specifically provides that the buildings on the leased land will be the property of the USPS and that at the end of the Lease term any improvements will become the property of the Landlord. The decision provides, in part:

The Court begins its analysis by turning to the applicability vel non of this state building code enforcement statutory scheme to post offices. The United States Constitution authorizes Congress to establish post offices. U.S. Const. art. I, § 8, cl. 7 ("The Congress shall have Power . . . To establish Post Offices and post Roads."). Accordingly, Congress enacted the Postal Reorganization Act, which established the United States Postal Service as "an independent establishment of the executive branch of the Government of the United States," 39 U.S.C. § 201 (1993), to provide

Postal services. 39 U.S.C. § 403 (general duties of Postal Service). The Postal Service has the right to establish and maintain postal facilities so that patrons throughout the country will "have ready access to postal services." 39 U.S.C. § 403(b)(3) (1993). The Postal Service has the right to determine the need for post office and facilities, 39 U.S.C. § 404(a)(3), and may acquire and lease real property in this purpose. 39 U.S.C. § 401(5). The Postal Service also has the power "to construct, operate, lease, maintain buildings, facilities, equipment, and other improvements on any property owned or controlled by it." 39 U.S.C. § 401(6) (1993).

That decision goes on to observe that the Supremacy Clause of the United States Constitution shields activities of federal installations such as post offices "unless Congress proves 'clear and unambiguous' authorization for such regulation." *Id.* p. 505. It continues:

In order for federal governmental instrumentalities to be subject to state or local taxes or regulations, Congress must give such authorization in clear and unambiguous language. McCulloch v. Maryland, 17 U.S. 316, 4 Wheat. 316, 4 L. Ed. 579 (1819); United States v. County of Allegheny, 322 U.S. 174, 177, 88 L. Ed. 1209, 64 S. Ct. 908 (1944) ("But unshaken, rarely questioned, . . . is the principle that possessions, institutions, and activities of the Federal Government itself in the absence of express congressional consent are not subject to any form of state taxation.", Hancock v. Train, 426 U.S. at 179 (no clear declaration by Congress requiring federal installations to obtain state air pollution permits). The Town has offered no evidence that Congress has granted clear, unambiguous authorization for post offices to be subjected to building code regulations or permit fees. See Middletown Township v. NIE Regional Office, US. Postal Service, 601 F. Supp. 125, 127 (D.N.J. 1985) ("Township of Middletown has not brought to the court's attention any evidence of congressional intent to subject federal instrumentalities such as the Postal Service to local zoning regulations. "

Courts have consistently held that the local municipalities cannot regulate the *United States Postal Office* regarding its opening of post offices. See *Id.* (zoning ordinances) ; *Stewart v. US. Postal Service*, 508 F. Supp. 112, 115 (N.D. Cal. 1980) (zoning ordinances); *Crivello v. Board of Adjustment of Borough of Middlesex*, 183 F. Supp. 826 (D.N.J. 1960) (zoning ordinances). Although the cases cited involved the imposition of zoning ordinances, the same legal basis applies to building code regulations and permit fees:

If the Postmaster General, pursuant to and in the exercise of the authority vested in him by congressional enactment, contemplates the erection of a post office on the proposed site, his authority may not be restricted by local ordinance.

Crivello, 183 F. Supp. at 829.

For these reasons, the Court grants the Postal Service's Motion for Summary Judgment and declares that the Town may not impose the state building code or the building permit fee schedule on the Postal Service in connection with the West Putnam Station

United States Postal Service v. Town of Greenwich, et al, 901 F. Supp 500, 505 (1995). Emphasis added.

As in *United States Postal Service v. Town of Greenwich, supra*, the Town here has provided no evidence that "Congress has granted clear, unambiguous authorization for post offices to be subjected to" local taxation.

The court in *United States Postal Service v. Town of Greenwich, supra*, found the clear language of the Lease and Amendment dispositive as to the issue of whether the buildings on the Subject Property were "Postal Service-owned improvements on leased land." Neither the Lease, Amendment, nor law has changed since that time. Nevertheless, the Town seems to ignore that decision and continues to argue that the USPS buildings and improvements on the leased land for which USPS paid, for which the owner of the land takes no depreciation, and for which the USPS is self-insured for liability, is owned by the Landlord and not the USPS.

The Town ignores the provisions of the Amendment which clarify that "Any and all building, alterations, additions and improvements placed upon the Demised Premises by Tenant during the term of this Lease, including renewals thereof, shall during said term be the property of the Tenant." Amendment § 5.03(b). Instead it parses various words and phrases in the Lease, such as "demised premises," to somehow support its argument that the USPS does not own the buildings and improvements. It also relies on the language of the § 6.01 of the Amendment which provides that

all improvements on the Demised Premises "shall become the property of Landlord and shall remain upon, and be surrendered with, said premises as a part thereof at the end of the term or renewal term, as the case may be." It argues, apparently, that since the Landlord will own the building and improvements in 2033 (or as late as 2058 if all renewals are exercised), then the Landlord must own them now. In light of the clear language of the Lease and Amendment as to the present ownership of the building and improvements and the decision in *United States Postal Service v. Town of Greenwich, supra*, the court cannot credit this argument. The Town may revisit the ownership issue in 2033-2058 when the Landlord may own the building and improvements. Until then, it is clear that the building and improvements on the Subject Property belong to the USPS.

The Town also argues that the owner of the land is determinative of the tax-exemption on the building and that land and buildings cannot be separated for tax purposes. This runs counter to Connecticut General Statutes § 12-89 and *Russell v. City of New Haven*, 51 Conn. 259 (1883).

Connecticut General Statutes § 12-89 requires separation of buildings from land where one is exempt and the other is not. It provides that town assessors "shall determine what part, if any, of the property claimed to be exempt by the organization shall be in fact exempt and shall place a valuation upon all such property, if any, as is found to be taxable. . ." Indeed, the parties have stipulated that from 2005 to 2015, the Town of Greenwich Tax Assessor has separated the land and the buildings for tax purposes.

In *Russell v. New Haven, supra*, Trinity Church, a tax exempt entity, leased a portion of its land to an insurance company. The court held that the lessee owned the building, which was taxable, while the land on which the building stood was not.

Based on the foregoing, the court finds that the buildings and improvements on the Subject

Property belong to the USPS within the meaning of Connecticut General Statutes § 12-81(1) and the Supremacy Clause of the United States Constitution, and are, therefore, exempt from taxation.

Estoppel Preventing Change in Exemption

A review of the lengthy prior proceedings in this case reveals that the USPS received a tax exemption for its post office building when it was constructed in 1993-95. The Town did not stipulate to the twenty-two years of continuous exemption due to an inability to access records prior to 2005. However, it is logical to infer from the history of the Subject Property and the decision in *United States Postal Service v. Town of Greenwich, supra*, that the building has been exempt from property taxes since it was built.

The USPS argues that the Town is estopped from removing the exemption status of the building on the Subject Property. As this court has found that said building is exempt from taxation under Connecticut General Statutes § 12-81(1) and the Supremacy Clause of the United States Constitution, it may not be necessary to address this issue. However, the court will address it briefly.

The USPS argues that for twenty-two years the Town exempted the building on the Subject Property from real property taxes. The condition and ownership of that building, which was constructed by the USPS, has not changed in those twenty-two years. There was no reason to believe that the building would lose its exemption absent a change in ownership or a change in the law.

The United States Supreme Court addressed the issue of municipal estoppel in *Town of Essex v. New England Telegraph Co. of Mass.*, 239 U.S. 313(1915). In that case the court estopped the town from pursuing a trespass action where more than 20 years earlier the town had acquiesced in the construction of the(allegedly trespassing)poles and the telegraph company spent large sums of money constructing the poles and the telegraph business was an integral part of interstate commerce.

The Town argues that municipal estoppel applies when there is misrepresentation or encouragement by the Town. In this case the Town's exemption of post office building for at least ten, and probably twenty-two years, certainly constituted the representation by the Town that the post office building was exempt from local taxation.

Estoppel as to Appeal of the Assessment on the 2015 Grand List

Prior to October 1, 2015, the Subject Property was carried by the Greenwich Assessor as two lots: Parcel 1676 and Parcel 1728. The two parcels together were 2.81 Legal Acres and noted as "Land supporting post office." The Assessor carried a separate Parcel Number 4531 for the Subject Property Building and Site Improvements only for the Post Office and noted on the Assessor's card for Parcel 4531 that the "[i]mprovements straddle two parcels(03-1676 and 03-1728/S)."

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Prior to the implementation of the change in assessment on the October 1, 2015 Grand List, a Preliminary Assessment Change Notice was sent to 29 Valley LLP c/o Cecio Management c/o US Postal Service - Att Lynn Swider, 6 Griffin Rd. North, Windsor, Connecticut. That notice is undated and does not advise that there has been a change in exemption status. Instead, it says, "Please note that the new assessment does not reflect any exemptions or credits."

By letter dated February 26, 2016, the Assessor, Lauren Elliott, Esq., CCMA II, sent a 2015

Revaluation - Final Assessment Notice to 29 Valley LLP c/o Cecio Management c/o US Postal Service - Att Lynn Swider, 6 Griffin Rd. North, Windsor, Connecticut. This notice states that the October 1, 2014 assessed value of "your property"(without any assessor card number) is \$6,263,670 and the October 1, 2015 assessed value of "your property"(without any assessor card number) is \$12,547,570. The Notice does not advise that the Assessor has terminated the USPS exemption. It does advise that any appeal to the Board of Assessment Appeals must be filed no later than March 21, 2016.

In July 2016, the Town of Greenwich sent a tax bill for the 2015 Grand List based on the assessment figures contained in the Preliminary Assessment Change Notice and the 2015 Revaluation Final Assessment Notice. The plaintiffs did not apply to the Board of Assessment Appeals in 2016. This court finds that the reason for the plaintiffs' failure to so apply was their lack of notice that the USPS exemption had been terminated. The plaintiffs commenced this action on or about May 15, 2017 after timely applying to and receiving a March 17, 2017 denial from the Board of Assessment Appeals on the October 1, 2016 Grand List.

USPS argues that the Town's failure to timely alert it that the exemption on the post office building had been terminated estops the Town from applying the exemption to the 2015 Grand List. In *Cortese v. Planning & Zoning Board of Appeals*, 274 Conn.411, 418, 876 A.2d 540 (2005) the court articulated Connecticut law on municipal estoppel. The burden of proof is on the claimant to satisfy four requirements. First, the municipal agent must have done something calculated to induce the claimant to believe that certain facts exist and the claimant must act on that belief. Second, the claimant must exercise due diligence to ascertain the truth. Third, the claimant must change its position in reliance on the facts derived from the municipal official's action. Finally, the claimant

will suffer a substantial loss.

In this case the February, 2016 Revaluation Notice misled the USPS into believing that there had been no change in exemption status. This notice states that the October 1, 2014 assessed value of "your property"(without any assessor card number) is \$6,263,670 and the October 1, 2015 assessed value of "your property"(without any assessor card number) is \$12, 547,570. The Notice does not advise that the Assessor has terminated the USPS exemption. To the contrary, it states: "Please note that the new assessment does not reflect any exemptions or credits." The new assessed value did not alert the USPS to the termination of the exemption because exempt properties are carried on Grand Lists as fully assessed even though taxes are not imposed. See Connecticut General Statutes § § 12-109 and 12-120a.

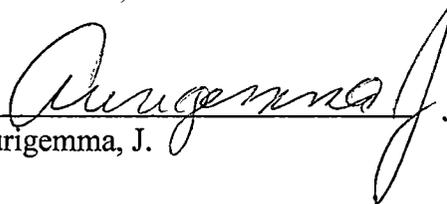
The USPS argues that it never had any explicit notice that the exemption of at least ten years' duration had been terminated. The first implicit notice it received was the July, 2016 tax bill from which the USPS could deduce the exemption had been terminated because of a increase in the amount of taxes due. It further argues that such notice did not comply with due process.

There is no statute that requires a Town to send a notice of the termination of a § 12-81(1) exemption, That may well be because such exemptions are generally not terminated absent a change in ownership or change in the law. Neither such change occurred in this case. Connecticut General Statutes § 12-62(c) requires specific notice if the assessor changes a valuation from what the revaluation company established, and Connecticut General Statutes § 12-99 requires an express termination notice where the assessor terminates a forest land exemption. An owner such as the USPS is certainly entitled to adequate, specific notice where its property has been subject to a 12-81(1) exemption for at least ten years and nothing such as an ownership change has occurred to alert

it to a possible change in exemption status. That notice was not given in this case. The USPS did not timely appeal the 2015 Grand List valuation because it had no notice of a change in exemption status.

The court applies the aforementioned estoppel principles to bar the Town from asserting its special defense that the statute of limitations bars the plaintiffs from including the 2015 Grand List in its pending appeal of the 2016 Grand List and subsequent grand lists. It would be inequitable to prevent the USPS from now litigating the change in exemption status on the 2015 Grand List.

By the court,


Aurigemma, J.