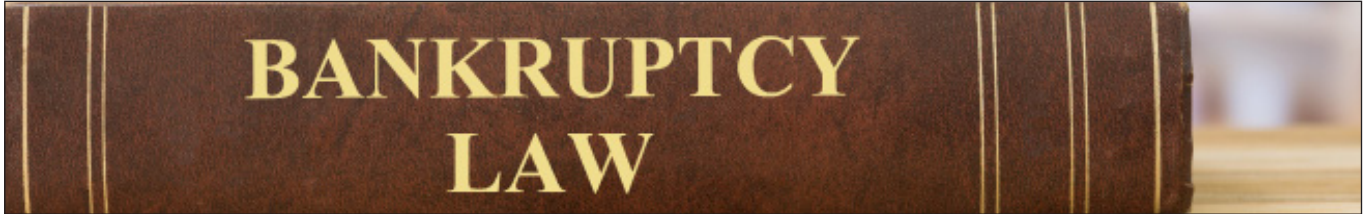


NEWS ALERT**BANKRUPTCY & CREDITORS' RIGHTS****CT Quietly Increased Its Homestead Exemption Significantly**

By Robert E. Kaelin | October 21, 2021

In 1993, Connecticut enacted a homestead exemption permitting an exemption in the equity in one's home (primary residence) up to \$75,000. This was significant at the time because Connecticut did not previously have any homestead exemption. The homestead exemption is a legal provision that shields equity in a home from some creditors and can be a significant exemption in the event of personal bankruptcy. Homestead exemptions vary from state to state, with some states having an unlimited exemption.

Now, almost 30 years later, Connecticut has significantly increased its homestead exemption to \$250,000 in one's primary residence. For a married couple, jointly owning the home, this means they now can preserve up to \$500,000 in the equity in their home. On July 12, 2021 Governor Ned Lamont signed into law [An Act Concerning Property That Is Exempt From A Judgment Creditor, HB 6466](#) (amending Conn. Gen. Stat. § 52-352b).

Effective October 1, 2021, the law increases Connecticut's homestead exemption to \$250,000; it also increases the motor vehicle exemption to \$7,000, and creates an exemption for the cash surrender value of life insurance policies.

For more information on Connecticut's homestead exemption, please contact:

Robert E. Kaelin at 860.240.6036 or rkaelin@murthlaw.com