



General Assembly

February Session, 2000

Bill No. 5241

LCO No. 1024

Referred to Committee on Finance, Revenue and Bonding

Introduced by:

REP. WARD, 86th Dist.

SEN. EADS, 30th Dist.

An Act Exempting The Teachers' Retirement System From The Tax On Net Subscriber Charges Of Health Care Centers.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-202a of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 (a) Each health care center, as defined in section 38a-175, shall pay a
4 tax to the Commissioner of Revenue Services for the calendar year
5 commencing on January 1, 1995, and annually thereafter, at the rate of
6 one and three-quarters per cent of the total net direct subscriber
7 charges received on any new or renewal contract or policy by such
8 health care center during each such calendar year, which shall be in
9 addition to any other payment required under section 38a-48.

10 (b) Notwithstanding the provisions of subsection (a) of this section,
11 the tax shall not apply to: (1) Any new or renewal contract or policy
12 entered into with the state on or after July 1, 1997, to provide health
13 care coverage to state employees, retirees and their dependents; (2) any
14 subscriber charges received from the federal government to provide

15 coverage for Medicare patients; (3) any subscriber charges received
16 under a contract or policy entered into with the state to provide health
17 care coverage to Medicaid recipients under the Medicaid managed
18 care program established pursuant to section 17b-28, as amended,
19 which charges are attributable to a period on or after January 1, 1998;
20 (4) any new or renewal contract or policy entered into with the state on
21 or after April 1, 1998, to provide health care coverage to eligible
22 beneficiaries under the HUSKY Medicaid Plan [,] Part A, HUSKY Part
23 B, or the HUSKY Plus programs, each as defined in section 17b-290, as
24 amended; [or] (5) any new or renewal contract or policy entered into
25 with the state on or after April 1, 1998, to provide health care coverage
26 to recipients of state-administered general assistance pursuant to
27 section 17b-257; or (6) any new or renewal contract or policy entered
28 into with the state on or after February 1, 2000, to provide health care
29 coverage to retired teachers, spouses or surviving spouses covered by
30 plans offered by the state teachers' retirement system.

31 (c) The provisions of this chapter pertaining to the filing of returns,
32 declarations, instalment payments, assessments and collection of taxes,
33 penalties, administrative hearings and appeals imposed on domestic
34 insurance companies shall apply with respect to the charge imposed
35 under this section.

36 Sec. 2. This act shall take effect from its passage.

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]