



House of Representatives

General Assembly

File No. 544

January Session, 2001

House Bill No. 6898

House of Representatives, May 1, 2001

The Committee on Judiciary reported through REP. LAWLOR of the 99th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING AN AMNESTY PROGRAM FOR FOREIGN LIMITED LIABILITY COMPANIES AND FOREIGN CORPORATIONS.

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

1 Section 1. Section 34-234 of the general statutes is repealed and the
2 following is substituted in lieu thereof:

3 [Notwithstanding any provision of sections 34-100 to 34-242,
4 inclusive, as part of a limited amnesty program in effect for the
5 calendar year commencing January 1, 1995, and ending December 31,
6 1995, any foreign limited liability company that voluntarily comes
7 forth during said calendar year to pay penalties and fees owed for
8 transacting business in this state without a certificate of registration,
9 shall only be liable for one-half of the total sum of penalties calculated
10 under section 34-233. This limited amnesty shall not apply to any fees
11 or taxes owed by a foreign limited liability company or any interest
12 thereon that shall still be paid in full pursuant to subdivisions (2) and
13 (3) of subsection (d) of said section.]

14 Notwithstanding any provision of sections 34-100 to 34-242,
15 inclusive, any foreign limited liability company transacting business in
16 this state without a certificate of registration that voluntarily comes
17 forward during the period commencing July 1, 2001, and ending July
18 1, 2002, to register in this state shall not be liable for the monthly
19 penalty that would otherwise be imposed pursuant to subsection (d) of
20 section 34-233. The amnesty provided by this section shall not apply to
21 any other fees, taxes or penalties owed by a foreign limited liability
22 company or any interest thereon.

23 Sec. 2. (NEW) Notwithstanding any provision of sections 33-600 to
24 33-998, inclusive, of the general statutes, any foreign corporation
25 transacting business in this state without a certificate of authority that
26 voluntarily comes forward during the period commencing July 1, 2001,
27 and ending July 1, 2002, to obtain a certificate of authority shall not be
28 liable for the monthly penalty that would otherwise be imposed
29 pursuant to subsection (d) of section 33-921 of the general statutes. The
30 amnesty provided by this section shall not apply to any other fees,
31 taxes or penalties owed by a foreign corporation or any interest
32 thereon.

33 Sec. 3. This act shall take effect July 1, 2001.

JUD *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: Revenue Loss, Potential Revenue Gain

Affected Agencies: Office of the Secretary of the State,
Department of Revenue Services

Municipal Impact: None

Explanation

State Impact:

The bill permits out-of-state limited liability companies doing business in Connecticut without a registration certificate and out-of-state corporations without a certificate of authority, to get such certificates without being subject to the \$165 monthly penalty for failing to do so. This may result in a revenue loss as companies seeking amnesty are exempt from the \$165 monthly penalty fee. The amnesty program does not affect liability for fees, taxes, and penalties and interest the company or corporation owes for doing business in Connecticut. To the extent unregistered companies and corporations owe taxes and come forward under the amnesty program a revenue gain from the various business taxes, fees, penalties and interest may occur.

There is no fiscal impact to the Office of the Secretary of the State to administer provisions of this bill.

OLR Bill Analysis

HB 6898

AN ACT CONCERNING AN AMNESTY PROGRAM FOR FOREIGN LIMITED LIABILITY COMPANIES AND FOREIGN CORPORATIONS.**SUMMARY:**

This bill allows out-of-state:

1. limited liability companies (LLCs) doing business in Connecticut without a registration certificate to register without being subject to the monthly penalty for failing to do so and
2. corporations doing business in Connecticut without a certificate of authority to get a certificate without being subject to the monthly penalty for failing to do so.

To qualify an LLC or corporation must come forward voluntarily between July 1, 2001 and July 1, 2002. The penalty waived under both statutes is \$165 for each month or part of a month. By law, an LLC or corporation is exempt from the penalty if it registers with the secretary of the state within 90 days after it starts transacting business in the state.

The amnesty program does not affect liability for fees, taxes, and penalties and interest on them that the company or corporation owes for doing business in Connecticut.

EFFECTIVE DATE: July 1, 2001

COMMITTEE ACTION

Judiciary Committee

Joint Favorable Report

Yea 40 Nay 0

