



Senate

General Assembly

File No. 732

January Session, 2001

Substitute Senate Bill No. 142

Senate, May 10, 2001

The Committee on Finance, Revenue and Bonding reported through SEN. LOONEY of the 11th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING FUEL CELL TECHNOLOGY INCENTIVES.

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

1 Section 1. Section 12-412 of the general statutes is amended by
2 adding subdivision (113) as follows:

3 (NEW) (113) (A) (i) Sales of and the storage, use or other
4 consumption by a fuel cell manufacturing facility in this state of
5 materials, tools, fuel, machinery and equipment used in such facility.
6 (ii) Sales of, leasing of and the storage, use or other consumption of
7 machinery, equipment, tools, materials or supplies of fuel cell
8 technology to consumers.

9 (B) For purposes of this subdivision, (i) "fuel cell" means a device
10 that directly or indirectly produces electricity directly from hydrogen
11 or hydrocarbon fuel through a noncombustive electro-chemical
12 process, (ii) "machinery and equipment" means tangible personal

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

Affected Agencies: Department of Revenue Services

Municipal Impact: None

Explanation

State Impact:

The bill is anticipated to result in a General Fund revenue loss of less than \$100,000 in FY 02 but as the technology related to fuel cells continues to evolve and the market for fuel cells increase future revenue losses could be significant.

OLR Bill Analysis

sSB 142

AN ACT CONCERNING FUEL CELL TECHNOLOGY INCENTIVES.

This bill eliminates the sales and use tax on (1) material, tools, fuel, machinery, and equipment purchased for use or consumption at, or stored by, fuel-cell manufacturing facilities and (2) sale or lease of fuel-cell machinery, equipment, tools, material, supplies, and technology to consumers.

The bill defines (1) "fuel cell" as a device that directly or indirectly produces electricity from hydrogen or hydrocarbon fuel through a noncombustive, electro-chemical process; (2) "fuel-cell manufacturing facility" as the portion of a plant, building, or other real property improvement used for manufacturing fuel-cell parts or components, or for the overhauling or rebuilding of such parts on a factory basis; and (3) "machinery and equipment" as tangible personal property installed in a fuel-cell manufacturing facility operated by a fuel-cell manufacturer and predominantly used to produce fuel cells.

EFFECTIVE DATE: July 1, 2001 and applies to sales occurring on or after that date.

COMMITTEE ACTION

Commerce Committee

Joint Favorable Substitute Change of Reference

Yea 26 Nay 0

Finance, Revenue and Bonding Committee

Joint Favorable Report

Yea 45 Nay 0