



General Assembly

January Session, 2001

Bill No. 6694

LCO No. 3745

Referred to Committee on Finance, Revenue and Bonding

Introduced by:

REP. WARD, 86th Dist.

SEN. DELUCA, 32nd Dist.

AN ACT CONCERNING THE SALES TAX ON STATE OWNED OR OPERATED PARKING FACILITIES.

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

1 Subdivision (2) of section 12-407 of the general statutes is repealed
2 and the following is substituted in lieu thereof:

3 (2) "Sale" and "selling" mean and include: (a) Any transfer of title,
4 exchange or barter, conditional or otherwise, in any manner or by any
5 means whatsoever, of tangible personal property for a consideration;
6 (b) any withdrawal, except a withdrawal pursuant to a transaction in
7 foreign or interstate commerce, of tangible personal property from the
8 place where it is located for delivery to a point in this state for the
9 purpose of the transfer of title, exchange or barter, conditional or
10 otherwise, in any manner or by any means whatsoever, of the property
11 for a consideration; (c) the producing, fabricating, processing, printing
12 or imprinting of tangible personal property for a consideration for
13 consumers who furnish either directly or indirectly the materials used
14 in the producing, fabricating, processing, printing or imprinting,

15 including, but not limited to, sign construction, photofinishing,
16 duplicating and photocopying; (d) the furnishing and distributing of
17 tangible personal property for a consideration by social clubs and
18 fraternal organizations to their members or others; (e) the furnishing,
19 preparing, or serving for a consideration of food, meals or drinks; (f) a
20 transaction whereby the possession of property is transferred but the
21 seller retains the title as security for the payment of the price; (g) a
22 transfer for a consideration of the title of tangible personal property
23 which has been produced, fabricated or printed to the special order of
24 the customer, or of any publication, including, but not limited to, sign
25 construction, photofinishing, duplicating and photocopying; (h) a
26 transfer for a consideration of the occupancy of any room or rooms in a
27 hotel or lodging house for a period of thirty consecutive calendar days
28 or less; (i) the rendering of certain services for a consideration,
29 exclusive of such services rendered by an employee for the employer,
30 as follows: (A) Computer and data processing services, including, but
31 not limited to, time, programming, code writing, modification of
32 existing programs, feasibility studies and installation and
33 implementation of software programs and systems even where such
34 services are rendered in connection with the development, creation or
35 production of canned or custom software or the license of custom
36 software, and exclusive of services rendered in connection with the
37 creation, development hosting or maintenance of all or part of a web
38 site which is part of the graphical, hypertext portion of the Internet,
39 commonly referred to as the World-Wide Web, (B) credit information
40 and reporting services, (C) services by employment agencies and
41 agencies providing personnel services, (D) private investigation,
42 protection, patrol work, watchman and armored car services, exclusive
43 of services of off-duty police officers and off-duty firefighters, (E)
44 painting and lettering services, (F) photographic studio services, (G)
45 telephone answering services, (H) stenographic services, (I) services to
46 industrial, commercial or income-producing real property, including,
47 but not limited to, such services as management, electrical, plumbing,
48 painting and carpentry and excluding any such services rendered in

49 the voluntary evaluation, prevention, treatment, containment or
50 removal of hazardous waste, as defined in section 22a-115, or other
51 contaminants of air, water or soil, provided income-producing
52 property shall not include property used exclusively for residential
53 purposes in which the owner resides and which contains no more than
54 three dwelling units, or a housing facility for low and moderate
55 income families and persons owned or operated by a nonprofit
56 housing organization, as defined in subsection (29) of section 12-412,
57 (J) business analysis, management, management consulting and public
58 relations services, excluding (i) any environmental consulting services,
59 and (ii) any training services provided by an institution of higher
60 education licensed or accredited by the Board of Governors of Higher
61 Education pursuant to section 10a-34, (K) services providing "piped-in"
62 music to business or professional establishments, (L) flight instruction
63 and chartering services by a certificated air carrier on an aircraft, the
64 use of which for such purposes, but for the provisions of subsection (4)
65 of section 12-410 and subsection (12) of section 12-411, would be
66 deemed a retail sale and a taxable storage or use, respectively, of such
67 aircraft by such carrier, (M) motor vehicle repair services, including
68 any type of repair, painting or replacement related to the body or any
69 of the operating parts of a motor vehicle, (N) motor vehicle parking,
70 including the provision of space, other than metered space, in a lot
71 having thirty or more spaces, excluding (i) space in a seasonal parking
72 lot provided by a person who is exempt from taxation under this
73 chapter pursuant to subsection (1), (5) or (8) of section 12-412, (ii) space
74 in a parking lot owned or leased under the terms of a lease of not less
75 than ten years' duration and operated by an employer for the exclusive
76 use of its employees, (iii) valet parking provided at any airport, [and]
77 (iv) space in municipally-operated railroad parking facilities in
78 municipalities located within an area of the state designated as a
79 severe nonattainment area for ozone under the federal Clean Air Act,
80 or space in a railroad parking facility in a municipality located within
81 an area of the state designated as a severe nonattainment area for
82 ozone under the federal Clean Air Act owned or operated by the state

83 on or after April 1, 2000, and (v) on or after July 1, 2001, parking in lots
84 owned or operated by the state at Bradley International Airport, (O)
85 radio or television repair services, (P) furniture reupholstering and
86 repair services, (Q) repair services to any electrical or electronic device,
87 including, but not limited to, equipment used for purposes of
88 refrigeration or air-conditioning, (R) lobbying or consulting services
89 for purposes of representing the interests of a client in relation to the
90 functions of any governmental entity or instrumentality, (S) services of
91 the agent of any person in relation to the sale of any item of tangible
92 personal property for such person, exclusive of the services of a
93 consignee selling works of art, as defined in subsection (b) of section
94 12-376c, or articles of clothing or footwear intended to be worn on or
95 about the human body other than (i) any special clothing or footwear
96 primarily designed for athletic activity or protective use and which is
97 not normally worn except when used for the athletic activity or
98 protective use for which it was designed, and (ii) jewelry, handbags,
99 luggage, umbrellas, wallets, watches and similar items carried on or
100 about the human body but not worn on the body in the manner
101 characteristic of clothing intended for exemption under subdivision
102 (47) of section 12-412, under consignment, exclusive of services
103 provided by an auctioneer, (T) locksmith services, (U) advertising or
104 public relations services, including layout, art direction, graphic
105 design, mechanical preparation or production supervision, not related
106 to the development of media advertising or cooperative direct mail
107 advertising, (V) landscaping and horticulture services, (W) window
108 cleaning services, (X) maintenance services, (Y) janitorial services, (Z)
109 exterminating services, (AA) swimming pool cleaning and
110 maintenance services, (BB) renovation and repair services as set forth
111 in this subparagraph, to other than industrial, commercial or
112 income-producing real property: Paving of any sort, painting or
113 staining, wallpapering, roofing, siding and exterior sheet metal work,
114 (CC) miscellaneous personal services included in industry group 729
115 in the Standard Industrial Classification Manual, United States Office
116 of Management and Budget, 1987 edition, or U.S. industry 532220,

117 812191, 812199 or 812990 in the North American Industrial
118 Classification System United States manual, United States Office of
119 Management and Budget, 1997 edition, exclusive of (i) services
120 rendered by massage therapists licensed pursuant to chapter 384a, and
121 (ii) services rendered by a hypertrichologist licensed pursuant to
122 chapter 388, (DD) any repair or maintenance service to any item of
123 tangible personal property including any contract of warranty or
124 service related to any such item, (EE) business analysis, management
125 or managing consulting services rendered by a general partner, or an
126 affiliate thereof, to a limited partnership, provided (i) that the general
127 partner, or an affiliate thereof, is compensated for the rendition of such
128 services other than through a distributive share of partnership profits
129 or an annual percentage of partnership capital or assets established in
130 the limited partnership's offering statement, and (ii) the general
131 partner, or an affiliate thereof, offers such services to others, including
132 any other partnership. As used in subparagraph (EE)(i) "an affiliate of
133 a general partner" means an entity which is directly or indirectly
134 owned fifty per cent or more in common with a general partner; and
135 (FF) notwithstanding the provisions of section 12-412, except
136 subsection (87) thereof, patient care services, as defined in subsection
137 (29) of this section by a hospital; (j) the leasing or rental of tangible
138 personal property of any kind whatsoever, including, but not limited
139 to, motor vehicles, linen or towels, machinery or apparatus, office
140 equipment and data processing equipment, provided for purposes of
141 this subdivision and the application of sales and use tax to contracts of
142 lease or rental of tangible personal property, the leasing or rental of
143 any motion picture film by the owner or operator of a motion picture
144 theater for purposes of display at such theater shall not constitute a
145 sale within the meaning of this subsection; (k) the rendering of
146 telecommunications service, as defined in subsection (26) of this
147 section, for a consideration on or after January 1, 1990, exclusive of any
148 such service rendered by an employee for the employer of such
149 employee, subject to the provisions related to telecommunications
150 service in accordance with section 12-407a; (l) the rendering of

151 community antenna television service, as defined in subsection (27) of
152 this section, for a consideration on or after January 1, 1990, exclusive of
153 any such service rendered by an employee for the employer of such
154 employee; (m) the transfer for consideration of space or the right to use
155 any space for the purpose of storage or mooring of any noncommercial
156 vessel, exclusive of dry or wet storage or mooring of such vessel
157 during the period commencing on the first day of November in any
158 year to and including the thirtieth day of April of the next succeeding
159 year; (n) the sale for consideration of naming rights to any place of
160 amusement, entertainment or recreation within the meaning of
161 subdivision (3) of section 12-540; (o) the transfer for consideration of a
162 prepaid telephone calling service, as defined in subsection (34) of this
163 section, and the recharge of a prepaid telephone calling service,
164 provided, if the sale or recharge of a prepaid telephone calling service
165 does not take place at the retailer's place of business and an item is
166 shipped by the retailer to the customer, the sale or recharge shall be
167 deemed to take place at the customer's shipping address, but, if such
168 sale or recharge does not take place at the retailer's place of business
169 and no item is shipped by the retailer to the customer, the sale or
170 recharge shall be deemed to take place at the customer's billing
171 address or the location associated with the customer's mobile
172 telephone number. Wherever in this chapter reference is made to the
173 sale of tangible personal property or services, it shall be construed to
174 include sales described in this subsection, except as may be specifically
175 provided to the contrary.

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.]