



General Assembly

January Session, 2001

Raised Bill No. 1360

LCO No. 4521

Referred to Committee on Planning and Development

Introduced by:
(PD)

AN ACT AUTHORIZING MUNICIPALITIES TO IMPOSE A GROSS RECEIPTS TAX ON CERTAIN RETAIL FACILITIES.

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

- 1 Section 1. (NEW) (a) As used in this section:
- 2 (1) "Municipality" means any town, city or borough, consolidated
3 town and city or consolidated town and borough;
- 4 (2) "Retail facility" means a facility which sells tangible personal
5 property directly to consumers; and
- 6 (3) "Consumer transaction" means a sale directly to consumers,
7 except sales of food, pharmaceuticals and motor vehicles.
- 8 (b) Any municipality, by ordinance adopted by its legislative body,
9 may impose a tax of not more than one per cent on the gross receipts of
10 any retail facility located in such municipality that has gross receipts
11 generated by consumer transactions of more than five million dollars.
- 12 (c) The municipality imposing a tax pursuant to this section shall
13 share twenty per cent of revenues received from such tax with each

14 municipality that is located within five hundred feet of the retail
15 facility.

16 (d) Each municipality receiving revenue from a retail facility
17 pursuant to an ordinance adopted under this section shall use such
18 revenue for property tax relief for a period of three years after the tax
19 is imposed on each such retail facility. Thereafter, such revenues may
20 be used for any purpose.

21 Sec. 2. This act shall take effect July 1, 2001.

Statement of Purpose:

To authorize municipalities to impose a gross receipts tax on facilities with gross receipts of more than five million dollars, to require that revenues generated in payment of such tax be used for property tax relief for the first three years of such tax and to require that municipalities imposing such tax share revenue from such tax.

[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.]