



General Assembly

January Session, 2003

***Raised Bill No. 1160***

LCO No. 4555

Referred to Committee on Finance, Revenue and Bonding

Introduced by:  
(FIN)

***AN ACT CONCERNING REVENUE ADJUSTMENTS.***

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

1 Section 1. Section 12-256 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2003, and*  
3 *applicable to gross earnings on sales occurring on or after July 1, 2003*):

4 Each person carrying on an express business on railroads, each  
5 person conducting a telegraph or cable business, [and] each person  
6 operating a community antenna television system under chapter 289  
7 and each person operating a business which provides one-way  
8 transmission to subscribers of video programming by satellite, shall  
9 pay an annual tax upon the gross earnings from (1) the routes in this  
10 state in the case of any person carrying on such an express business, (2)  
11 the lines in this state in the case of any person conducting a telegraph  
12 or cable business, provided in the case of a person conducting a  
13 telegraph business the tax imposed under this section shall only be  
14 applicable with respect to a person conducting such business, and the  
15 services offered by such person, subject to tax under this section on  
16 January 1, 1986, [and] (3) the lines, facilities, apparatus and auxiliary  
17 equipment in this state in the case of any person operating a

18 community antenna television system, and (4) the transmission to  
19 subscribers in this state in the case of a person operating a business  
20 which provides one-way transmission to subscribers of video  
21 programming by satellite. No deduction shall be allowed from such  
22 gross earnings from operations for commissions, rebates or other  
23 payments, except such refunds as arise from errors or overcharges.  
24 Each such person shall, on or before April first, annually, render to the  
25 Commissioner of Revenue Services a return signed by the treasurer, or  
26 the person performing the duties of treasurer, or an authorized agent  
27 or officer of the business or system operated by such person, on forms  
28 prescribed or furnished by the commissioner specifying: The name and  
29 location within this state of such business or system or, if it has no  
30 location within this state, where such business or system is located; the  
31 total amount of gross earnings subject to the tax imposed under this  
32 section for the year ending the thirty-first day of December next  
33 preceding or for each lesser period of consecutive time during such  
34 year, each such year or period being in this chapter and chapter 212a  
35 called a "tax year", in which business or operations were carried on in  
36 this state; the total miles of railway routes which each of the persons  
37 doing an express business was entitled to operate under contracts with  
38 railroad companies and the number of miles of such railway routes  
39 within this state on the first day and on the last day of the tax year; the  
40 total miles of wires operated by each of the persons conducting a  
41 telegraph or cable business or operating a community antenna  
42 television system and the total miles of such wires operated within this  
43 state on the first day and on the last day of the tax year; the total  
44 number of subscribers, and the number of subscribers in this state,  
45 served by each person operating a business which provides one-way  
46 transmission to subscribers of video programming by satellite.

47 Sec. 2. Section 12-258 of the general statutes is repealed and the  
48 following is substituted in lieu thereof (*Effective July 1, 2003, and*  
49 *applicable to gross earnings on sales occurring on or after July 1, 2003*):

50 Each person included in section 12-256, as amended by this act, shall

51 be taxed upon the amount of the gross earnings in each tax year from  
52 the lines, routes, or lines, facilities, apparatus and auxiliary equipment  
53 operated by it in this state, or from the transmission of video  
54 programming to this state, as the case may be, at the rates provided in  
55 this section. Gross earnings for any tax year, for the purposes of  
56 assessment and taxation, shall be as follows: In the case of a person  
57 carrying on the business wholly within the limits of this state, the  
58 entire amount of the gross earnings subject to the tax imposed under  
59 section 12-256, as amended by this act; in the case of a person also  
60 carrying on the business outside of this state, a portion of the entire  
61 amount of the gross earnings subject to the tax imposed under section  
62 12-256, as amended by this act, apportioned to this state as follows: In  
63 the case of a person carrying on an express business on railroads, such  
64 portion of the gross earnings of such person from the railway routes  
65 operated by it as is represented by the ratio of the total number of  
66 miles of railway routes in this state which such person was entitled to  
67 operate under contracts with railroad companies on the first day and  
68 on the last day of such tax year to the total number of miles of such  
69 railway routes within and without this state on said dates; in the case  
70 of a person conducting telegraph or cable business, such portion of the  
71 total gross earnings from the lines operated by it as is represented by  
72 the ratio of the total number of miles of wires operated by such person  
73 within this state on the first day and on the last day of such tax year to  
74 the total number of miles of wires operated by such person both within  
75 and without this state on said dates; in the case of a person operating a  
76 community antenna television system, such portion of the total gross  
77 earnings from the lines, facilities, apparatus and auxiliary equipment  
78 operated by it as is represented by the total number of miles of lines  
79 operated by such person within this state on the first day and on the  
80 last day of such tax year to the total number of miles of lines operated  
81 by such person both within and without the state on said dates; in the  
82 case of a person operating a business which provides one-way  
83 transmission to subscribers of video programming by satellite, such  
84 portion of the total gross earnings from the transmission to subscribers

85 in this state as is represented by the total number of subscribers served  
86 by such person within this state on the first day and on the last day of  
87 such tax year to the total number of subscribers served by such person  
88 both within and without the state on said dates. The rates of tax on the  
89 gross earnings as determined in this section shall be as follows: (1)  
90 Persons carrying on an express business, two per cent of such gross  
91 earnings; (2) persons conducting a telegraph or cable business, four  
92 and one-half per cent of such gross earnings; (3) persons operating a  
93 community antenna television system and persons operating a  
94 business which provides one-way transmission to subscribers of video  
95 programming by satellite, five per cent of such gross earnings, reduced  
96 by any assessments made pursuant to section 16-49 which are  
97 attributable to the year in which such tax is assessed.

98 Sec. 3. Subsection (b) of section 12-214 of the general statutes, as  
99 amended by section 32 of public act 03-2, is repealed and the following  
100 is substituted in lieu thereof (*Effective from passage and applicable to*  
101 *income years commencing on or after January 1, 2004*):

102 (b) (1) With respect to income years commencing on or after January  
103 1, 1989, and prior to January 1, 1992, any company subject to the tax  
104 imposed in accordance with subsection (a) of this section shall pay, for  
105 each such income year, an additional tax in an amount equal to twenty  
106 per cent of the tax calculated under said subsection (a) for such income  
107 year, without reduction of the tax so calculated by the amount of any  
108 credit against such tax. The additional amount of tax determined  
109 under this subsection for any income year shall constitute a part of the  
110 tax imposed by the provisions of said subsection (a) and shall become  
111 due and be paid, collected and enforced as provided in this chapter.

112 (2) With respect to income years commencing on or after January 1,  
113 1992, and prior to January 1, 1993, any company subject to the tax  
114 imposed in accordance with subsection (a) of this section shall pay, for  
115 each such income year, an additional tax in an amount equal to ten per  
116 cent of the tax calculated under said subsection (a) for such income

117 year, without reduction of the tax so calculated by the amount of any  
118 credit against such tax. The additional amount of tax determined  
119 under this subsection for any income year shall constitute a part of the  
120 tax imposed by the provisions of said subsection (a) and shall become  
121 due and be paid, collected and enforced as provided in this chapter.

122 (3) With respect to income years commencing on or after January 1,  
123 2003, and prior to January 1, 2004, any company subject to the tax  
124 imposed in accordance with subsection (a) of this section shall pay, for  
125 each such income year, an additional tax in an amount equal to twenty  
126 per cent of the tax calculated under said subsection (a) for such income  
127 year, without reduction of the tax so calculated by the amount of any  
128 credit against such tax. The additional amount of tax determined  
129 under this subsection for any income year shall constitute a part of the  
130 tax imposed by the provisions of said subsection (a) and shall become  
131 due and be paid, collected and enforced as provided in this chapter.

132 (4) With respect to income years commencing on or after January 1,  
133 2004, and prior to January 1, 2005, any company subject to the tax  
134 imposed in accordance with subsection (a) of this section shall pay, for  
135 each such income year, an additional tax in an amount equal to ten per  
136 cent of the tax calculated under said subsection (a) for such income  
137 year, without reduction of the tax so calculated by the amount of any  
138 credit against such tax. The additional amount of tax determined  
139 under this subsection for any income year shall constitute a part of the  
140 tax imposed by the provisions of said subsection (a) and shall become  
141 due and be paid, collected and enforced as provided in this chapter.

142 (5) With respect to income years commencing on or after January 1,  
143 2005, and prior to January 1, 2006, any company subject to the tax  
144 imposed in accordance with subsection (a) of this section shall pay, for  
145 each such income year, an additional tax in an amount equal to five  
146 per cent of the tax calculated under said subsection (a) for such income  
147 year, without reduction of the tax so calculated by the amount of any  
148 credit against such tax. The additional amount of tax determined

149 under this subsection for any income year shall constitute a part of the  
150 tax imposed by the provisions of said subsection (a) and shall become  
151 due and be paid, collected and enforced as provided in this chapter.

152 Sec. 4. Subsection (b) of section 12-284b of the general statutes, as  
153 amended by section 33 of public act 03-2, is repealed and the following  
154 is substituted in lieu thereof (*Effective from passage and applicable to*  
155 *taxable years commencing on or after January 1, 2004*):

156 (b) Each limited liability company, limited liability partnership,  
157 limited partnership and S corporation shall annually, on or before the  
158 fifteenth day of the fourth month following the close of its taxable year,  
159 pay to the Commissioner of Revenue Services a tax in the amount of  
160 two hundred fifty dollars. With respect to taxable years commencing  
161 on or after January 1, 2003, and prior to January 1, 2004, any company  
162 subject to the tax imposed in accordance with this subsection shall pay,  
163 for each such taxable year, an additional tax in an amount equal to  
164 twenty per cent of the tax imposed under this subsection for such  
165 taxable year. With respect to taxable years commencing on or after  
166 January 1, 2004, and prior to January 1, 2005, any company subject to  
167 the tax imposed in accordance with this subsection shall pay, for each  
168 such taxable year, an additional tax in an amount equal to ten per cent  
169 of the tax imposed under this subsection for such taxable year. With  
170 respect to taxable years commencing on or after January 1, 2005, and  
171 prior to January 1, 2006, any company subject to the tax imposed in  
172 accordance with this subsection shall pay, for each such taxable year,  
173 an additional tax in an amount equal to five per cent of the tax  
174 imposed under this subsection for such taxable year. The additional  
175 amount of tax for the taxable year commencing on or after January 1,  
176 2003, shall constitute a part of the tax imposed by the provisions of this  
177 subsection and shall become due and be paid, collected and enforced  
178 as provided by in this section.

179 Sec. 5. Subsection (b) of section 12-219 of the general statutes, as  
180 amended by section 34 of public act 03-2, is repealed and the following

181 is substituted in lieu thereof (*Effective from passage and applicable to*  
182 *income years commencing on or after January 1, 2004*):

183 (b) (1) With respect to income years commencing on or after January  
184 1, 1989, and prior to January 1, 1992, the additional tax imposed on any  
185 company and calculated in accordance with subsection (a) of this  
186 section shall, for each such income year, except when the tax so  
187 calculated is equal to two hundred fifty dollars, be increased by adding  
188 thereto an amount equal to twenty per cent of the additional tax so  
189 calculated for such income year, without reduction of the additional  
190 tax so calculated by the amount of any credit against such tax. The  
191 increased amount of tax payable by any company under this section,  
192 as determined in accordance with this subsection, shall become due  
193 and be paid, collected and enforced as provided in this chapter.

194 (2) With respect to income years commencing on or after January 1,  
195 1992, and prior to January 1, 1993, the additional tax imposed on any  
196 company and calculated in accordance with subsection (a) of this  
197 section shall, for each such income year, except when the tax so  
198 calculated is equal to two hundred fifty dollars, be increased by adding  
199 thereto an amount equal to ten per cent of the additional tax so  
200 calculated for such income year, without reduction of the tax so  
201 calculated by the amount of any credit against such tax. The increased  
202 amount of tax payable by any company under this section, as  
203 determined in accordance with this subsection, shall become due and  
204 be paid, collected and enforced as provided in this chapter.

205 (3) With respect to income years commencing on or after January 1,  
206 2003, and prior to January 1, 2004, the additional tax imposed on any  
207 company and calculated in accordance with subsection (a) of this  
208 section shall, for each such income year, be increased by adding  
209 thereto an amount equal to twenty per cent of the additional tax so  
210 calculated for such income year, without reduction of the tax so  
211 calculated by the amount of any credit against such tax. The increased  
212 amount of tax payable by any company under this section, as

213 determined in accordance with this subsection, shall become due and  
214 be paid, collected and enforced as provided in this chapter.

215 (4) With respect to income years commencing on or after January 1,  
216 2004, and prior to January 1, 2005, the additional tax imposed on any  
217 company and calculated in accordance with subsection (a) of this  
218 section shall, for each such income year, be increased by adding  
219 thereto an amount equal to ten per cent of the additional tax so  
220 calculated for such income year, without reduction of the tax so  
221 calculated by the amount of any credit against such tax. The increased  
222 amount of tax payable by any company under this section, as  
223 determined in accordance with this subsection, shall become due and  
224 be paid, collected and enforced as provided in this chapter.

225 (5) With respect to income years commencing on or after January 1,  
226 2005, and prior to January 1, 2006, the additional tax imposed on any  
227 company and calculated in accordance with subsection (a) of this  
228 section shall, for each such income year, be increased by adding  
229 thereto an amount equal to five per cent of the additional tax so  
230 calculated for such income year, without reduction of the tax so  
231 calculated by the amount of any credit against such tax. The increased  
232 amount of tax payable by any company under this section, as  
233 determined in accordance with this subsection, shall become due and  
234 be paid, collected and enforced as provided in this chapter.

235 Sec. 6. Section 12-390a of the general statutes is repealed and the  
236 following is substituted in lieu thereof (*Effective from passage and*  
237 *applicable to transfers occurring on or after January 1, 2003*):

238 The terms "generation-skipping transfer", "taxable distribution", and  
239 "taxable termination" have the same meaning as defined in Chapter 13  
240 of Subtitle B of the Internal Revenue Code of 1986, or any subsequent  
241 corresponding internal revenue code of the United States, as from time  
242 to time amended, in effect as of January 1, 2001.

243 Sec. 7. Section 12-390b of the general statutes is repealed and the

244 following is substituted in lieu thereof (*Effective from passage and*  
245 *applicable to transfers occurring on or after January 1, 2003*):

246 (a) A tax is hereby imposed upon every generation-skipping  
247 transfer, where the original transferor is a resident of this state at the  
248 date of the original transfer. The amount of the tax shall be the amount  
249 of the federal credit allowable for generation-skipping transfer tax paid  
250 to any state under the provisions of the federal internal revenue code  
251 in [force at the date of such generation-skipping transfer] effect as of  
252 January 1, 2001, in respect to any property included in the generation-  
253 skipping transfer. If any such property is real or tangible personal  
254 property located outside this state and is subject to generation-  
255 skipping transfer taxes by any state or states other than the state of  
256 Connecticut for which such federal credit is allowable, the amount of  
257 tax due under this section shall be reduced by the lesser of (1) the  
258 amount of any such taxes paid to such other state or states and allowed  
259 as a credit against the federal generation-skipping transfer tax in effect  
260 as of January 1, 2001; or (2) an amount computed by multiplying such  
261 federal credit by a fraction, (A) the numerator of which is the value of  
262 all transferred real and tangible personal property which is subject to  
263 generation-skipping transfer taxes and over which such other state or  
264 states have jurisdiction for generation-skipping transfer tax purposes  
265 to the same extent to which this state would exert jurisdiction for  
266 generation-skipping transfer tax purposes under this chapter with  
267 respect to the residents of such other state or states, and (B) the  
268 denominator of which is the value of all transferred property which is  
269 subject to generation-skipping transfer taxes, wherever located.

270 (b) A tax is hereby imposed upon every generation-skipping  
271 transfer, where the original transferor is not a resident of this state at  
272 the date of the original transfer but where the generation-skipping  
273 transfer includes real or tangible personal property located in this  
274 state. The amount of the tax shall be computed by multiplying (1) the  
275 federal credit allowable for generation-skipping transfer tax paid to  
276 any state or states under the provisions of the federal internal revenue

277 code in [force at the date of such generation-skipping transfer] effect as  
278 of January 1, 2001, in respect to any property included in the  
279 generation-skipping transfer by (2) a fraction, (A) the numerator of  
280 which is the value of all transferred real and tangible personal  
281 property which is subject to generation-skipping transfer taxes, which  
282 is located in this state and over which this state has jurisdiction for  
283 generation-skipping transfer tax purposes, and (B) the denominator of  
284 which is the value of all transferred property which is subject to  
285 generation-skipping transfer taxes, wherever located.

286 (c) For purposes of subsections (a) and (b) of this section, property  
287 shall have the same value that it has for federal generation-skipping  
288 transfer tax purposes as provided in the Internal Revenue Code of  
289 1986, or any subsequent corresponding internal revenue code of the  
290 United States, as from time to time amended, in effect as of January 1,  
291 2001.

292 Sec. 8. Subsections (a) to (c), inclusive, of section 12-391 of the  
293 general statutes are repealed and the following is substituted in lieu  
294 thereof (*Effective from passage and applicable to estates of decedents who die*  
295 *on or after January 1, 2003*):

296 (a) A tax is imposed upon the transfer of the estate of each person  
297 who at the time of death was a resident of this state. The amount of the  
298 tax shall be the amount of the federal credit allowable for estate,  
299 inheritance, legacy and succession taxes paid to any state or the  
300 District of Columbia under the provisions of the federal internal  
301 revenue code in [force at the date of such decedent's death] effect as of  
302 January 1, 2001, in respect to any property owned by such decedent or  
303 subject to such taxes as part of or in connection with the estate of such  
304 decedent. If real or tangible personal property of such decedent is  
305 located outside of this state and is subject to estate, inheritance, legacy,  
306 or succession taxes by any state or states, other than the state of  
307 Connecticut, or by the District of Columbia for which such federal  
308 credit is allowable, the amount of tax due under this section shall be

309 reduced by the lesser of: (1) The amount of any such taxes paid to such  
310 other state or states or said district and allowed as a credit against the  
311 federal estate tax in effect as of January 1, 2001; or (2) an amount  
312 computed by multiplying such federal credit by a fraction, (A) the  
313 numerator of which is the value of that part of the decedent's gross  
314 estate over which such other state or states or said district have  
315 jurisdiction for estate tax purposes to the same extent to which this  
316 state would assert jurisdiction for estate tax purposes under this  
317 chapter with respect to the residents of such other state or states or  
318 said district, and (B) the denominator of which is the value of the  
319 decedent's gross estate. Property of a resident estate over which this  
320 state has jurisdiction for estate tax purposes includes real property  
321 situated in this state, tangible personal property having an actual situs  
322 in this state, and intangible personal property owned by the decedent,  
323 regardless of where it is located. The amount of any estate tax imposed  
324 under this subsection shall also be reduced, but not below zero, by the  
325 amount of any tax that is imposed under chapter 216 and that is  
326 actually paid to this state.

327 (b) A tax is imposed upon the transfer of the estate of each person  
328 who at the time of death was a nonresident of this state, the amount of  
329 which shall be computed by multiplying (1) the federal credit  
330 allowable for estate, inheritance, legacy, and succession taxes paid to  
331 any state or states or the District of Columbia under the provisions of  
332 the federal internal revenue code in [force at the date of such  
333 decedent's death] effect as of January 1, 2001, in respect to any  
334 property owned by such decedent or subject to such taxes as a part of  
335 or in connection with the estate of such decedent by (2) a fraction, (A)  
336 the numerator of which is the value of that part of the decedent's gross  
337 estate over which this state has jurisdiction for estate tax purposes, and  
338 (B) the denominator of which is the value of the decedent's gross  
339 estate. Property of a nonresident estate over which this state has  
340 jurisdiction for estate tax purposes includes real property situated in  
341 this state and tangible personal property having an actual situs in this  
342 state. The amount of any estate tax imposed under this subsection shall

343 also be reduced, but not below zero, by the amount of any tax that is  
344 imposed under chapter 216 and that is actually paid to this state.

345 (c) For purposes of subsections (a) and (b) of this section, "gross  
346 estate" means the gross estate, for federal estate tax purposes as  
347 provided in the Internal Revenue Code of 1986, or any subsequent  
348 corresponding internal revenue code of the United States, as from time  
349 to time amended, in effect as of January 1, 2001.

350 Sec. 9. Section 12-202 of the general statutes is repealed and the  
351 following is substituted in lieu thereof (*Effective July 1, 2003, and*  
352 *applicable to premiums received on or after July 1, 2003*):

353 Each domestic insurance company shall, annually, pay a tax on the  
354 total net direct premiums received by such company during the  
355 calendar year next preceding from policies written on property or risks  
356 located or resident in this state. The rate of tax on all net direct  
357 insurance premiums received on and after January 1, 1995, shall be one  
358 and three-quarters per cent. With respect to such premiums received in  
359 the calendar year commencing January 1, 2004, each such company  
360 shall pay an additional tax, for such calendar year, in an amount equal  
361 to ten per cent of the tax imposed under this section for such year,  
362 without reduction of the tax by any credit against such tax. With  
363 respect to such premiums received in the calendar year commencing  
364 January 1, 2005, each such company shall pay an additional tax, for  
365 such calendar year, in an amount equal to five per cent of the tax  
366 imposed under this section for such year, without reduction of the tax  
367 by any credit against such tax. Such additional taxes for the calendar  
368 years commencing January 1, 2004, and January 1, 2005, shall become  
369 due and be paid, collected and enforced as provided in this chapter.  
370 The franchise tax imposed under this section on premium income for  
371 the privilege of doing business in the state is in addition to the tax  
372 imposed under chapter 208. In the case of any local domestic insurance  
373 company the admitted assets of which as of the end of an income year  
374 do not exceed ninety-five million dollars, eighty per cent of the tax

375 paid by such company under chapter 208 during such income year  
376 reduced by any refunds of taxes paid by such company and granted  
377 under said chapter within such income year and eighty per cent of the  
378 assessment paid by such company under section 38a-48 during such  
379 income year shall be allowed as a credit in the determination of the tax  
380 under this chapter payable with respect to total net direct premiums  
381 received during such income year, provided that these two credits  
382 shall not reduce the tax under this chapter to less than zero, and  
383 provided further in the case of a local domestic insurance company  
384 which is a member of an insurance holding company system, as  
385 defined in section 38a-129, these credits shall apply if the total  
386 admitted assets of the local domestic insurance company and its  
387 affiliates, as defined in said section, do not exceed two hundred fifty  
388 million dollars or, in the alternative, in the case of a local domestic  
389 insurance company which is a member of an insurance holding  
390 company system, as defined in section 38a-129, these credits shall  
391 apply only if total direct written premiums are derived from policies  
392 issued or delivered in Connecticut, on risk located in Connecticut and,  
393 as of the end of the income year the company and its affiliates have  
394 admitted assets minus unpaid losses and loss adjustment expenses that  
395 are also discounted for federal and state tax purposes and which for  
396 said local domestic insurance company and its affiliates, as defined in  
397 said section do not exceed two hundred fifty million dollars.

398 Sec. 10. Section 12-210 of the general statutes is repealed and the  
399 following is substituted in lieu thereof (*Effective July 1, 2003, and*  
400 *applicable to premiums received on or after July 1, 2003*):

401 (a) Each newly licensed insurance company incorporated by or  
402 organized under the laws of any other state or foreign government  
403 shall pay to the Commissioner of Revenue Services, within forty-five  
404 days of the effective date of such company's initial license to transact  
405 business in this state, a tax on the net direct premiums received by  
406 such company in the next five preceding calendar years from policies  
407 written on property or risks located or resident in this state, except

408 ocean marine insurance, at the rate in effect for each such calendar  
409 year.

410 (b) Each insurance company incorporated by or organized under  
411 the laws of any other state or foreign government and doing business  
412 in this state shall, annually, on and after January 1, 1995, pay to said  
413 Commissioner of Revenue Services, in addition to any other taxes  
414 imposed on such company or its agents, a tax of one and three-  
415 quarters per cent of all net direct premiums received by such company  
416 in the calendar year next preceding from policies written on property  
417 or risks located or resident in this state, excluding premiums for ocean  
418 marine insurance, and, upon ceasing to transact new business in this  
419 state, shall continue to pay a tax upon the renewal premiums derived  
420 from its business remaining in force in this state at the rate which was  
421 applicable when such company ceased to transact new business in this  
422 state. With respect to such net direct premiums received in the  
423 calendar year commencing January 1, 2004, each such company shall  
424 pay an additional tax, for such calendar year, in an amount equal to  
425 ten per cent of the tax imposed under this subsection for such year,  
426 without reduction of the tax by any credit against such tax. With  
427 respect to such premiums received in the calendar year commencing  
428 January 1, 2005, each such company shall pay an additional tax, for  
429 such calendar year, in an amount equal to five per cent of the tax  
430 imposed under this subsection for such year, without reduction of the  
431 tax by any credit against such tax. Such additional taxes for the  
432 calendar years commencing January 1, 2004, and January 1, 2005, shall  
433 become due and be paid, collected and enforced as provided in this  
434 chapter.

435 Sec. 11. Subdivision (1) of section 12-408 of the general statutes is  
436 repealed and the following is substituted in lieu thereof (*Effective July*  
437 *1, 2003, and applicable to sales occurring on or after July 1, 2003*):

438 (1) For the privilege of making any sales, as defined in subdivision  
439 (2) of subsection (a) of section 12-407, at retail, in this state for a

440 consideration, a tax is hereby imposed on all retailers at the rate of six  
441 and one-half per cent of the gross receipts of any retailer from the sale  
442 of all tangible personal property sold at retail or from the rendering of  
443 any services constituting a sale in accordance with subdivision (2) of  
444 subsection (a) of section 12-407, except, in lieu of said rate of six and  
445 one-half per cent, (A) at a rate of twelve per cent with respect to each  
446 transfer of occupancy, from the total amount of rent received for such  
447 occupancy of any room or rooms in a hotel or lodging house for the  
448 first period not exceeding thirty consecutive calendar days, (B) with  
449 respect to the sale of a motor vehicle to any individual who is a  
450 member of the armed forces of the United States and is on full-time  
451 active duty in Connecticut and who is considered, under 50 App USC  
452 574, a resident of another state, or to any such individual and the  
453 spouse thereof, at a rate of four and one-half per cent of the gross  
454 receipts of any retailer from such sales, provided such retailer requires  
455 and maintains a declaration by such individual, prescribed as to form  
456 by the commissioner and bearing notice to the effect that false  
457 statements made in such declaration are punishable, or other evidence,  
458 satisfactory to the commissioner, concerning the purchaser's state of  
459 residence under 50 App USC 574, (C) (i) with respect to the sales of  
460 computer and data processing services occurring on or after July 1,  
461 1997, and prior to July 1, 1998, at the rate of five per cent, on or after  
462 July 1, 1998, and prior to July 1, 1999, at the rate of four per cent, on or  
463 after July 1, 1999, and prior to July 1, 2000, at the rate of three per cent,  
464 on or after July 1, 2000, and prior to July 1, 2001, at the rate of two per  
465 cent, on or after July 1, 2001, and prior to July 1, 2004, at the rate of one  
466 per cent and on and after July 1, 2004, such services shall be exempt  
467 from such tax, (ii) with respect to sales of Internet access services, on  
468 and after July 1, 2001, such services shall be exempt from such tax, (D)  
469 with respect to the sales of labor that is otherwise taxable under  
470 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section  
471 12-407 on existing vessels and repair or maintenance services on  
472 vessels occurring on and after July 1, 1999, such services shall be  
473 exempt from such tax, and (E) with respect to patient care services for

474 which payment is received by the hospital on or after July 1, 1999, and  
475 prior to July 1, 2001, and with respect to such services for which  
476 payment is received by the hospital on or after July 1, 2003, at the rate  
477 of five and three-fourths per cent. The rate of tax imposed by this  
478 chapter shall be applicable to all retail sales upon the effective date of  
479 such rate, except that a new rate which represents an increase in the  
480 rate applicable to the sale shall not apply to any sales transaction  
481 wherein a binding sales contract without an escalator clause has been  
482 entered into prior to the effective date of the new rate and delivery is  
483 made within ninety days after the effective date of the new rate. For  
484 the purposes of payment of the tax imposed under this section, any  
485 retailer of services taxable under subparagraph (I) of subdivision (2) of  
486 subsection (a) of section 12-407, who computes taxable income, for  
487 purposes of taxation under the Internal Revenue Code of 1986, or any  
488 subsequent corresponding internal revenue code of the United States,  
489 as from time to time amended, on an accounting basis which  
490 recognizes only cash or other valuable consideration actually received  
491 as income and who is liable for such tax only due to the rendering of  
492 such services may make payments related to such tax for the period  
493 during which such income is received, without penalty or interest,  
494 without regard to when such service is rendered.

495 Sec. 12. Subdivision (3) of section 12-408 of the general statutes is  
496 repealed and the following is substituted in lieu thereof (*Effective July*  
497 *1, 2003, and applicable to sales occurring on or after July 1, 2003*):

498 (3) For the purpose of adding and collecting the tax imposed by this  
499 chapter, or an amount equal as nearly as possible or practicable to the  
500 average equivalent thereof, by the retailer from the consumer the  
501 following bracket system shall be in force and effect as follows:

T1	Amount of Sale	Amount of Tax
T2	\$0.00 to \$0.08 inclusive	No Tax

T3	.09 to .24 inclusive	1 cent
T4	.25 to .41 inclusive	2 cents
T5	.42 to .58 inclusive	3 cents
T6	.59 to .74 inclusive	4 cents
T7	.75 to .91 inclusive	5 cents
T8	.92 to 1.08 inclusive	6 cents

502 On all sales above \$1.08, the tax shall be computed at the rate of six  
503 and one-half per cent.

504 Sec. 13. Subdivision (1) of section 12-411 of the general statutes is  
505 repealed and the following is substituted in lieu thereof (*Effective July*  
506 *1, 2003, and applicable to sales occurring on or after July 1, 2003*):

507 (1) An excise tax is hereby imposed on the storage, acceptance,  
508 consumption or any other use in this state of tangible personal  
509 property purchased from any retailer for storage, acceptance,  
510 consumption or any other use in this state, the acceptance or receipt of  
511 any services constituting a sale in accordance with subdivision (2) of  
512 subsection (a) of section 12-407, purchased from any retailer for  
513 consumption or use in this state, or the storage, acceptance,  
514 consumption or any other use in this state of tangible personal  
515 property which has been manufactured, fabricated, assembled or  
516 processed from materials by a person, either within or without this  
517 state, for storage, acceptance, consumption or any other use by such  
518 person in this state, to be measured by the sales price of materials, at  
519 the rate of six and one-half per cent of the sales price of such property  
520 or services, except, in lieu of said rate of six and one-half per cent, (A)  
521 at a rate of twelve per cent of the rent paid for occupancy of any room  
522 or rooms in a hotel or lodging house for the first period of not  
523 exceeding thirty consecutive calendar days, (B) with respect to the  
524 storage, acceptance, consumption or use in this state of a motor vehicle  
525 purchased from any retailer for storage, acceptance, consumption or  
526 use in this state by any individual who is a member of the armed

527 forces of the United States and is on full-time active duty in  
528 Connecticut and who is considered, under 50 App USC 574, a resident  
529 of another state, or to any such individual and the spouse of such  
530 individual at a rate of four and one-half per cent of the sales price of  
531 such vehicle, provided such retailer requires and maintains a  
532 declaration by such individual, prescribed as to form by the  
533 commissioner and bearing notice to the effect that false statements  
534 made in such declaration are punishable, or other evidence,  
535 satisfactory to the commissioner, concerning the purchaser's state of  
536 residence under 50 App USC 574, (C) with respect to the acceptance or  
537 receipt in this state of labor that is otherwise taxable under  
538 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section  
539 12-407 on existing vessels and repair or maintenance services on  
540 vessels occurring on and after July 1, 1999, such services shall be  
541 exempt from such tax, (D) (i) with respect to the acceptance or receipt  
542 in this state of computer and data processing services purchased from  
543 any retailer for consumption or use in this state occurring on or after  
544 July 1, 1997, and prior to July 1, 1998, at the rate of five per cent of such  
545 services, on or after July 1, 1998, and prior to July 1, 1999, at the rate of  
546 four per cent of such services, on or after July 1, 1999, and prior to July  
547 1, 2000, at the rate of three per cent of such services, on or after July 1,  
548 2000, and prior to July 1, 2001, at the rate of two per cent of such  
549 services, on and after July 1, 2001, and prior to July 1, 2004, at the rate  
550 of one per cent of such services and on and after July 1, 2004, such  
551 services shall be exempt from such tax, and (ii) with respect to the  
552 acceptance or receipt in this state of Internet access services, on or after  
553 July 1, 2001, such services shall be exempt from tax, and (E) with  
554 respect to the acceptance or receipt in this state of patient care services  
555 purchased from any retailer for consumption or use in this state for  
556 which payment is received by the hospital on or after July 1, 1999, and  
557 prior to July 1, 2001, and with respect to acceptance or receipt in this  
558 state of such services for which payment is received by the hospital on  
559 or after July 1, 2003, at the rate of five and three-fourths per cent.

560 Sec. 14. Section 4a-9 of the general statutes is repealed and the

561 following is substituted in lieu thereof (*Effective from passage*):

562 There is created a Capital Equipment Purchase Fund. The fund shall  
563 be administered by the Secretary of the Office of Policy and  
564 Management. The fund shall be used for the purpose of acquiring, by  
565 purchase or by exercise of prepayment or purchase options in existing  
566 capital leases entered into by the state, capital equipment with an  
567 anticipated remaining useful life of not less than five years from the  
568 date of purchase, [and (1) to the extent of not more than two million  
569 nine hundred thousand dollars, payment for projects under subsection  
570 (a) of section 4-67f, and (2) to the extent of not more than one hundred  
571 thousand dollars, payment for awards under subsection (b) of said  
572 section.] Notwithstanding the provisions of this section, or any  
573 regulations adopted under the general statutes, a state agency may  
574 purchase necessary data processing equipment that has a unit price of  
575 less than one thousand dollars from the Capital Equipment Purchase  
576 Fund authorized under section 4a-10, provided such equipment has a  
577 useful life of not less than five years.

578 Sec. 15. Section 32-657 of the general statutes is repealed and the  
579 following is substituted in lieu thereof (*Effective July 1, 2003*):

580 (a) The secretary shall prepare each fiscal year an annual operating  
581 and capital budget for the stadium facility and shall submit a copy of  
582 such budget to the joint standing committees of the General Assembly  
583 having cognizance of matters relating to finance, revenue and bonding  
584 and appropriations.

585 (b) The secretary is authorized to establish with the Treasurer and  
586 administer a separate nonlapsing enterprise fund to be known as the  
587 "Stadium Facility Enterprise Fund". All revenues received by the  
588 secretary with respect to the use, operation and management of the  
589 stadium facility, including revenues from stadium parking and the sale  
590 of naming rights and including any General Fund appropriation or  
591 other moneys received from federal, state, municipal and private  
592 sources [, other than the amount made available to the secretary by

593 United Technologies Corporation for traffic and road improvements  
594 pursuant to the authority granted in subsection (g) of section 32-656]  
595 for purposes of stadium facility operations, shall be deposited with the  
596 Treasurer to the credit of such fund, except as otherwise provided in  
597 subsection (d) of this section. Earnings on investments of amounts on  
598 deposit in the Stadium Facility Enterprise Fund shall be retained in  
599 and used for purposes of such fund. The secretary is authorized to pay,  
600 and the resources of such fund shall be available for and applied to,  
601 the costs and expenses of stadium facility operations, to the extent not  
602 otherwise paid as provided in subsection (d) of this section. Such  
603 payments shall be made by the Treasurer on warrants issued by the  
604 Comptroller, upon order of the secretary or a designee.

605 (c) A capital replacement reserve subaccount shall be established  
606 within the Stadium Facility Enterprise Fund, to be known as the  
607 "stadium facility capital replacement account". Any surplus remaining  
608 in the Stadium Facility Enterprise Fund at the end of any fiscal year, to  
609 the extent not required, in the judgment of the secretary, to be reserved  
610 for the purpose of deferred maintenance or repairs, the addition or  
611 replacement of furniture, fixtures and equipment, working capital, or  
612 the funding of projected operating deficits or similar contingencies,  
613 shall be transferred to the stadium facility capital replacement account.  
614 Any General Fund appropriation or other moneys received from  
615 federal, state, municipal or private sources for purposes of capital  
616 additions or replacements at the stadium facility, other than the  
617 amount made available to the secretary by United Technologies  
618 Corporation for traffic and road improvements pursuant to the  
619 authority granted in subsection (g) of section 32-656, shall be deposited  
620 with the Treasurer to the credit of such subaccount. Moneys in the  
621 stadium facility capital replacement account shall be available and  
622 used for the costs of capital replacements, restorations, alterations,  
623 improvements, additions and enhancements to the stadium facility,  
624 including the costs of maintenance and repairs for which funds are not  
625 otherwise available in the Stadium Facility Enterprise Fund.  
626 Requisition and payment from the stadium facility capital replacement

627 account shall be in accordance with the procedures established in  
628 subsection (b) of this section with respect to the Stadium Facility  
629 Enterprise Fund generally, except that the order of the secretary with  
630 respect thereto shall include a certification that the costs for which  
631 payment is requested are capital costs in accordance with the current  
632 capital budget or are capital costs not anticipated in the current capital  
633 budget but necessary in order to repair, restore or reconstruct the  
634 stadium facility following a casualty loss, to preserve the structural  
635 integrity of the stadium facility, to protect public health or safety, or to  
636 avoid an interruption in stadium facility operations.

637 (d) Notwithstanding the provisions of [this] subsection (b) of this  
638 section, (1) the secretary is authorized to enter into agreements  
639 including, but not limited to, lease, license, management, marketing,  
640 ticketing, merchandising or concession agreements, which provide for  
641 the collection, retention or sharing of facility revenues by the  
642 university, the authority or other public or private entities, provided  
643 [(1)] (A) such arrangements are not inconsistent in any material respect  
644 with the operating budget, are otherwise on terms not materially less  
645 favorable to the state than the terms customary in the industry for  
646 similar facilities and arrangements, except in the case of the university  
647 or the authority to the extent otherwise contemplated in the master  
648 development plan, and [(2)] (B) such arrangements do not result in  
649 private business use of the stadium facility for purposes of Section  
650 141(b) of the Internal Revenue Code to an extent that would result in  
651 an event of taxability with respect to any bonds issued on a tax-exempt  
652 basis, and (2) in order to facilitate stadium facility operations on a day-  
653 to-day basis, the secretary is authorized to establish, or cause to be  
654 established under agreements with the stadium facility manager, at a  
655 bank or banks in this state, a box office account to receive and hold  
656 ticket receipts pending the occurrence of an event and event  
657 reconciliation and from which such receipts may be disbursed in  
658 accordance with industry standard practices, a revenue account for the  
659 purpose of collecting revenues from stadium facility operations on a

660 daily basis, and an operating expense account for the purpose of  
661 paying expenses of stadium facility operations on a daily basis, and  
662 such subaccounts within the revenue account and the operating  
663 expense account as the secretary deems appropriate to segregate and  
664 account separately for the revenues and expenses of catering,  
665 concessions, parking or other ancillary activities, and the secretary may  
666 transfer amounts in the revenue account to the operating expense  
667 account as necessary to provide for the payment of expenses of  
668 stadium facility operations, and the stadium facility manager may pay  
669 expenses of stadium facility operations directly from the operating  
670 expense account; provided that, if at the end of any calendar month  
671 there is on deposit in the revenue account and the operating expense  
672 account amounts in the aggregate in excess of the projected expenses  
673 of stadium facility operations for the next succeeding three calendar  
674 months, such excess shall be promptly transferred by the secretary to  
675 the Stadium Facility Enterprise Fund. Moneys in the box office  
676 account, the revenue account and the operating expense account may  
677 be temporarily invested at the direction of the secretary, and the  
678 interest and earnings on any such investments shall be treated as  
679 revenues from stadium facility operations.

680       Sec. 16. (*Effective July 1, 2003*) Notwithstanding the provisions of the  
681 general statutes, for the fiscal years ending June 30, 2004, and June 30,  
682 2005, the Comptroller shall deposit into the emergency spill response  
683 account established under section 22a-451 of the general statutes,  
684 \$10,500,000 of the amount of the funds received by the state from the  
685 tax imposed under chapter 227 of the general statutes.

686       Sec. 17. (*Effective July 1, 2003*) (a) Notwithstanding any provision of  
687 the general statutes, for the fiscal years ending June 30, 2004, and June  
688 30, 2005, the sum of \$40,000,000 shall be transferred from the resources  
689 of the Connecticut Housing Finance Authority, and credited to the  
690 resources of the General Fund.

691       (b) The Commissioner of Economic and Community Development

692 and the Executive Director of the Connecticut Housing Finance  
693 Authority, in consultation with the Secretary of the Office of Policy and  
694 Management, shall develop a plan to transfer housing programs of the  
695 department to the authority. Such plan shall detail the savings to the  
696 General Fund as the result of such transfer. Not later than January 1,  
697 2004, the department and the authority shall enter into a  
698 Memorandum of Understanding which shall specify the housing  
699 programs and accompanying responsibilities to be transferred, the  
700 timing of the transfer, and such other information as necessary to  
701 complete the transfer. Any savings generated from such transfer shall  
702 be deducted from the amount to be credited to the resources of the  
703 General Fund in subsection (a) of this section.

704 (c) Notwithstanding any provision of the general statutes, for the  
705 fiscal years ending June 30, 2004, and June 30, 2005, the sum of  
706 \$5,000,000 shall be transferred from the resources of Connecticut  
707 Innovations, Incorporated, and credited to the resources of the General  
708 Fund.

709 (d) Notwithstanding any provision of the general statutes, for the  
710 fiscal years ending June 30, 2004, and June 30, 2005, the sum of  
711 \$5,000,000 shall be transferred from the resources of the Connecticut  
712 Development Authority, and credited to the resources of the General  
713 Fund.

714 (e) Notwithstanding any provision of the general statutes, for the  
715 fiscal years ending June 30, 2004, and June 30, 2005, the sum of  
716 \$72,000,000 shall be transferred from resources of the Energy  
717 Conservation and Load Management Fund, and credited to the  
718 resources of the General Fund.

719 (f) Notwithstanding any provision of the general statutes, for the  
720 fiscal years ending June 30, 2004, and June 30, 2005, the sum of  
721 \$25,000,000 shall be transferred from resources of the Clean Energy  
722 Fund, and credited to the resources of the General Fund.

723 Sec. 18. Section 12-330c of the general statutes is repealed and the  
724 following is substituted in lieu thereof (*Effective July 1, 2003, and*  
725 *applicable to sales occurring on or after July 1, 2003*):

726 (a) (1) A tax is imposed on all tobacco products held in this state by  
727 any person. Except as otherwise provided in subdivision (2) of this  
728 subsection with respect to the rate of tax on snuff tobacco products, the  
729 tax shall be imposed at the rate of [twenty] twenty-seven per cent of  
730 the wholesale sales price of such products.

731 (2) The tax shall be imposed on snuff tobacco products, on the net  
732 weight as listed by the manufacturer, as follows: [Forty] Fifty-five  
733 cents per ounce of snuff and a proportionate tax at the like rate on all  
734 fractional parts of an ounce of snuff.

735 (b) Said tax shall be imposed on the distributor or the unclassified  
736 importer at the time the tobacco product is manufactured, purchased,  
737 imported, received or acquired in this state.

738 (c) Said tax shall not be imposed on any tobacco products which (1)  
739 are exported from the state, or (2) are not subject to taxation by this  
740 state pursuant to any laws of the United States.

741 Sec. 19. Subdivision (6) of subsection (a) of section 12-700 of the  
742 general statutes, as amended by section 22 of public act 03-2, is  
743 repealed and the following is substituted in lieu thereof (*Effective from*  
744 *passage and applicable to taxable years commencing on or after January 1,*  
745 *2003*):

746 (6) For taxable years commencing on or after January 1, 2003, in  
747 accordance with the following schedule:

748 (A) For any person who files a return under the federal income tax  
749 for such taxable year as an unmarried individual [or as a married  
750 individual filing separately] and for trusts or estates:

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T9	Connecticut Taxable Income	Rate of Tax
T10	Not over \$10,000	3.0%
T11	Over \$10,000 <u>but not over</u>	\$300.00, plus 5.0% of the
T12	<u>\$265,500</u>	excess over \$10,000
T13	<u>Over \$265,500 but not over</u>	<u>\$13,075, plus 5.25% of the</u>
T14	<u>\$1,062,500</u>	<u>excess over \$265,500</u>
T15	<u>Over \$1,062,500</u>	<u>\$54,917,50, plus 5.5% of the</u>
T16		<u>excess over \$1,062,500</u>

751 (B) For any person who files a return under the federal income tax  
 752 for such taxable year as a head of household, as defined in Section 2(b)  
 753 of the Internal Revenue Code:

T17	Connecticut Taxable Income	Rate of Tax
T18	Not over \$16,000	3.0%
T19	Over \$16,000 <u>but not over</u>	\$480.00, plus 5.0% of the
T20	<u>\$396,000</u>	excess over \$16,000
T21	<u>Over \$396,000 but not over</u>	<u>\$19,480, plus 5.25% of the</u>
T22	<u>\$1,158,000</u>	<u>excess over \$396,000</u>
T23	<u>Over \$1,580,000</u>	<u>\$81,640, plus 5.5% of the</u>
T24		<u>excess over \$1,580,000</u>

754 (C) For any husband and wife who file a return under the federal  
 755 income tax for such taxable year as married individuals filing jointly or  
 756 any person who files a return under the federal income tax for such  
 757 taxable year as a surviving spouse, as defined in Section 2(a) of the  
 758 Internal Revenue Code:

T25	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T26	Not over \$20,000	3.0%
T27	Over \$20,000 <u>but not over</u>	\$600.00, plus 5.0% of the
T28	<u>\$500,000</u>	excess over \$20,000
T29	<u>Over \$500,000 but not over</u>	<u>\$24,600, plus 5.25% of the</u>
T30	<u>\$2,000,000</u>	<u>excess over \$500,000</u>
T31	<u>Over \$2,000,000</u>	<u>\$103,350, plus 5.5% of the</u>
T32		<u>excess over \$2,000,000</u>

759 (D) [For trusts or estates, the rate of tax shall be 5.0% of the  
 760 Connecticut taxable income.] For any person who files a return under  
 761 the federal income tax for such taxable year as a married individual  
 762 filing separately:

T33	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T34	<u>Not over \$10,000</u>	<u>3.0%</u>
T35	<u>Over \$10,000 but not over</u>	<u>\$300.00, plus 5.0% of the</u>
T36	<u>\$250,000</u>	<u>excess over \$10,000</u>
T37	<u>Over \$250,000 but not over</u>	<u>\$12,300, plus 5.25% of the</u>
T38	<u>\$1,000,000</u>	<u>excess over \$250,000</u>
T39	<u>Over \$1,000,000</u>	<u>\$51,675, plus 5.5% of the</u>
T40		<u>excess over \$1,000,000</u>

This act shall take effect as follows:	
Section 1	<i>July 1, 2003, and applicable to gross earnings on sales occurring on or after July 1, 2003</i>
Sec. 2	<i>July 1, 2003, and applicable to gross earnings on sales occurring on or after July 1, 2003</i>
Sec. 3	<i>from passage and applicable to income years commencing on or after January 1, 2004</i>

Sec. 4	<i>from passage and applicable to taxable years commencing on or after January 1, 2004</i>
Sec. 5	<i>from passage and applicable to income years commencing on or after January 1, 2004</i>
Sec. 6	<i>from passage and applicable to transfers occurring on or after January 1, 2003</i>
Sec. 7	<i>from passage and applicable to transfers occurring on or after January 1, 2003</i>
Sec. 8	<i>from passage and applicable to estates of decedents who die on or after January 1, 2003</i>
Sec. 9	<i>July 1, 2003, and applicable to premiums received on or after July 1, 2003</i>
Sec. 10	<i>July 1, 2003, and applicable to premiums received on or after July 1, 2003</i>
Sec. 11	<i>July 1, 2003, and applicable to sales occurring on or after July 1, 2003</i>
Sec. 12	<i>July 1, 2003, and applicable to sales occurring on or after July 1, 2003</i>
Sec. 13	<i>July 1, 2003, and applicable to sales occurring on or after July 1, 2003</i>
Sec. 14	<i>from passage</i>
Sec. 15	<i>July 1, 2003</i>
Sec. 16	<i>July 1, 2003</i>
Sec. 17	<i>July 1, 2003</i>
Sec. 18	<i>July 1, 2003, and applicable to sales occurring on or after July 1, 2003</i>
Sec. 19	<i>from passage and applicable to taxable years commencing on or after January 1, 2003</i>

**Statement of Purpose:**

To provide revenue sufficient to support state budget expenditures for the biennium commencing July 1, 2003.

*[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.]*