



General Assembly

January Session, 2003

**Amendment**

LCO No. 7326

\*HB0662407326HDO\*

Offered by:

REP. STILLMAN, 38<sup>th</sup> Dist.

To: Subst. House Bill No. 6624

File No. 569

Cal. No. 399

**"AN ACT CONCERNING VARIOUS TAXES ADMINISTERED BY  
THE DEPARTMENT OF REVENUE SERVICES."**

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- 1 Change the effective date of section 1 to "July 1, 2003"
- 2 Change the effective date of section 13 to "Effective from passage  
3 and applicable to taxable years commencing on or after January 1,  
4 2003"
- 5 Change the effective date of section 15 to "Effective from passage  
6 and applicable to calendar years commencing on or after January 1,  
7 2001"
- 8 After the last section, add the following and renumber sections and  
9 internal references accordingly:
- 10 "Sec. 501. Subsection (b) of section 12-690 of the general statutes is  
11 repealed and the following is substituted in lieu thereof (*Effective July*  
12 *1, 2003, and applicable to payments required to be made on or after said date*):

13 (b) The Commissioner of Revenue Services may require the filing,  
14 by computer transmission or by employing new technology as it is  
15 developed, of any return, statement or other document that is required  
16 by law or regulation to be filed with said commissioner by any person  
17 who is required under the provisions of this chapter to pay the tax, to  
18 which such return, statement or other document pertains, by electronic  
19 funds transfer, or by any other person who is described in regulations  
20 adopted under this subsection by said commissioner in accordance  
21 with the provisions of chapter 54.

22 Sec. 502. Subsection (a) of section 12-686 of the general statutes is  
23 repealed and the following is substituted in lieu thereof (*Effective July*  
24 *1, 2003, and applicable to payments required to be made on or after said date*):

25 (a) (1) Except as otherwise provided in subsection (b) of this section,  
26 the commissioner may require every person who files a tax return for  
27 any tax on a monthly or quarterly basis to pay such tax during the  
28 twelve-month period following a determination of liability under this  
29 subdivision by one of the means of electronic funds transfer approved  
30 by the department if the commissioner determines that such person's  
31 liability for such tax was more than [one hundred] fifty thousand  
32 dollars for the twelve-month period ending on the June thirtieth  
33 immediately preceding the monthly or quarterly period with respect to  
34 which the requirement to pay tax by electronic funds transfer is  
35 established. The commissioner, in determining whether tax liability is  
36 more than [one hundred] fifty thousand dollars, shall base such  
37 determination on the taxes reported to be due on the tax returns of  
38 such person related to the period under examination. If any tax return  
39 or returns of such person for such period have not been filed, the  
40 commissioner may base such determination on any information  
41 available to him.

42 (2) Except as otherwise provided in subsection (b) of this section, the  
43 commissioner may require every person, other than a person described  
44 in subdivision (3) of this subsection, who files a tax return for any tax  
45 on an annual basis to pay such tax, or any installment thereof, during

46 the twelve-month period following a determination of liability under  
47 this subdivision by one of the means of electronic funds transfer  
48 approved by the department if the commissioner determines that such  
49 person's liability for such tax was more than [one hundred] fifty  
50 thousand dollars for the year immediately preceding the year with  
51 respect to which the requirement to pay tax by electronic funds  
52 transfer is established. The commissioner, in determining whether tax  
53 liability is more than [one hundred] fifty thousand dollars, may base  
54 the determination on the estimated tax, if any, paid for the  
55 immediately preceding year, provided, if the tax return for such  
56 immediately preceding year has been filed, the commissioner shall  
57 base the determination on the taxes reported to be due on such tax  
58 return. If any tax return of such person for such period has not been  
59 filed or estimated tax has not been paid by such person for such  
60 period, the commissioner may base such determination on any  
61 information available to him.

62 (3) Except as otherwise provided in subsection (b) of this section, the  
63 commissioner may require every employer who is deducting and  
64 withholding Connecticut income tax from employee wages to pay such  
65 tax during the twelve-month period following a determination of  
66 liability under this subdivision, by one of the means of electronic funds  
67 transfer approved by the department if the commissioner determines  
68 that the amount of Connecticut income tax deducted and withheld  
69 from employee wages by such employer was more than [one hundred]  
70 fifty thousand dollars for the twelve-month period ending on the June  
71 thirtieth immediately preceding the quarterly period with respect to  
72 which the requirement to pay over tax by electronic funds transfer is  
73 established. The commissioner, in determining whether tax liability is  
74 more than [one hundred] fifty thousand dollars, shall base such  
75 determination on the taxes reported to be due on the quarterly  
76 withholding tax returns of such employer related to the period under  
77 examination. If any such tax return of such person for such period has  
78 not been filed, the commissioner may base such determination on any  
79 information available to him.

80 Sec. 503. Subsection (a) of section 12-686 of the general statutes, as  
81 amended by section 502 of this act, is repealed and the following is  
82 substituted in lieu thereof (*Effective July 1, 2004, and applicable to*  
83 *payments required to be made on or after said date*):

84 (a) (1) Except as otherwise provided in subsection (b) of this section,  
85 the commissioner may require every person who files a tax return for  
86 any tax on a monthly or quarterly basis to pay such tax during the  
87 twelve-month period following a determination of liability under this  
88 subdivision by one of the means of electronic funds transfer approved  
89 by the department if the commissioner determines that such person's  
90 liability for such tax was more than [fifty] ten thousand dollars for the  
91 twelve-month period ending on the June thirtieth immediately  
92 preceding the monthly or quarterly period with respect to which the  
93 requirement to pay tax by electronic funds transfer is established. The  
94 commissioner, in determining whether tax liability is more than [fifty]  
95 ten thousand dollars, shall base such determination on the taxes  
96 reported to be due on the tax returns of such person related to the  
97 period under examination. If any tax return or returns of such person  
98 for such period have not been filed, the commissioner may base such  
99 determination on any information available to him.

100 (2) Except as otherwise provided in subsection (b) of this section, the  
101 commissioner may require every person, other than a person described  
102 in subdivision (3) of this subsection, who files a tax return for any tax  
103 on an annual basis to pay such tax, or any installment thereof, during  
104 the twelve-month period following a determination of liability under  
105 this subdivision by one of the means of electronic funds transfer  
106 approved by the department if the commissioner determines that such  
107 person's liability for such tax was more than [fifty] ten thousand  
108 dollars for the year immediately preceding the year with respect to  
109 which the requirement to pay tax by electronic funds transfer is  
110 established. The commissioner, in determining whether tax liability is  
111 more than [fifty] ten thousand dollars, may base the determination on  
112 the estimated tax, if any, paid for the immediately preceding year,  
113 provided, if the tax return for such immediately preceding year has

114 been filed, the commissioner shall base the determination on the taxes  
115 reported to be due on such tax return. If any tax return of such person  
116 for such period has not been filed or estimated tax has not been paid  
117 by such person for such period, the commissioner may base such  
118 determination on any information available to him.

119 (3) Except as otherwise provided in subsection (b) of this section, the  
120 commissioner may require every employer who is deducting and  
121 withholding Connecticut income tax from employee wages to pay such  
122 tax during the twelve-month period following a determination of  
123 liability under this subdivision, by one of the means of electronic funds  
124 transfer approved by the department if the commissioner determines  
125 that the amount of Connecticut income tax deducted and withheld  
126 from employee wages by such employer was more than [fifty] ten  
127 thousand dollars for the twelve-month period ending on the June  
128 thirtieth immediately preceding the quarterly period with respect to  
129 which the requirement to pay over tax by electronic funds transfer is  
130 established. The commissioner, in determining whether tax liability is  
131 more than [fifty] ten thousand dollars, shall base such determination  
132 on the taxes reported to be due on the quarterly withholding tax  
133 returns of such employer related to the period under examination. If  
134 any such tax return of such person for such period has not been filed,  
135 the commissioner may base such determination on any information  
136 available to him.

137 Sec. 504. Section 12-389 of the general statutes is repealed and the  
138 following is substituted in lieu thereof (*Effective from passage*):

139 (a) The commissioner shall appoint a First Assistant Commissioner  
140 of Revenue Services, who shall be an attorney at law, and shall be the  
141 attorney in charge of succession and transfer taxes and shall have  
142 authority to act as attorney for the commissioner in all matters relating  
143 thereto.

144 (b) The Attorney General may delegate to the Commissioner of  
145 Revenue Services the authority to appoint an attorney to represent the

146 commissioner in matters relating to certain appeals to the Superior  
147 Court from an order, decision or determination or disallowance of the  
148 Commissioner of Revenue Services. The Attorney General may enter  
149 into a memorandum of understanding with the Commissioner of  
150 Revenue Services which shall list the types of appeals which are the  
151 subject of such delegation.

152 Sec. 505. (NEW) (*Effective from passage*) Notwithstanding any  
153 provision of any chapter of title 12 of the general statutes authorizing  
154 the superior court to grant such relief as may be equitable and, if tax  
155 has been paid prior to the granting of such relief, to order the  
156 Treasurer to pay interest on the amount of such relief, the equitable  
157 powers of the superior court shall not include: (1) The power to order  
158 the Treasurer to pay interest on the amount of such relief, if the  
159 provisions of the chapter pursuant to which the appeal was taken to  
160 the superior court do not authorize the Commissioner of Revenue  
161 Services to pay interest on tax overpayments under said chapter, or (2)  
162 the power to order the Treasurer to pay interest in an amount  
163 exceeding the amount of interest that the Commissioner of Revenue  
164 Services would be authorized to pay, if the provisions of the chapter  
165 pursuant to which the appeal was taken to the superior court authorize  
166 the Commissioner of Revenue Services to pay interest on tax  
167 overpayments under said chapter.

168 Sec. 506. Section 12-633 of the general statutes is repealed and the  
169 following is substituted in lieu thereof (*Effective July 1, 2003, and*  
170 *applicable to income years commencing on or after January 1, 2003*):

171 The Commissioner of Revenue Services shall grant a credit against  
172 any tax due under the provisions of chapter 207, 208, 209, 210, 211 or  
173 212 in an amount not to exceed [forty] sixty per cent of the total cash  
174 amount invested during the taxable year by the business firm in  
175 programs operated or created pursuant to proposals approved  
176 pursuant to section 12-632, provided a tax credit not to exceed sixty per  
177 cent may be allowed for investment in certain energy conservation and  
178 employment and training projects as provided in section 12-635.

179 Sec. 507. Section 12-634 of the general statutes is repealed and the  
180 following is substituted in lieu thereof (*Effective July 1, 2003, and*  
181 *applicable to income years commencing on or after January 1, 2003*):

182 The Commissioner of Revenue Services shall grant a credit against  
183 any tax due under the provisions of chapter 207, 208, 209, 210, 211 or  
184 212 in an amount not to exceed [forty] sixty per cent of the total cash  
185 amount invested during the taxable year by the business firm in  
186 programs operated or created pursuant to proposals approved  
187 pursuant to section 12-632 for planning, site preparation, construction,  
188 renovation or acquisition of facilities for purposes of establishing a  
189 child day care facility to be used primarily by the children of such  
190 business firm's employees and equipment installed for such facility,  
191 including kitchen appliances, to the extent that such equipment or  
192 appliances are necessary in the use of such facility for purposes of  
193 child day care, provided: (1) Such facility is operated under the  
194 authority of a license issued by the Commissioner of Public Health in  
195 accordance with sections 19a-77 to 19a-87, inclusive, (2) such facility is  
196 operated without profit by such business firm related to any charges  
197 imposed for the use of such facility for purposes of child day care, and  
198 (3) the amount of tax credit allowed any business firm under the  
199 provisions of this section for any income year may not exceed fifty  
200 thousand dollars. If two or more business firms share in the cost of  
201 establishing such a facility for the children of their employees, each  
202 such taxpayer shall be allowed such credit in relation to the respective  
203 share, paid or incurred by such taxpayer, of the total expenditures for  
204 the facility in such income year. The commissioner shall not grant a  
205 credit pursuant to this section to any taxpayer claiming a credit for the  
206 same year pursuant to section 12-217x.