



General Assembly

**Amendment**

February Session, 2004

LCO No. 5300

\*SB0050405300SD0\*

Offered by:

SEN. LEBEAU, 3<sup>rd</sup> Dist.

SEN. FINCH, 22<sup>nd</sup> Dist.

To: Subst. Senate Bill No. 504

File No. 267

Cal. No. 206

**"AN ACT REQUIRING INDEPENDENT FINANCIAL ANALYSIS FOR URBAN REINVESTMENT ACT PROJECTS THAT REQUIRE LEGISLATIVE OVERSIGHT."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. Subsection (j) of section 32-9t of the general statutes is  
4 repealed and the following is substituted in lieu thereof (*Effective from*  
5 *passage*):

6 (j) The credits allowed by this section may be claimed by a taxpayer  
7 who has made an investment (1) directly only if such investment has a  
8 total asset value of not less than [twenty] ten million dollars; (2)  
9 through a fund managed by a fund manager registered under this  
10 section only if such fund: (A) Has a total asset value of not less than  
11 sixty million dollars for the income year for which the initial credit is  
12 taken; and (B) has not less than three investors who are not related  
13 persons with respect to each other or to any person in which any

14 investment is made other than through the fund at the date the  
15 investment is made; or (3) through a community development entity.

16 Sec. 2. Subsection (i) of section 32-9t of the general statutes is  
17 repealed and the following is substituted in lieu thereof (*Effective from*  
18 *passage*):

19 (i) (1) There shall be allowed as a credit against the tax imposed  
20 under chapters 207 to 212a, inclusive, or section 38a-743, or a  
21 combination of said taxes, an amount equal to the following  
22 percentage of approved investments made by or on behalf of a  
23 taxpayer with respect to the following income years of the taxpayer:  
24 (A) With respect to the income year in which the investment in the  
25 eligible project was made and the two next succeeding income years,  
26 zero per cent; (B) with respect to the third full income year succeeding  
27 the year in which the investment in the eligible project was made and  
28 the three next succeeding income years, ten per cent; (C) with respect  
29 to the seventh full income year succeeding the year in which the  
30 investment in the eligible project was made and the next two  
31 succeeding years, twenty per cent. The sum of all tax credits granted  
32 pursuant to the provisions of this section shall not exceed one hundred  
33 million dollars with respect to a single eligible urban reinvestment  
34 project or a single eligible industrial site investment project approved  
35 by the commissioner. The sum of all tax credits granted pursuant to  
36 the provisions of this section shall not exceed five hundred million  
37 dollars, provided not less than one hundred fifty million dollars of  
38 such tax credits shall be designated for: (i) Eligible projects relating to  
39 any economic cluster initiative recognized by the Commissioner of  
40 Economic and Community Development, and (ii) eligible projects  
41 relating to technology utilizing renewable energy, as defined in section  
42 16-245n, as amended.

43 (2) Notwithstanding the provisions of subdivision (1) of this  
44 subsection, any applicant may, at the time of application, apply to the  
45 commissioner for a credit that exceeds the limitations established by  
46 this subsection. The commissioner shall evaluate the benefits of such

47 application and make recommendations to the General Assembly  
48 relating to changes in the general statutes which would be necessary to  
49 effect such application if the commissioner determines that the  
50 proposal would be of economic benefit to the state."

This act shall take effect as follows:	
Section 1	<i>from passage</i>
Sec. 2	<i>from passage</i>