



General Assembly

February Session, 2004

Amendment

LCO No. 3896

HB0564703896HRO

Offered by:

REP. HARKINS, 120th Dist.

REP. D'AMELIO, 71st Dist.

REP. OREFICE, 37th Dist.

To: Subst. House Bill No. 5647

File No. 536

Cal. No. 374

**"AN ACT CONCERNING THE URBAN AND INDUSTRIAL SITE
REINVESTMENT PROGRAM."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. Subsection (c) of section 38a-88a of the general statutes is
4 repealed and the following is substituted in lieu thereof (*Effective from*
5 *passage*):

6 (c) There shall be allowed as a credit against the tax imposed under
7 chapter 207, 208 or 229 or section 38a-743 an amount equal to [the
8 following percentage of the moneys of the taxpayer invested through a
9 fund manager in an insurance business with respect to the following
10 income years of the taxpayer: (1) With respect to the income year in
11 which the investment in the subject insurance business was made and
12 the two next succeeding income years, zero per cent; (2) with respect to
13 the third full income year succeeding the year in which the investment

14 in the subject insurance business was made and the three next
15 succeeding income years, ten per cent; (3) with respect to the seventh
16 full income year succeeding the year in which the investment in the
17 subject insurance business was made and the two next succeeding
18 income years, twenty per cent] twenty-five per cent of the moneys of
19 the taxpayer invested through a fund manager in an insurance
20 business for each of the four income years next succeeding the
21 investment. The sum of all tax credit granted pursuant to the
22 provisions of this section shall not exceed fifteen million dollars with
23 respect to investments made by a fund or funds in any single
24 insurance business, and with respect to all investments made by a fund
25 shall not exceed the total amount originally invested in such fund. Any
26 fund manager may apply to the Commissioner of Economic and
27 Community Development for a credit that exceeds the limitations
28 established by this subsection. The commissioner shall evaluate the
29 benefits of such application and make recommendations to the General
30 Assembly if he determines that the proposal would be of economic
31 benefit to the state.

32 Sec. 502. Subsection (f) of section 38a-88a of the general statutes is
33 repealed and the following is substituted in lieu thereof (*Effective from*
34 *passage*):

35 (f) The credit allowed by this section may be claimed only with
36 respect to an income year for which a certification of continued
37 eligibility required under subsection (g) of this section has been issued.
38 If, with respect to any year for which a tax credit is claimed, any
39 subject insurance business ceases at any time to employ at least
40 twenty-five per cent of its total work force in new jobs, then, except as
41 provided in subsection (g) of this section, the entitlement to the credit
42 allowed by this section shall not be allowed for the taxable year in
43 which such employment ceases, and there shall not be a pro rata
44 application of the credit to such taxable year; provided, if the reason
45 for such cessation is the dissolution, liquidation or reorganization of
46 such insurance business in a bankruptcy or delinquency proceeding, as
47 defined in section 38a-905, as amended, the credit shall be allowed

48 until such proceeding has been concluded."