



General Assembly

February Session, 2004

**Amendment**

LCO No. 5400

**\*SB0050105400HRO\***

Offered by:  
REP. HAMZY, 78<sup>th</sup> Dist.

To: Subst. Senate Bill No. 501      File No. 266      Cal. No. 562

**"AN ACT CONCERNING THE RETENTION OF JOBS IN CONNECTICUT."**

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4      repealed and the following is substituted in lieu thereof (*Effective from*  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 (j) of section 38a-88a of the general statutes is  
33 repealed and the following is substituted in lieu thereof (*Effective from*  
34 *passage*):

35 (j) The tax credit allowed by this section shall only be available for  
36 investments in funds that are not open to additional investments or  
37 investors beyond the amount subscribed at the formation of the fund.  
38 No credits shall be allowed under this section for investments in any  
39 fund created on or after July 1, 2000. No credit shall be allowed under  
40 this section for investments made in an insurance business through  
41 such fund after December 31, [2015] 2004."