



General Assembly

January Session, 2005

Raised Bill No. 6842

LCO No. 4184

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Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING TELECOMMUNICATIONS COMPANIES.

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

1 Section 1. Subsection (a) of section 12-80a of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2005, and applicable to assessment years commencing on or after October*
4 *1, 2005*):

5 (a) Any (1) taxpayer which, prior to January 1, 1990, was subject to
6 tax under chapter 211 with respect to the rendering of
7 telecommunications service and which, on or after January 1, 1990, is
8 subject to tax under chapter 219 for rendering telecommunications
9 service, and (2) other taxpayer that is subject to tax under chapter 219
10 for rendering telecommunications service and which has elected in the
11 manner specified in this section to have personal property taxed as
12 provided in this section, shall be required to submit to the
13 Commissioner of Revenue Services and the Secretary of the Office of
14 Policy and Management, not later than the thirtieth day of November
15 of each year during which it is subject to tax under chapter 219, a list of
16 all personal property that is owned by such taxpayer in this state on
17 the first day of October of such year and that is used solely and

18 exclusively for rendering telecommunications service, as defined in
19 said chapter 219, including the location of each item of such property
20 and the fair market value thereof, recognizing depreciation of such
21 property to the [maximum] extent allowed for purposes of the
22 corporation business tax in this state, as certified by the Commissioner
23 of Revenue Services, except that such depreciation shall not reduce the
24 value of such property to less than twenty per cent of its original cost.
25 If the records of a taxpayer subject to the requirements of this
26 subsection do not contain the data necessary to develop the list as
27 required without undue cost, the taxpayer may, for purposes of
28 requirements under this subsection, petition the Commissioner of
29 Revenue Services for approval of an alternate method of determining
30 the value of the plant used solely and exclusively to render
31 telecommunications services, but not including central office or
32 switching equipment of that taxpayer, located in each town in the
33 state. If the commissioner finds that the alternative method proposed
34 results in a reasonable approximation of the value of the property of
35 the taxpayer located in each town and used solely and exclusively for
36 rendering telecommunications service, the commissioner shall notify
37 the taxpayer that the proposed alternate method is acceptable and the
38 taxpayer shall be permitted to use the alternate method in developing
39 the list required under this subsection.

40 Sec. 2. Section 12-80a of the general statutes is amended by adding
41 subsection (f) as follows (*Effective July 1, 2005, and applicable to*
42 *assessment years commencing on or after October 1, 2005*):

43 (NEW) (f) Any taxpayer that submits a list pursuant to subsection
44 (a) of this section shall, not later than the thirtieth day of November of
45 each year during which it is subject to tax under chapter 219, submit to
46 each municipality wherein such taxpayer owns personal property a list
47 of personal property located in such municipality and included on the
48 list submitted pursuant to subsection (a) of this section. The assessor or
49 board of assessors may perform an audit in accordance with the
50 procedure in subsection (c) of section 12-53.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2005, and applicable to assessment years commencing on or after October 1, 2005</i>	12-80a(a)
Sec. 2	<i>July 1, 2005, and applicable to assessment years commencing on or after October 1, 2005</i>	12-80a

Statement of Purpose:

To treat the personal property of telecommunications companies whose taxes are assessed and collected by the state in a manner similar to other businesses' personal property by (1) establishing a minimum residual depreciation value of twenty per cent, (2) giving each municipality a list of property owned in that municipality, and (3) allowing towns to audit the personal property filing of telecommunications companies.

[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.]