



General Assembly

Substitute Bill No. 913

January Session, 2005

* SB00913PD 040105 *

AN ACT CONCERNING TAX CREDITS FOR BUSINESSES HIRING EXOFFENDERS RESIDING IN DISTRESSED MUNICIPALITIES.

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

1 Section 1. (NEW) (*Effective July 1, 2005, and applicable to income years*
2 *commencing on or after January 1, 2006*) (a) As used in this section:

3 (1) "Business firm" means any business entity authorized to do
4 business in this state and subject to the corporation business tax
5 imposed under chapter 208 of the general statutes;

6 (2) "Distressed municipality" has the same meaning as provided in
7 section 32-9p of the general statutes; and

8 (3) "Qualifying employee" means an employee who (A) is employed
9 not less than thirty hours per week by a business firm during an
10 income year of the business firm commencing on or after January 1,
11 2006, and (B) at the time of being hired by such business firm, is (i)
12 between the ages of sixteen and eighteen, (ii) resides in a distressed
13 municipality and (iii) has a prior conviction of a crime. For the
14 purposes of this subdivision, the number of hours per week an
15 employee participates in a job training program approved by the Labor
16 Commissioner shall be included in calculating the number of hours
17 such employee is employed by a business firm.

18 (b) Any business firm that hires a qualifying employee in any
19 income year commencing on or after January 1, 2006, may apply to the
20 Labor Commissioner for an allocation of a credit against the tax
21 imposed under chapter 208 of the general statutes in an amount equal
22 to one hundred twenty-five dollars for each full month that such
23 employee is employed by such firm. The application for a tax credit
24 under this subsection shall set forth information that said
25 commissioner deems necessary in regulations that the Labor
26 Commissioner shall adopt in accordance with chapter 54 of the general
27 statutes.

28 (c) Applications shall be submitted annually to the Labor
29 Commissioner on or after July first but not later than December thirty-
30 first. The commissioner shall approve or disapprove each application
31 not later than sixty days after its submission to the commissioner based
32 on (1) the compliance of such application with the provisions of this
33 section and regulations adopted under this section, and (2) the amount
34 of tax credits remaining in the annual allotment provided in this
35 section for the year involved. The commissioner shall approve
36 applications in the order in which they are received in the
37 commissioner's office between July first and December thirty-first of
38 each year. If the commissioner approves the application of a business
39 firm and the limit for tax credits for that year under subsection (e) of
40 this section has not yet been allocated, the commissioner shall allocate
41 and commit an amount of tax credits to such business firm in
42 accordance with this section. Any business firm receiving such an
43 allocation shall, not later than thirty days after the end of its income
44 year, submit a report on the number of full months that qualifying
45 employees were employed by such firm during such year.

46 (d) A business firm shall claim a tax credit under this section on the
47 tax return for the income year during which qualifying employees
48 were employed for full months by the business firm. Any tax credit not
49 used in the period for which the tax credit is allocated may be carried
50 forward for the five succeeding income years of the business firm until
51 the full credit has been allowed.

