



General Assembly

Amendment

February Session, 2006

LCO No. 4076

SB0043504076SRO

Offered by:

SEN. DELUCA, 32nd Dist.
SEN. MCKINNEY, 28th Dist.
SEN. NICKERSON, 36th Dist.
SEN. FREEDMAN, 26th Dist.

SEN. COOK, 18th Dist.
SEN. RORABACK, 30th Dist.
SEN. CAPPIELLO, 24th Dist.

To: Senate Bill No. 435

File No. 475

Cal. No. 340

"AN ACT CONCERNING THE SALES TAX EXEMPTION FOR SERVICES PROVIDED BY PARTICIPANTS IN CERTAIN JOINT VENTURES."

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

3 "Sec. 501. Subsection (a) of section 12-642 of the 2006 supplement to
4 the general statutes is repealed and the following is substituted in lieu
5 thereof (*Effective from passage and applicable to calendar years commencing*
6 *on or after January 1, 2006*):

7 (a) (1) With respect to calendar years commencing prior to January
8 1, 2001, the tax imposed by section 12-640 for the calendar year shall be
9 at a rate of the taxable gifts made by the donor during the calendar
10 year set forth in the following schedule:

T1	Amount of Taxable Gifts	Rate of Tax
T2	Not over \$25,000	1%
T3	Over \$25,000	\$250, plus 2% of the excess
T4	but not over \$50,000	over \$25,000
T5	Over \$50,000	\$750, plus 3% of the excess
T6	but not over \$75,000	over \$50,000
T7	Over \$75,000	\$1,500, plus 4% of the excess
T8	but not over \$100,000	over \$75,000
T9	Over \$100,000	\$2,500, plus 5% of the excess
T10	but not over \$200,000	over \$100,000
T11	Over \$200,000	\$7,500, plus 6% of the excess
T12		over \$200,000

11 (2) With respect to the calendar years commencing January 1, 2001,
 12 January 1, 2002, January 1, 2003, and January 1, 2004, the tax imposed
 13 by section 12-640 for each such calendar year shall be at a rate of the
 14 taxable gifts made by the donor during the calendar year set forth in
 15 the following schedule:

T13	Amount of Taxable Gifts	Rate of Tax
T14	Over \$25,000	\$250, plus 2% of the excess
T15	but not over \$50,000	over \$25,000
T16	Over \$50,000	\$750, plus 3% of the excess
T17	but not over \$75,000	over \$50,000
T18	Over \$75,000	\$1,500, plus 4% of the excess
T19	but not over \$100,000	over \$75,000
T20	Over \$100,000	\$2,500, plus 5% of the excess
T21	but not over \$675,000	over \$100,000
T22	Over \$675,000	\$31,250, plus 6% of the excess
T23		over \$675,000

16 (3) (A) With respect to Connecticut taxable gifts, as defined in
 17 section 12-643, as amended, made by a donor during [a] the calendar

18 year commencing [on or after] January 1, 2005, [including the
 19 aggregate amount of all Connecticut taxable gifts made by the donor
 20 during all calendar years commencing on or after January 1, 2005,] the
 21 tax imposed by section 12-640 for the calendar year shall be at the rate
 22 set forth in the following schedule, with a credit allowed against such
 23 tax for any tax previously paid to this state pursuant to this
 24 subdivision:

T24	Amount of Taxable Gifts	Rate of Tax
T25	Not over \$2,000,000	None
T26	Over \$2,000,000	
T27	but not over \$2,100,000	5.085% of the excess over \$0
T28	Over \$2,100,000	\$106,800 plus 8% of the excess
T29	but not over \$2,600,000	over \$2,100,000
T30	Over \$2,600,000	\$146,800 plus 8.8% of the excess
T31	but not over \$3,100,000	over \$2,600,000
T32	Over \$3,100,000	\$190,800 plus 9.6% of the excess
T33	but not over \$3,600,000	over \$3,100,000
T34	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T35	but not over \$4,100,000	over \$3,600,000
T36	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T37	but not over \$5,100,000	over \$4,100,000
T38	Over \$5,100,000	\$402,800 plus 12% of the excess
T39	but not over \$6,100,000	over \$5,100,000
T40	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T41	but not over \$7,100,000	over \$6,100,000
T42	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T43	but not over \$8,100,000	over \$7,100,000
T44	Over \$8,100,000	\$786,800 plus 14.4% of the excess

T45	but not over \$9,100,000	over \$8,100,000
T46	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T47	but not over \$10,100,000	over \$9,100,000
T48	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T49		over \$10,100,000

25 (B) With respect to Connecticut taxable gifts, as defined in section
 26 12-643, as amended, made by a donor during the calendar year
 27 commencing January 1, 2006, including the aggregate amount of all
 28 Connecticut taxable gifts made by the donor during the calendar year
 29 commencing January 1, 2005, the tax imposed by section 12-640 for the
 30 calendar year shall be at the rate set forth in the following schedule,
 31 with a credit allowed against such tax for any tax previously paid to
 32 this state pursuant to this subdivision:

T50	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T51	<u>Not over \$4,100,000</u>	<u>None</u>
T52	<u>Over \$4,100,000</u>	<u>11.2% of the excess</u>
T53	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T54	<u>Over \$5,100,000</u>	<u>\$112,000 plus 12% of the excess</u>
T55	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T56	<u>Over \$6,100,000</u>	<u>\$232,000 plus 12.8% of the excess</u>
T57	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T58	<u>Over \$7,100,000</u>	<u>\$360,000 plus 13.6% of the excess</u>
T59	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T60	<u>Over \$8,100,000</u>	<u>\$496,000 plus 14.4% of the excess</u>
T61	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T62	<u>Over \$9,100,000</u>	<u>\$640,000 plus 15.2% of the excess</u>
T63	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T64	<u>Over \$10,100,000</u>	<u>\$792,000 plus 16% of the excess</u>

T65 over \$10,100,000

33 (C) With respect to Connecticut taxable gifts, as defined in section
 34 12-643, as amended, made by a donor during the calendar year
 35 commencing January 1, 2007, including the aggregate amount of all
 36 Connecticut taxable gifts made by the donor during all prior calendar
 37 years commencing on or after January 1, 2005, the tax imposed by
 38 section 12-640 for the calendar year shall be at the rate set forth in the
 39 following schedule, with a credit allowed against such tax for any tax
 40 previously paid to this state pursuant to this subdivision:

T66	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T67	<u>Not over \$5,100,000</u>	<u>None</u>
T68	<u>Over \$5,100,000</u>	<u>12% of the excess</u>
T69	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T70	<u>Over \$6,100,000</u>	<u>\$120,000 plus 12.8% of the excess</u>
T71	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T72	<u>Over \$7,100,000</u>	<u>\$248,000 plus 13.6% of the excess</u>
T73	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T74	<u>Over \$8,100,000</u>	<u>\$384,000 plus 14.4% of the excess</u>
T75	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T76	<u>Over \$9,100,000</u>	<u>\$528,000 plus 15.2% of the excess</u>
T77	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T78	<u>Over \$10,100,000</u>	<u>\$680,000 plus 16% of the excess</u>
T79		<u>over \$10,100,000</u>

41 (D) With respect to Connecticut taxable gifts, as defined in section
 42 12-643, as amended, made by a donor during the calendar year
 43 commencing January 1, 2008, including the aggregate amount of all

44 Connecticut taxable gifts made by the donor during all prior calendar
 45 years commencing on or after January 1, 2005, the tax imposed by
 46 section 12-640 for the calendar year shall be at the rate set forth in the
 47 following schedule, with a credit allowed against such tax for any tax
 48 previously paid to this state pursuant to this subdivision:

T80	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T81	<u>Not over \$7,100,000</u>	<u>None</u>
T82	<u>Over \$7,100,000</u>	<u>13.6% of the excess</u>
T83	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T84	<u>Over \$8,100,000</u>	<u>\$136,000 plus 14.4% of the excess</u>
T85	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T86	<u>Over \$9,100,000</u>	<u>\$280,000 plus 15.2% of the excess</u>
T87	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T88	<u>Over \$10,100,000</u>	<u>\$432,000 plus 16% of the excess</u>
T89		<u>over \$10,100,000</u>

49 (E) With respect to Connecticut taxable gifts, as defined in section
 50 12-643, as amended, made by a donor during the calendar year
 51 commencing January 1, 2009, including the aggregate amount of all
 52 Connecticut taxable gifts made by the donor during all prior calendar
 53 years commencing on or after January 1, 2005, the tax imposed by
 54 section 12-640 for the calendar year shall be at the rate set forth in the
 55 following schedule, with a credit allowed against such tax for any tax
 56 previously paid to this state pursuant to this subdivision:

T90	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T91	<u>Not over \$10,100,000</u>	<u>None</u>
T92	<u>Over \$10,100,000</u>	<u>16% of the excess</u>
T93		<u>over \$10,100,000</u>

57 (F) With respect to Connecticut taxable gifts, as defined in section
 58 12-643, as amended, made by a donor during calendar years
 59 commencing on or after January 1, 2010, including the aggregate
 60 amount of all Connecticut taxable gifts made by the donor during all
 61 prior calendar years commencing on or after January 1, 2005, no tax
 62 shall be imposed by section 12-640 for the calendar year.

63 Sec. 502. Subsection (g) of section 12-391 of the 2006 supplement to
 64 the general statutes is repealed and the following is substituted in lieu
 65 thereof (*Effective from passage and applicable to estates of decedents dying on*
 66 *or after January 1, 2005*):

67 (g) (1) With respect to the estates of decedents dying [on or after
 68 January 1, 2005] during 2005, the tax based on the Connecticut taxable
 69 estate shall be as provided in the following schedule:

T94	Amount of Connecticut	
T95	Taxable Estate	Rate of Tax
T96	Not over \$2,000,000	None
T97	Over \$2,000,000	
T98	but not over \$2,100,000	5.085% of the excess over \$0
T99	Over \$2,100,000	\$106,800 plus 8% of the excess
T100	but not over \$2,600,000	over \$2,100,000
T101	Over \$2,600,000	\$146,800 plus 8.8% of the excess
T102	but not over \$3,100,000	over \$2,600,000
T103	Over \$3,100,000	\$190,800 plus 9.6% of the excess
T104	but not over \$3,600,000	over \$3,100,000
T105	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T106	but not over \$4,100,000	over \$3,600,000
T107	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T108	but not over \$5,100,000	over \$4,100,000
T109	Over \$5,100,000	\$402,800 plus 12% of the excess
T110	but not over \$6,100,000	over \$5,100,000

T111	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T112	but not over \$7,100,000	over \$6,100,000
T113	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T114	but not over \$8,100,000	over \$7,100,000
T115	Over \$8,100,000	\$786,800 plus 14.4% of the excess
T116	but not over \$9,100,000	over \$8,100,000
T117	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T118	but not over \$10,100,000	over \$9,100,000
T119	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T120		over \$10,100,000

70 (2) With respect to the estates of decedents dying during 2006, the
 71 tax based on the Connecticut taxable estate shall be as provided in the
 72 following schedule:

T121	<u>Amount of Connecticut</u>	
T122	<u>Taxable Estate</u>	<u>Rate of Tax</u>
T123	<u>Not over \$4,100,000</u>	<u>None</u>
T124	<u>Over \$4,100,000</u>	<u>11.2% of the excess</u>
T125	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T126	<u>Over \$5,100,000</u>	<u>\$112,000 plus 12% of the excess</u>
T127	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T128	<u>Over \$6,100,000</u>	<u>\$232,000 plus 12.8% of the excess</u>
T129	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T130	<u>Over \$7,100,000</u>	<u>\$360,000 plus 13.6% of the excess</u>
T131	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T132	<u>Over \$8,100,000</u>	<u>\$496,000 plus 14.4% of the excess</u>
T133	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T134	<u>Over \$9,100,000</u>	<u>\$640,000 plus 15.2% of the excess</u>
T135	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>

T136	<u>Over \$10,100,000</u>	<u>\$792,000 plus 16% of the excess</u>
T137		<u>over \$10,100,000</u>

73 (3) With respect to the estates of decedents dying during 2007, the
 74 tax based on the Connecticut taxable estate shall be as provided in the
 75 following schedule:

T138	<u>Amount of Connecticut</u>	
T139	<u>Taxable Estate</u>	<u>Rate of Tax</u>
T140	<u>Not over \$5,100,000</u>	<u>None</u>
T141	<u>Over \$5,100,000</u>	<u>12% of the excess</u>
T142	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T143	<u>Over \$6,100,000</u>	<u>\$120,000 plus 12.8% of the excess</u>
T144	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T145	<u>Over 7,100,000</u>	<u>\$248,000 plus 13.6% of the excess</u>
T146	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T147	<u>Over \$8,100,000</u>	<u>\$384,000 plus 14.4% of the excess</u>
T148	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T149	<u>Over \$9,100,000</u>	<u>\$528,000 plus 15.2% of the excess</u>
T150	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T151	<u>Over \$10,100,000</u>	<u>\$680,000 plus 16% of the excess</u>
T152		<u>over \$10,100,000</u>

76 (4) With respect to the estates of decedents dying during 2008, the
 77 tax based on the Connecticut taxable estate shall be as provided in the
 78 following schedule:

T153	<u>Amount of Connecticut</u>	
T154	<u>Taxable Estate</u>	<u>Rate of Tax</u>
T155	<u>Not over \$7,100,000</u>	<u>None</u>
T156	<u>Over \$7,100,000</u>	<u>13.6% of the excess</u>

T157	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T158	<u>Over \$8,100,000</u>	<u>\$136,000 plus 14.4% of the excess</u>
T159	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T160	<u>Over 9,100,000</u>	<u>\$280,000 plus 15.2% of the excess</u>
T161	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T162	<u>Over \$10,100,000</u>	<u>\$432,000 plus 16% of the excess</u>
T163		<u>over \$10,100,000</u>

79 (5) With respect to the estates of decedents dying during 2009, the
 80 tax based on the Connecticut taxable estate shall be as provided in the
 81 following schedule:

T164	<u>Amount of Connecticut</u>	
T165	<u>Taxable Estate</u>	<u>Rate of Tax</u>
T166	<u>Not over \$10,100,000</u>	<u>None</u>
T167	<u>Over \$10,100,000</u>	<u>16% of the excess</u>
T168		<u>over \$10,100,000</u>

82 (6) With respect to the estates of decedents dying during 2010 or
 83 thereafter, no tax shall be imposed upon the transfer of the estate.

84 Sec. 503. Subdivision (1) of subsection (d) of section 12-391 of the
 85 2006 supplement to the general statutes is repealed and the following
 86 is substituted in lieu thereof (*Effective from passage and applicable to*
 87 *estates of decedents dying on or after January 1, 2005*):

88 (d) (1) With respect to the estates of decedents [who die on or after
 89 January 1, 2005] dying during 2005, 2006, 2007, 2008 or 2009, a tax is
 90 imposed upon the transfer of the estate of each person who at the time
 91 of death was a resident of this state. The amount of the tax shall be
 92 determined using the schedule in subsection (g) of this section, as
 93 amended by this act. A credit shall be allowed against such tax for any
 94 taxes paid to this state pursuant to section 12-642, as amended by this

95 act, for Connecticut taxable gifts made on or after January 1, 2005. With
96 respect to the estates of decedents dying during 2010 or thereafter, no
97 tax shall be imposed upon the transfer of the estate.

98 Sec. 504. Subdivision (1) of subsection (e) of section 12-391 of the
99 2006 supplement to the general statutes is repealed and the following
100 is substituted in lieu thereof (*Effective from passage and applicable to*
101 *estates of decedents dying on or after January 1, 2005*):

102 (e) (1) With respect to the estates of decedents [who die on or after
103 January 1, 2005] dying during 2005, 2006, 2007, 2008 or 2009, a tax is
104 imposed upon the transfer of the estate of each person who at the time
105 of death was a nonresident of this state. The amount of such tax shall
106 be computed by multiplying (A) the amount of tax determined using
107 the schedule in subsection (g) of this section, as amended by this act,
108 by (B) a fraction, (i) the numerator of which is the value of that part of
109 the decedent's gross estate over which this state has jurisdiction for
110 estate tax purposes, and (ii) the denominator of which is the value of
111 the decedent's gross estate. A credit shall be allowed against such tax
112 for any taxes paid to this state pursuant to section 12-642, as amended
113 by this act, for Connecticut taxable gifts made on or after January 1,
114 2005. With respect to the estates of decedents dying during 2010 or
115 thereafter, no tax shall be imposed upon the transfer of the estate."