



General Assembly

Substitute Bill No. 6204

January Session, 2007

* HB06204FIN 041807 *

AN ACT CONCERNING THE TAXATION OF TELECOMMUNICATIONS COMPANY PROPERTY.

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

1 Section 1. Section 12-80a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

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

20 maximum extent allowed for purposes of the corporation business tax
21 in this state, as certified by the Commissioner of Revenue Services. If
22 the records of a taxpayer subject to the requirements of this subsection
23 do not contain the data necessary to develop the list as required
24 without undue cost, the taxpayer may, for purposes of requirements
25 under this subsection, petition the Commissioner of Revenue Services
26 for approval of an alternate method of determining the value of the
27 plant used solely and exclusively to render telecommunications
28 services, but not including central office or switching equipment of
29 that taxpayer, located in each town in the state. If the commissioner
30 finds that the alternative method proposed results in a reasonable
31 approximation of the value of the property of the taxpayer located in
32 each town and used solely and exclusively for rendering
33 telecommunications service, the commissioner shall notify the
34 taxpayer that the proposed alternate method is acceptable and the
35 taxpayer shall be permitted to use the alternate method in developing
36 the list required under this subsection.

37 (b) (1) Not later than the first day of February immediately
38 following the end of such tax year, the Secretary of the Office of Policy
39 and Management shall determine, with respect to such company, a
40 value for personal property equivalent to seventy per cent of the value
41 of personal property included in the list of such property prepared and
42 certified in accordance with subsection (a) of this section. The amount
43 of tax applicable with respect to such personal property of any
44 taxpayer subject to the tax imposed under this section shall be
45 determined by multiplying the value of personal property of such
46 company, as determined under this subsection, by a mill rate of forty-
47 seven mills. Said secretary shall, not later than the first day of March
48 immediately following the end of such tax year, submit a tax bill to
49 each company stating the amount of tax payable to each town in
50 relation to the personal property of such taxpayer located in such
51 town. Such tax shall be due and payable to the town in which such
52 personal property is located not later than the first day of April
53 immediately following. Any city or borough not consolidated with the

54 town in which it is located and any town containing such a city or
55 borough shall receive a portion of the tax due and payable to such
56 town on the basis of the following ratio: The total taxes levied in the
57 previous fiscal year by such town, city or borough shall be the
58 numerator of the fraction. The total taxes levied by the town and all
59 cities or boroughs located within such town shall be added together,
60 and the sum shall be the denominator of the fraction. Any such city or
61 borough may, by vote of its legislative body, direct the Secretary of the
62 Office of Policy and Management to reallocate all or a portion of the
63 share of such city or borough to the town in which it is located.

64 (2) The tax collector of each town owed taxes under this subsection
65 may, at such time as such tax becomes delinquent as provided in
66 sections 12-146 and 12-169, subject such tax to interest at the rate of one
67 and one-half per cent of such tax for each month or fraction thereof
68 which elapses from the time when such tax becomes due and payable
69 until the same is paid.

70 (c) With respect to tangible personal property included in the list of
71 such property submitted to the Secretary of the Office of Policy and
72 Management as provided in subsection (a) of this section, any taxpayer
73 subject to the tax imposed under this section for any tax year shall not
74 be subject to property tax in any town applicable to such personal
75 property for the assessment year in such town commencing on the first
76 day of October immediately preceding the date on which the tax
77 determined with respect to such property in accordance with this
78 section becomes due and payable.

79 (d) Any taxpayer that, on or after January 1, 1990, is subject to tax
80 under chapter 219 for rendering telecommunications service but that,
81 prior to January 1, 1990, was not subject to tax under chapter 211 for
82 rendering telecommunications service may elect to have personal
83 property taxed in the manner specified in this section. Such election
84 shall be made in writing and filed with the Secretary of the Office of
85 Policy and Management and a copy thereof shall be filed with the
86 assessor of each town in which personal property affected by such

87 election is located. Such election, once filed with the secretary, shall be
88 irrevocable and shall, if filed on or before the date that is two months
89 prior to the start of the assessment year, be effective for such
90 assessment year and for all succeeding assessment years, otherwise to
91 be effective for the next succeeding assessment year and all succeeding
92 assessment years.

93 (e) For assessment years commencing on or after October 1, 1997,
94 the provisions of this section, including informational reporting
95 requirements imposed on owners, shall also apply, to the extent
96 provided in section 12-80b, to property that is used both to render
97 telecommunications service subject to tax under chapter 219 and to
98 render community antenna television service subject to tax under
99 chapter 219 and that is required, under subsection (a) of section 12-80b,
100 to be taxed as provided in this section.

101 (f) Any municipality may examine the Office of Policy and
102 Management's or the Department of Revenue Services' audit of a
103 taxpayer's submission pursuant to subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2007	12-80a

ET *Joint Favorable Subst.*

FIN *Joint Favorable*