



General Assembly

Substitute Bill No. 1390

January Session, 2007

* SB01390FIN 041707 *

AN ACT CONCERNING REVENUES OF THE STATE.

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

1 Section 1. Section 12-211a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007, and*
3 *applicable to income years commencing on or after January 1, 2007*):

4 Notwithstanding any provision of the general statutes, the amount
5 of tax credit or credits otherwise allowable against the tax imposed
6 under this chapter for any income year shall not exceed [seventy] sixty
7 per cent of the amount of tax due from such taxpayer under this
8 chapter with respect to such income year of the taxpayer prior to the
9 application of such credit or credits.

10 Sec. 2. Section 12-217zz of the general statutes is repealed and the
11 following is substituted in lieu thereof (*Effective July 1, 2007, and*
12 *applicable to income years commencing on or after January 1, 2007*):

13 Notwithstanding any other provision of law, the amount of tax
14 credit or credits otherwise allowable against the tax imposed under
15 this chapter for any income year shall not exceed [seventy] sixty per
16 cent of the amount of tax due from such taxpayer under this chapter
17 with respect to such income year of the taxpayer prior to the
18 application of such credit or credits.

19 Sec. 3. Section 12-296 of the general statutes is repealed and the
20 following is substituted in lieu thereof (*Effective July 1, 2007, and*
21 *applicable to sales occurring on or after July 1, 2007*):

22 A tax is imposed on all cigarettes held in this state by any person for
23 sale, said tax to be at the rate of [seventy-five and one-half] one
24 hundred mills for each cigarette and the payment thereof shall be for
25 the account of the purchaser or consumer of such cigarettes and shall
26 be evidenced by the affixing of stamps to the packages containing the
27 cigarettes as provided in this chapter.

28 Sec. 4. Section 12-316 of the general statutes is repealed and the
29 following is substituted in lieu thereof (*Effective July 1, 2007, and*
30 *applicable to the storage or use of unstamped cigarettes occurring on or after*
31 *July 1, 2007*):

32 A tax is hereby imposed at the rate of [seventy-five and one-half]
33 one hundred mills for each cigarette upon the storage or use within
34 this state of any unstamped cigarettes in the possession of any person
35 other than a licensed distributor or dealer, or a carrier for transit from
36 without this state to a licensed distributor or dealer within this state.
37 Any person, including distributors, dealers, carriers, warehousemen
38 and consumers, last having possession of unstamped cigarettes in this
39 state shall be liable for the tax on such cigarettes if such cigarettes are
40 unaccounted for in transit, storage or otherwise, and in such event a
41 presumption shall exist for the purpose of taxation that such cigarettes
42 were used and consumed in Connecticut.

43 Sec. 5. (NEW) (*Effective July 1, 2007*) (a) An excise tax is hereby
44 imposed upon each distributor and each dealer, as each are defined in
45 section 12-285 of the general statutes and licensed pursuant to chapter
46 214 of the general statutes, in the amount of twenty-four and one-half
47 mills per cigarette, as defined in said section 12-285, in such
48 distributor's or such dealer's inventory as of the close of business on
49 June 30, 2007, or, if the business closes after eleven fifty-nine p.m. on
50 such date, at eleven fifty-nine p.m. on such date.

51 (b) Each such licensed distributor or dealer shall, not later than
52 August 15, 2007, file with the Commissioner of Revenue Services, on
53 forms prescribed by said commissioner, a report that shows the
54 number of cigarettes in inventory as of the close of business on June 30,
55 2007, or, if the business closes after eleven fifty-nine p.m. on such date,
56 at eleven fifty-nine p.m. on such date, upon which inventory the tax
57 under subsection (a) of this section shall be imposed. The tax shall be
58 due and payable on the due date of such report. If any distributor or
59 dealer required to file a report pursuant to this section fails to file such
60 report on or before August 15, 2007, the commissioner shall make an
61 estimate of the number of cigarettes in such distributor's or dealer's
62 inventory as of the close of business on June 30, 2007, based upon any
63 information that is in the commissioner's possession or that may come
64 into the commissioner's possession. The provisions of chapter 214 of
65 the general statutes pertaining to failure to file returns, examination of
66 returns by the commissioner, the issuance of deficiency assessments or
67 assessments where no return has been filed, the collection of tax, the
68 imposition of penalties and the accrual of interest shall apply to the
69 distributors and dealers required to pay the tax imposed under this
70 section. Failure of any distributor or dealer to file such report when
71 due shall be sufficient reason to revoke such distributor's or dealer's
72 license under the provisions of said chapter 214 and to revoke any
73 other state license or permit held by such distributor or dealer.

74 Sec. 6. Section 12-391 of the general statutes is repealed and the
75 following is substituted in lieu thereof (*Effective July 1, 2007, and*
76 *applicable to the estates of decedents who die on or after January 1, 2007*):

77 (a) With respect to estates of decedents who die prior to January 1,
78 2005, and except as otherwise provided in section 59 of public act 03-1
79 of the June 30 special session*, a tax is imposed upon the transfer of the
80 estate of each person who at the time of death was a resident of this
81 state. The amount of the tax shall be the amount of the federal credit
82 allowable for estate, inheritance, legacy and succession taxes paid to
83 any state or the District of Columbia under the provisions of the
84 federal internal revenue code in force at the date of such decedent's

85 death in respect to any property owned by such decedent or subject to
86 such taxes as part of or in connection with the estate of such decedent.
87 If real or tangible personal property of such decedent is located outside
88 of this state and is subject to estate, inheritance, legacy, or succession
89 taxes by any state or states, other than the state of Connecticut, or by
90 the District of Columbia for which such federal credit is allowable, the
91 amount of tax due under this section shall be reduced by the lesser of:
92 (1) The amount of any such taxes paid to such other state or states or
93 said district and allowed as a credit against the federal estate tax; or (2)
94 an amount computed by multiplying such federal credit by a fraction,
95 (A) the numerator of which is the value of that part of the decedent's
96 gross estate over which such other state or states or said district have
97 jurisdiction for estate tax purposes to the same extent to which this
98 state would assert jurisdiction for estate tax purposes under this
99 chapter with respect to the residents of such other state or states or
100 said district, and (B) the denominator of which is the value of the
101 decedent's gross estate. Property of a resident estate over which this
102 state has jurisdiction for estate tax purposes includes real property
103 situated in this state, tangible personal property having an actual situs
104 in this state, and intangible personal property owned by the decedent,
105 regardless of where it is located. The amount of any estate tax imposed
106 under this subsection shall also be reduced, but not below zero, by the
107 amount of any tax that is imposed under chapter 216 and that is
108 actually paid to this state.

109 (b) With respect to the estates of decedents who die prior to January
110 1, 2005, and except as otherwise provided in section 59 of public act 03-
111 1 of the June 30 special session*, a tax is imposed upon the transfer of
112 the estate of each person who at the time of death was a nonresident of
113 this state, the amount of which shall be computed by multiplying (1)
114 the federal credit allowable for estate, inheritance, legacy, and
115 succession taxes paid to any state or states or the District of Columbia
116 under the provisions of the federal internal revenue code in force at the
117 date of such decedent's death in respect to any property owned by
118 such decedent or subject to such taxes as a part of or in connection

119 with the estate of such decedent by (2) a fraction, (A) the numerator of
120 which is the value of that part of the decedent's gross estate over which
121 this state has jurisdiction for estate tax purposes and (B) the
122 denominator of which is the value of the decedent's gross estate.
123 Property of a nonresident estate over which this state has jurisdiction
124 for estate tax purposes includes real property situated in this state and
125 tangible personal property having an actual situs in this state. The
126 amount of any estate tax imposed under this subsection shall also be
127 reduced, but not below zero, by the amount of any tax that is imposed
128 under chapter 216 and that is actually paid to this state.

129 (c) For purposes of this section:

130 (1) "Connecticut taxable estate" means (A) the gross estate less
131 allowable deductions, as determined under Chapter 11 of the Internal
132 Revenue Code, plus (B) the aggregate amount of all Connecticut
133 taxable gifts, as defined in section 12-643, made by the decedent for all
134 calendar years beginning on or after January 1, 2005, other than gifts
135 that are includable in the gross estate of the decedent. The deduction
136 for state death taxes paid under Section 2058 of said code shall be
137 disregarded.

138 (2) "Internal Revenue Code" means the Internal Revenue Code of
139 1986, or any subsequent corresponding internal revenue code of the
140 United States, as from time to time amended, except in the event of
141 repeal of the federal estate tax, then all references to the Internal
142 Revenue Code in this section shall mean the Internal Revenue Code as
143 in force on the day prior to the effective date of such repeal.

144 (3) "Gross estate" means the gross estate, for federal estate tax
145 purposes.

146 (d) (1) With respect to the estates of decedents who die on or after
147 January 1, 2005, a tax is imposed upon the transfer of the estate of each
148 person who at the time of death was a resident of this state. The
149 amount of the tax shall be determined using the schedule in subsection
150 (g) of this section. A credit shall be allowed against such tax for any

151 taxes paid to this state pursuant to section 12-642 for Connecticut
152 taxable gifts made on or after January 1, 2005.

153 (2) If real or tangible personal property of such decedent is located
154 outside of this state, [and is subject to estate, inheritance, legacy or
155 succession taxes by any state or states, other than the state of
156 Connecticut, or by the District of Columbia,] the amount of tax due
157 under this section shall be reduced by [the lesser of: (A) The amount of
158 any taxes paid to such other state or states or said district; or (B)] an
159 amount computed by multiplying the tax otherwise due pursuant to
160 subdivision (1) of this subsection, without regard to the credit allowed
161 for any taxes paid to this state pursuant to section 12-642, by a fraction,
162 (i) the numerator of which is the value of that part of the decedent's
163 gross estate over which such other state or states or said district have
164 jurisdiction for estate tax purposes to the same extent to which this
165 state would assert jurisdiction for estate tax purposes under this
166 chapter, with respect to the residents of such other state or states or
167 said district, and (ii) the denominator of which is the value of the
168 decedent's gross estate.

169 (3) Property of a resident estate over which this state has jurisdiction
170 for estate tax purposes includes real property situated in this state,
171 tangible personal property having an actual situs in this state and
172 intangible personal property owned by the decedent, regardless of
173 where it is located.

174 (e) (1) With respect to the estates of decedents who die on or after
175 January 1, 2005, a tax is imposed upon the transfer of the estate of each
176 person who at the time of death was a nonresident of this state. The
177 amount of such tax shall be computed by multiplying (A) the amount
178 of tax determined using the schedule in subsection (g) of this section
179 by (B) a fraction, (i) the numerator of which is the value of that part of
180 the decedent's gross estate over which this state has jurisdiction for
181 estate tax purposes, and (ii) the denominator of which is the value of
182 the decedent's gross estate. A credit shall be allowed against such tax
183 for any taxes paid to this state pursuant to section 12-642, on or after

184 January 1, 2005.

185 (2) Property of a nonresident estate over which this state has
 186 jurisdiction for estate tax purposes includes real property situated in
 187 this state and tangible personal property having an actual situs in this
 188 state.

189 (f) (1) For purposes of the tax imposed under this section, the value
 190 of the Connecticut taxable estate shall be determined taking into
 191 account all of the deductions available under the Internal Revenue
 192 Code of 1986, specifically including, but not limited to, the deduction
 193 available under Section 2056(b)(7) of said code for a qualifying income
 194 interest for life in a surviving spouse.

195 (2) An election under said Section 2056(b)(7) may be made for state
 196 estate tax purposes regardless of whether any such election is made for
 197 federal estate tax purposes. The value of the gross estate shall include
 198 the value of any property in which the decedent had a qualifying
 199 income interest for life for which an election was made under this
 200 subsection.

201 (g) (1) With respect to the estates of decedents dying on or after
 202 January 1, 2005, the tax based on the Connecticut taxable estate shall be
 203 as provided in the following schedule:

T1	Amount of Connecticut	
T2	Taxable Estate	Rate of Tax
T3	Not over \$2,000,000	None
T4	Over \$2,000,000	
T5	but not over \$2,100,000	5.085% of the excess over \$0
T6	Over \$2,100,000	\$106,800 plus 8% of the excess
T7	but not over \$2,600,000	over \$2,100,000
T8	Over \$2,600,000	\$146,800 plus 8.8% of the excess

T9	but not over \$3,100,000	over \$2,600,000
T10	Over \$3,100,000	\$190,800 plus 9.6% of the excess
T11	but not over \$3,600,000	over \$3,100,000
T12	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T13	but not over \$4,100,000	over \$3,600,000
T14	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T15	but not over \$5,100,000	over \$4,100,000
T16	Over \$5,100,000	\$402,800 plus 12% of the excess
T17	but not over \$6,100,000	over \$5,100,000
T18	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T19	but not over \$7,100,000	over \$6,100,000
T20	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T21	but not over \$8,100,000	over \$7,100,000
T22	Over \$8,100,000	\$786,800 plus 14.4% of the excess
T23	but not over \$9,100,000	over \$8,100,000
T24	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T25	but not over \$10,100,000	over \$9,100,000
T26	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T27		over \$10,100,000

204 (2) With respect to the estates of decedents dying on or after January
 205 1, 2007, the tax based on the Connecticut taxable estate shall be as
 206 provided in the following schedule:

T28	<u>Amount of Connecticut</u>	
T29	<u>Taxable Estate</u>	<u>Rate of Tax</u>
T30	<u>Not over \$2,000,000</u>	<u>None</u>
T31	<u>Over \$2,000,000</u>	<u>5.085% of the excess over</u>

T32	<u>but not over \$2,100,000</u>	<u>\$2,000,000</u>
T33	<u>Over \$2,100,000</u>	<u>\$5,100 plus 10.0% of the excess</u>
T34	<u>but not over \$2,600,000</u>	<u>over \$2,100,000</u>
T35	<u>Over \$2,600,000</u>	<u>\$55,100 plus 11.0% of the excess</u>
T36	<u>but not over \$3,100,000</u>	<u>over \$2,600,000</u>
T37	<u>Over \$3,100,000</u>	<u>\$110,100 plus 12.0% of the excess</u>
T38	<u>but not over \$3,600,000</u>	<u>over \$3,100,000</u>
T39	<u>Over \$3,600,000</u>	<u>\$170,100 plus 13.0% of the excess</u>
T40	<u>but not over \$4,100,000</u>	<u>over \$3,600,000</u>
T41	<u>Over \$4,100,000</u>	<u>\$235,100 plus 14.0% of the excess</u>
T42	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T43	<u>Over \$5,100,000</u>	<u>\$375,100 plus 15% of the excess</u>
T44	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T45	<u>Over \$6,100,000</u>	<u>\$525,100 plus 16.0% of the excess</u>
T46	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T47	<u>Over \$7,100,000</u>	<u>\$685,100 plus 17.0% of the excess</u>
T48	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T49	<u>Over \$8,100,000</u>	<u>\$855,100 plus 18.0% of the excess</u>
T50	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T51	<u>Over \$9,100,000</u>	<u>\$1,035,000 plus 19.0% of the</u>
T52	<u>but not over \$10,100,000</u>	<u>excess over \$9,100,000</u>
T53	<u>Over \$10,100,000</u>	<u>\$1,225,100 plus 20.0% of the</u>
T54		<u>excess over \$10,100,000</u>

207 (h) (1) For the purposes of this chapter, each decedent shall be
 208 presumed to have died a resident of this state. The burden of proof in
 209 an estate tax proceeding shall be upon any decedent's estate claiming
 210 exemption by reason of the decedent's alleged nonresidency.

211 (2) Any person required to make and file a tax return under this
 212 chapter, believing that the decedent died a nonresident of this state,

213 may file a request for determination of domicile in writing with the
214 Commissioner of Revenue Services, stating the specific grounds upon
215 which the request is founded provided (A) such person has filed such
216 return, (B) at least two hundred seventy days, but no more than three
217 years, has elapsed since the due date of such return or, if an
218 application for extension of time to file such return has been granted,
219 the extended due date of such return, (C) such person has not been
220 notified, in writing, by said commissioner that a written agreement of
221 compromise with the taxing authorities of another jurisdiction, under
222 section 12-395a, is being negotiated, and (D) the commissioner has not
223 previously determined whether the decedent died a resident of this
224 state. Not later than one hundred eighty days following receipt of such
225 request for determination, the commissioner shall determine whether
226 such decedent died a resident or a nonresident of this state. If the
227 commissioner commences negotiations over a written agreement of
228 compromise with the taxing authorities of another jurisdiction after a
229 request for determination of domicile is filed, the one-hundred-eighty-
230 day period shall be tolled for the duration of such negotiations. When,
231 before the expiration of such one-hundred-eighty-day period, both the
232 commissioner and the person required to make and file a tax return
233 under this chapter have consented in writing to the making of such
234 determination after such time, the determination may be made at any
235 time prior to the expiration of the period agreed upon. The period so
236 agreed upon may be extended by subsequent agreements in writing
237 made before the expiration of the period previously agreed upon. The
238 commissioner shall mail notice of his proposed determination to the
239 person required to make and file a tax return under this chapter. Such
240 notice shall set forth briefly the commissioner's findings of fact and the
241 basis of such proposed determination. Sixty days after the date on
242 which it is mailed, a notice of proposed determination shall constitute
243 a final determination unless the person required to make and file a tax
244 return under this chapter has filed, as provided in subdivision (3) of
245 this subsection, a written protest with the Commissioner of Revenue
246 Services.

247 (3) On or before the sixtieth day after mailing of the proposed
248 determination, the person required to make and file a tax return under
249 this chapter may file with the commissioner a written protest against
250 the proposed determination in which such person shall set forth the
251 grounds on which the protest is based. If such a protest is filed, the
252 commissioner shall reconsider the proposed determination and, if the
253 person required to make and file a tax return under this chapter has so
254 requested, may grant or deny such person or the authorized
255 representatives of such person an oral hearing.

256 (4) Notice of the commissioner's determination shall be mailed to
257 the person required to make and file a tax return under this chapter
258 and such notice shall set forth briefly the commissioner's findings of
259 fact and the basis of decision in each case decided adversely to such
260 person.

261 (5) The action of the commissioner on a written protest shall be final
262 upon the expiration of one month from the date on which he mails
263 notice of his action to the person required to make and file a tax return
264 under this chapter unless within such period such person seeks review
265 of the commissioner's determination pursuant to subsection (b) of
266 section 12-395.

267 (6) Nothing in this subsection shall be construed to relieve any
268 person filing a request for determination of domicile of the obligation
269 to pay the correct amount of tax on or before the due date of the tax.

270 Sec. 7. Subdivision (37) of subsection (a) of section 12-407 of the
271 general statutes is repealed and the following is substituted in lieu
272 thereof (*Effective July 1, 2007*):

273 (37) "Services" for purposes of subdivision (2) of this subsection,
274 means:

275 (A) Computer and data processing services, including, but not
276 limited to, time, programming, code writing, modification of existing
277 programs, feasibility studies and installation and implementation of

278 software programs and systems even where such services are rendered
279 in connection with the development, creation or production of canned
280 or custom software or the license of custom software, and exclusive of
281 services rendered in connection with the creation, development
282 hosting or maintenance of all or part of a web site which is part of the
283 graphical, hypertext portion of the Internet, commonly referred to as
284 the World Wide Web;

285 (B) Credit information and reporting services;

286 (C) Services by employment agencies and agencies providing
287 personnel services;

288 (D) Private investigation, protection, patrol work, watchman and
289 armored car services, exclusive of (i) services of off-duty police officers
290 and off-duty firefighters, and (ii) coin and currency services provided
291 to a financial services company by or through another financial
292 services company. For purposes of this subparagraph, "financial
293 services company" has the same meaning as provided under
294 subparagraphs (A) to (H), inclusive, of subdivision (6) of subsection (a)
295 of section 12-218b;

296 (E) Painting and lettering services;

297 (F) Photographic studio services;

298 (G) Telephone answering services;

299 (H) Stenographic services;

300 (I) Services to industrial, commercial or income-producing real
301 property, including, but not limited to, such services as management,
302 electrical, plumbing, painting and carpentry and excluding any such
303 services rendered in the voluntary evaluation, prevention, treatment,
304 containment or removal of hazardous waste, as defined in section
305 22a-115, or other contaminants of air, water or soil, provided
306 income-producing property shall not include property used
307 exclusively for residential purposes in which the owner resides and

308 which contains no more than three dwelling units, or a housing facility
309 for low and moderate income families and persons owned or operated
310 by a nonprofit housing organization, as defined in subdivision (29) of
311 section 12-412;

312 (J) Business analysis, management, management consulting and
313 public relations services, excluding (i) any environmental consulting
314 services, (ii) any training services provided by an institution of higher
315 education licensed or accredited by the Board of Governors of Higher
316 Education pursuant to section 10a-34, and (iii) on and after January 1,
317 1994, any business analysis, management, management consulting and
318 public relations services when such services are rendered in connection
319 with an aircraft leased or owned by a certificated air carrier or in
320 connection with an aircraft which has a maximum certificated take-off
321 weight of six thousand pounds or more;

322 (K) Services providing "piped-in" music to business or professional
323 establishments;

324 (L) Flight instruction and chartering services by a certificated air
325 carrier on an aircraft, the use of which for such purposes, but for the
326 provisions of subdivision (4) of section 12-410 and subdivision (12) of
327 section 12-411, would be deemed a retail sale and a taxable storage or
328 use, respectively, of such aircraft by such carrier;

329 (M) Motor vehicle repair services, including any type of repair,
330 painting or replacement related to the body or any of the operating
331 parts of a motor vehicle;

332 (N) Motor vehicle parking, including the provision of space, other
333 than metered space, in a lot having thirty or more spaces, excluding (i)
334 space in a seasonal parking lot provided by a person who is exempt
335 from taxation under this chapter pursuant to subdivision (1), (5) or (8)
336 of section 12-412, (ii) space in a parking lot owned or leased under the
337 terms of a lease of not less than ten years' duration and operated by an
338 employer for the exclusive use of its employees, (iii) valet parking
339 provided at any airport, and (iv) space in municipally-operated

340 railroad parking facilities in municipalities located within an area of
341 the state designated as a severe nonattainment area for ozone under
342 the federal Clean Air Act or space in a railroad parking facility in a
343 municipality located within an area of the state designated as a severe
344 nonattainment area for ozone under the federal Clean Air Act owned
345 or operated by the state on or after April 1, 2000;

346 (O) Radio or television repair services;

347 (P) Furniture reupholstering and repair services;

348 (Q) Repair services to any electrical or electronic device, including,
349 but not limited to, equipment used for purposes of refrigeration or
350 air-conditioning;

351 (R) Lobbying or consulting services for purposes of representing the
352 interests of a client in relation to the functions of any governmental
353 entity or instrumentality;

354 (S) Services of the agent of any person in relation to the sale of any
355 item of tangible personal property for such person, exclusive of the
356 services of a consignee selling works of art, as defined in subsection (b)
357 of section 12-376c, or articles of clothing or footwear intended to be
358 worn on or about the human body other than (i) any special clothing
359 or footwear primarily designed for athletic activity or protective use
360 and which is not normally worn except when used for the athletic
361 activity or protective use for which it was designed, and (ii) jewelry,
362 handbags, luggage, umbrellas, wallets, watches and similar items
363 carried on or about the human body but not worn on the body in the
364 manner characteristic of clothing, [intended for exemption under
365 subdivision (47) of section 12-412,] under consignment, exclusive of
366 services provided by an auctioneer;

367 (T) Locksmith services;

368 (U) Advertising or public relations services, including layout, art
369 direction, graphic design, mechanical preparation or production

370 supervision, not related to the development of media advertising or
371 cooperative direct mail advertising;

372 (V) Landscaping and horticulture services;

373 (W) Window cleaning services;

374 (X) Maintenance services;

375 (Y) Janitorial services;

376 (Z) Exterminating services;

377 (AA) Swimming pool cleaning and maintenance services;

378 (BB) Miscellaneous personal services included in industry group 729
379 in the Standard Industrial Classification Manual, United States Office
380 of Management and Budget, 1987 edition, or U.S. industry 532220,
381 812191, 812199 or 812990 in the North American Industrial
382 Classification System United States Manual, United States Office of
383 Management and Budget, 1997 edition, exclusive of (i) services
384 rendered by massage therapists licensed pursuant to chapter 384a, and
385 (ii) services rendered by an electrologist licensed pursuant to chapter
386 388;

387 (CC) Any repair or maintenance service to any item of tangible
388 personal property including any contract of warranty or service related
389 to any such item;

390 (DD) Business analysis, management or managing consulting
391 services rendered by a general partner, or an affiliate thereof, to a
392 limited partnership, provided (i) the general partner, or an affiliate
393 thereof, is compensated for the rendition of such services other than
394 through a distributive share of partnership profits or an annual
395 percentage of partnership capital or assets established in the limited
396 partnership's offering statement, and (ii) the general partner, or an
397 affiliate thereof, offers such services to others, including any other
398 partnership. As used in this subparagraph "an affiliate of a general

399 partner" means an entity which is directly or indirectly owned fifty per
400 cent or more in common with a general partner;

401 (EE) Notwithstanding the provisions of section 12-412, except
402 subdivision (87) of said section 12-412, patient care services, as defined
403 in subdivision (29) of this subsection by a hospital, except that "sale"
404 and "selling" does not include such patient care services for which
405 payment is received by the hospital during the period commencing
406 July 1, 2001, and ending June 30, 2003. [;]

407 [(FF) Health and athletic club services, exclusive of (i) any such
408 services provided without any additional charge which are included in
409 any dues or initiation fees paid to any such club, which dues or fees
410 are subject to tax under section 12-543, (ii) any such services provided
411 by a municipality or an organization that is described in Section 501(c)
412 of the Internal Revenue Code of 1986, or any subsequent
413 corresponding internal revenue code of the United States, as from time
414 to time amended, and (iii) yoga instruction provided at a yoga studio.]

415 Sec. 8. Subdivision (1) of section 12-408 of the general statutes is
416 repealed and the following is substituted in lieu thereof (*Effective July*
417 *1, 2007*):

418 (1) For the privilege of making any sales, as defined in subdivision
419 (2) of subsection (a) of section 12-407, at retail, in this state for a
420 consideration, a tax is hereby imposed on all retailers at the rate of six
421 per cent of the gross receipts of any retailer from the sale of all tangible
422 personal property sold at retail or from the rendering of any services
423 constituting a sale in accordance with subdivision (2) of subsection (a)
424 of section 12-407, except, in lieu of said rate of six per cent, (A) at a rate
425 of twelve per cent with respect to each transfer of occupancy, from the
426 total amount of rent received for such occupancy of any room or
427 rooms in a hotel or lodging house for the first period not exceeding
428 thirty consecutive calendar days, (B) with respect to the sale of a motor
429 vehicle to any individual who is a member of the armed forces of the
430 United States and is on full-time active duty in Connecticut and who is

431 considered, under 50 App USC 574, a resident of another state, or to
432 any such individual and the spouse thereof, at a rate of four and
433 one-half per cent of the gross receipts of any retailer from such sales,
434 provided such retailer requires and maintains a declaration by such
435 individual, prescribed as to form by the commissioner and bearing
436 notice to the effect that false statements made in such declaration are
437 punishable, or other evidence, satisfactory to the commissioner,
438 concerning the purchaser's state of residence under 50 App USC 574,
439 (C) (i) with respect to the sales of computer and data processing
440 services occurring on or after July 1, 1997, and prior to July 1, 1998, at
441 the rate of five per cent, on or after July 1, 1998, and prior to July 1,
442 1999, at the rate of four per cent, on or after July 1, 1999, and prior to
443 July 1, 2000, at the rate of three per cent, on or after July 1, 2000, and
444 prior to July 1, 2001, at the rate of two per cent, on or after July 1, 2001,
445 at the rate of one per cent, and on and after July 1, 2007, such services
446 shall be exempt from such tax, (ii) with respect to sales of Internet
447 access services, on and after July 1, 2001, such services shall be exempt
448 from such tax, (D) with respect to the sales of labor that is otherwise
449 taxable under subparagraph (C) or (G) of subdivision (2) of subsection
450 (a) of section 12-407 on existing vessels and repair or maintenance
451 services on vessels occurring on and after July 1, 1999, such services
452 shall be exempt from such tax, (E) with respect to patient care services
453 for which payment is received by the hospital on or after July 1, 1999,
454 and prior to July 1, 2001, at the rate of five and three-fourths per cent
455 and on and after July 1, 2001, such services shall be exempt from such
456 tax. The rate of tax imposed by this chapter shall be applicable to all
457 retail sales upon the effective date of such rate, except that a new rate
458 which represents an increase in the rate applicable to the sale shall not
459 apply to any sales transaction wherein a binding sales contract without
460 an escalator clause has been entered into prior to the effective date of
461 the new rate and delivery is made within ninety days after the effective
462 date of the new rate. For the purposes of payment of the tax imposed
463 under this section, any retailer of services taxable under subparagraph
464 (I) of subdivision (2) of subsection (a) of section 12-407, who computes
465 taxable income, for purposes of taxation under the Internal Revenue

466 Code of 1986, or any subsequent corresponding internal revenue code
467 of the United States, as from time to time amended, on an accounting
468 basis which recognizes only cash or other valuable consideration
469 actually received as income and who is liable for such tax only due to
470 the rendering of such services may make payments related to such tax
471 for the period during which such income is received, without penalty
472 or interest, without regard to when such service is rendered.

473 Sec. 9. Subdivision (55) of section 12-412 of the general statutes is
474 repealed and the following is substituted in lieu thereof (*Effective July*
475 *1, 2007, and applicable to sales occurring on and after July 1, 2007*):

476 (55) Sales of [(A) tangible personal property by any funeral
477 establishment performing the primary services in preparation for and
478 the conduct of burial or cremation, provided any such property must
479 be used directly in the performance of such services and the total
480 amount of such exempt sales with respect to any single funeral may
481 not exceed two thousand five hundred dollars, or (B)] caskets used for
482 burial or cremation.

483 Sec. 10. (*Effective from passage*) The state shall apply to become a
484 party to the Streamlined Sales and Use Tax Agreement on or before
485 October 1, 2007. The Commissioner of Revenue Services, in
486 consultation with the joint standing committee of the General
487 Assembly having cognizance of matters relating to finance, revenue
488 and bonding shall take all steps necessary to ensure that the state is in
489 compliance with said agreement.

490 Sec. 11. Subdivision (27) of section 12-412 of the general statutes is
491 repealed and the following is substituted in lieu thereof (*Effective July*
492 *1, 2007, and applicable to sales occurring on or after July 1, 2007*):

493 (27) (A) Sales of any items for fifty cents or less from vending
494 machines; or (B) [sales of food products, as defined in subsection (13)
495 of this section,] notwithstanding the provisions of subdivision (13) of
496 this section, meals sold through coin-operated vending machines or at
497 unattended "honor boxes".

498 Sec. 12. Subsection (b) of section 12-412k of the general statutes is
499 repealed and the following is substituted in lieu thereof (*Effective July*
500 *1, 2007, and applicable to sales occurring on or after July 1, 2007*):

501 (b) Notwithstanding the provisions of the general statutes, from
502 November 25, 2005, to April 1, 2006, and from June 1, 2006, to June 30,
503 [2007] 2010, the provisions of this chapter shall not apply to sales of
504 any residential weatherization products.

505 Sec. 13. Section 12-460a of the general statutes is repealed and the
506 following is substituted in lieu thereof (*Effective July 1, 2007*):

507 (a) Notwithstanding the provisions of section 13b-61, with respect to
508 the fiscal year ending June 30, 2003, the Commissioner of Revenue
509 Services shall deposit into the Conservation Fund established under
510 section 22a-27h₂ two million dollars of the amount of the funds
511 received by the state from the tax imposed under this chapter
512 attributable to sales of fuel from distributors to any boat yard, public
513 or private marina or other entity renting or leasing slips, dry storage,
514 mooring or other space for marine vessels₂ provided (1) two hundred
515 fifty thousand dollars shall be credited to the boating account, and (2)
516 one million dollars shall be credited to the fisheries account₂ of which
517 not less than seventy-five thousand dollars shall be allocated to The
518 University of Connecticut for the Long Island Sound councils.

519 (b) [With] Notwithstanding the provisions of section 13b-61, with
520 respect to fiscal years ending on or after June 30, 2004, but prior to June
521 30, 2008, the Commissioner of Revenue Services shall deposit into the
522 Conservation Fund established under section 22a-27h₂ three million
523 dollars of the amount of the funds received by the state from the tax
524 imposed under this chapter attributable to sales of fuel from
525 distributors to any boat yard, public or private marina or other entity
526 renting or leasing slips, dry storage, mooring or other space for marine
527 vessels₂ provided (1) two hundred fifty thousand dollars shall be
528 credited to the boating account, and (2) two million dollars shall be
529 credited to the fisheries account₂ of which not less than seventy-five

530 thousand dollars shall be allocated to The University of Connecticut
531 for the Long Island Sound councils.

532 (c) Notwithstanding the provisions of section 13b-61, with respect to
533 fiscal years ending on or after June 30, 2008, the Commissioner of
534 Revenue Services shall deposit into the Conservation Fund established
535 under section 22a-27h, three million five hundred thousand dollars of
536 the amount of the funds received by the state from the tax imposed
537 under this chapter attributable to sales of fuel from distributors to any
538 boat yard, public or private marina or other entity renting or leasing
539 slips, dry storage, mooring or other space for marine vessels, provided
540 (1) two hundred ninety-five thousand dollars shall be credited to the
541 boating account, and (2) two million three hundred thirty thousand
542 dollars shall be credited to the fisheries account, of which not less than
543 one hundred twenty-five thousand dollars shall be allocated to The
544 University of Connecticut for the Long Island Sound councils.

545 Sec. 14. Subsection (a) of section 12-494 of the general statutes is
546 repealed and the following is substituted in lieu thereof (*Effective July*
547 *1, 2007*):

548 (a) There is imposed a tax on each deed, instrument or writing,
549 whereby any lands, tenements or other realty is granted, assigned,
550 transferred or otherwise conveyed to, or vested in, the purchaser, or
551 any other person by his direction, when the consideration for the
552 interest or property conveyed equals or exceeds two thousand dollars,
553 (1) subject to the provisions of subsection (b) of this section, at the rate
554 of five-tenths of one per cent of the consideration for the interest in real
555 property conveyed by such deed, instrument or writing, the revenue
556 from which shall be remitted by the town clerk of the municipality in
557 which such tax is paid, not later than ten days following receipt
558 thereof, to the Commissioner of Revenue Services for deposit to the
559 credit of the state General Fund, and (2) at the rate of one-fourth of one
560 per cent of the consideration for the interest in real property conveyed
561 by such deed, instrument or writing, [and on and after July 1, 2007, at
562 the rate of eleven one-hundredths of one per cent of the consideration

563 for the interest in real property conveyed by such deed, instrument or
 564 writing,] provided the amount imposed under this subdivision shall
 565 become part of the general revenue of the municipality in accordance
 566 with section 12-499.

567 Sec. 15. Subsection (a) of section 12-642 of the general statutes is
 568 repealed and the following is substituted in lieu thereof (*Effective July*
 569 *1, 2007, and applicable to calendar years commencing on or after January 1,*
 570 *2007*):

571 (a)(1) With respect to calendar years commencing prior to January 1,
 572 2001, the tax imposed by section 12-640 for the calendar year shall be at
 573 a rate of the taxable gifts made by the donor during the calendar year
 574 set forth in the following schedule:

T55	Amount of Taxable Gifts	Rate of Tax
T56	Not over \$25,000	1%
T57	Over \$25,000	\$250, plus 2% of the excess
T58	but not over \$50,000	over \$25,000
T59	Over \$50,000	\$750, plus 3% of the excess
T60	but not over \$75,000	over \$50,000
T61	Over \$75,000	\$1,500, plus 4% of the excess
T62	but not over \$100,000	over \$75,000
T63	Over \$100,000	\$2,500, plus 5% of the excess
T64	but not over \$200,000	over \$100,000
T65	Over \$200,000	\$7,500, plus 6% of the excess
T66		over \$200,000

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

T67	Amount of Taxable Gifts	Rate of Tax
T68	Over \$25,000	\$250, plus 2% of the excess
T69	but not over \$50,000	over \$25,000
T70	Over \$50,000	\$750, plus 3% of the excess
T71	but not over \$75,000	over \$50,000
T72	Over \$75,000	\$1,500, plus 4% of the excess
T73	but not over \$100,000	over \$75,000
T74	Over \$100,000	\$2,500, plus 5% of the excess
T75	but not over \$675,000	over \$100,000
T76	Over \$675,000	\$31,250, plus 6% of the excess
T77		over \$675,000

580 (3) With respect to Connecticut taxable gifts, as defined in section
581 12-643, made by a donor during a calendar year commencing on or
582 after January 1, 2005, but prior to January 1, 2007, including the
583 aggregate amount of all Connecticut taxable gifts made by the donor
584 during all calendar years commencing on or after January 1, 2005, but
585 prior to January 1, 2007, the tax imposed by section 12-640 for the
586 calendar year shall be at the rate set forth in the following schedule,
587 with a credit allowed against such tax for any tax previously paid to
588 this state pursuant to this subdivision:

T78	Amount of Taxable Gifts	Rate of Tax
T79	Not over \$2,000,000	None
T80	Over \$2,000,000	
T81	but not over \$2,100,000	5.085% of the excess over \$0
T82	Over \$2,100,000	\$106,800 plus 8% of the excess
T83	but not over \$2,600,000	over \$2,100,000
T84	Over \$2,600,000	\$146,800 plus 8.8% of the excess

T85	but not over \$3,100,000	over \$2,600,000
T86	Over \$3,100,000	\$190,800 plus 9.6% of the excess
T87	but not over \$3,600,000	over \$3,100,000
T88	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T89	but not over \$4,100,000	over \$3,600,000
T90	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T91	but not over \$5,100,000	over \$4,100,000
T92	Over \$5,100,000	\$402,800 plus 12% of the excess
T93	but not over \$6,100,000	over \$5,100,000
T94	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T95	but not over \$7,100,000	over \$6,100,000
T96	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T97	but not over \$8,100,000	over \$7,100,000
T98	Over \$8,100,000	\$786,800 plus 14.4% of the excess
T99	but not over \$9,100,000	over \$8,100,000
T100	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T101	but not over \$10,100,000	over \$9,100,000
T102	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T103		over \$10,100,000

589 (4) With respect to Connecticut taxable gifts, as defined in section
590 12-643, made by a donor during a calendar year commencing on or
591 after January 1, 2007, including the aggregate amount of all
592 Connecticut taxable gifts made by the donor during all calendar years
593 commencing on or after January 1, 2007, the tax imposed by section 12-
594 640 for the calendar year shall be at the rate set forth in the following
595 schedule, with a credit allowed against such tax for any tax previously
596 paid to this state pursuant to this subdivision:

T104	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T105	<u>Not over \$2,000,000</u>	<u>None</u>
T106	<u>Over \$2,000,000</u>	<u>5.085% of the excess over</u>
T107	<u>but not over \$2,100,000</u>	<u>\$2,000,000</u>
T108	<u>Over \$2,100,000</u>	<u>\$5,100 plus 10.0% of the excess</u>
T109	<u>but not over \$2,600,000</u>	<u>over \$2,100,000</u>
T110	<u>Over \$2,600,000</u>	<u>\$55,100 plus 11.0% of the excess</u>
T111	<u>but not over \$3,100,000</u>	<u>over \$2,600,000</u>
T112	<u>Over \$3,100,000</u>	<u>\$110,100 plus 12.0% of the excess</u>
T113	<u>but not over \$3,600,000</u>	<u>over \$3,100,000</u>
T114	<u>Over \$3,600,000</u>	<u>\$170,100 plus 13.0% of the excess</u>
T115	<u>but not over \$4,100,000</u>	<u>over \$3,600,000</u>
T116	<u>Over \$4,100,000</u>	<u>\$235,100 plus 14.0% of the excess</u>
T117	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T118	<u>Over \$5,100,000</u>	<u>\$375,100 plus 15.0% of the excess</u>
T119	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T120	<u>Over \$6,100,000</u>	<u>\$525,100 plus 16.0% of the excess</u>
T121	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T122	<u>Over \$7,100,000</u>	<u>\$685,100 plus 17.0% of the excess</u>
T123	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T124	<u>Over \$8,100,000</u>	<u>\$855,100 plus 18.0% of the excess</u>
T125	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T126	<u>Over \$9,100,000</u>	<u>\$1,035,000 plus 19.0% of the excess</u>
T127	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T128	<u>Over \$10,100,000</u>	<u>\$1,225,100 plus 20.0% of the excess</u>
T129		<u>over \$10,100,000</u>

597 Sec. 16. Subsection (a) of section 12-700 of the general statutes is
598 repealed and the following is substituted in lieu thereof (*Effective July*
599 *1, 2007, and applicable to taxable years commencing on or after January 1,*

600 2007):

601 (a) There is hereby imposed on the Connecticut taxable income of
602 each resident of this state a tax:

603 (1) At the rate of four and one-half per cent of such Connecticut
604 taxable income for taxable years commencing on or after January 1,
605 1992, and prior to January 1, 1996.

606 (2) For taxable years commencing on or after January 1, 1996, but
607 prior to January 1, 1997, in accordance with the following schedule:

608 (A) For any person who files a return under the federal income tax
609 for such taxable year as an unmarried individual or as a married
610 individual filing separately:

T130	Connecticut Taxable Income	Rate of Tax
T131	Not over \$2,250	3.0%
T132	Over \$2,250	\$67.50, plus 4.5% of the
T133		excess over \$2,250

611 (B) For any person who files a return under the federal income tax
612 for such taxable year as a head of household, as defined in Section 2(b)
613 of the Internal Revenue Code:

T134	Connecticut Taxable Income	Rate of Tax
T135	Not over \$3,500	3.0%
T136	Over \$3,500	\$105.00, plus 4.5% of the
T137		excess over \$3,500

614 (C) For any husband and wife who file a return under the federal
615 income tax for such taxable year as married individuals filing jointly or

616 a person who files a return under the federal income tax as a surviving
617 spouse, as defined in Section 2(a) of the Internal Revenue Code:

T138	Connecticut Taxable Income	Rate of Tax
T139	Not over \$4,500	3.0%
T140	Over \$4,500	\$135.00, plus 4.5% of the
T141		excess over \$4,500

618 (D) For trusts or estates, the rate of tax shall be 4.5% of their
619 Connecticut taxable income.

620 (3) For taxable years commencing on or after January 1, 1997, but
621 prior to January 1, 1998, in accordance with the following schedule:

622 (A) For any person who files a return under the federal income tax
623 for such taxable year as an unmarried individual or as a married
624 individual filing separately:

T142	Connecticut Taxable Income	Rate of Tax
T143	Not over \$6,250	3.0%
T144	Over \$6,250	\$187.50, plus 4.5% of the
T145		excess over \$6,250

625 (B) For any person who files a return under the federal income tax
626 for such taxable year as a head of household, as defined in Section 2(b)
627 of the Internal Revenue Code:

T146	Connecticut Taxable Income	Rate of Tax
T147	Not over \$10,000	3.0%

T148	Over \$10,000	\$300.00, plus 4.5% of the
T149		excess over \$10,000

628 (C) For any husband and wife who file a return under the federal
 629 income tax for such taxable year as married individuals filing jointly or
 630 any person who files a return under the federal income tax for such
 631 taxable year as a surviving spouse, as defined in Section 2(a) of the
 632 Internal Revenue Code:

T150	Connecticut Taxable Income	Rate of Tax
T151	Not over \$12,500	3.0%
T152	Over \$12,500	\$375.00, plus 4.5% of the
T153		excess over \$12,500

633 (D) For trusts or estates, the rate of tax shall be 4.5% of their
 634 Connecticut taxable income.

635 (4) For taxable years commencing on or after January 1, 1998, but
 636 prior to January 1, 1999, in accordance with the following schedule:

637 (A) For any person who files a return under the federal income tax
 638 for such taxable year as an unmarried individual or as a married
 639 individual filing separately:

T154	Connecticut Taxable Income	Rate of Tax
T155	Not over \$7,500	3.0%
T156	Over \$7,500	\$225.00, plus 4.5% of the
T157		excess over \$7,500

640 (B) For any person who files a return under the federal income tax

641 for such taxable year as a head of household, as defined in Section 2(b)
642 of the Internal Revenue Code:

T158	Connecticut Taxable Income	Rate of Tax
T159	Not over \$12,000	3.0%
T160	Over \$12,000	\$360.00, plus 4.5% of the
T161		excess over \$12,000

643 (C) For any husband and wife who file a return under the federal
644 income tax for such taxable year as married individuals filing jointly or
645 any person who files a return under the federal income tax for such
646 taxable year as a surviving spouse, as defined in Section 2(a) of the
647 Internal Revenue Code:

T162	Connecticut Taxable Income	Rate of Tax
T163	Not over \$15,000	3.0%
T164	Over \$15,000	\$450.00, plus 4.5% of the
T165		excess over \$15,000

648 (D) For trusts or estates, the rate of tax shall be 4.5% of their
649 Connecticut taxable income.

650 (5) For taxable years commencing on or after January 1, 1999, but
651 prior to January 1, 2003, in accordance with the following schedule:

652 (A) For any person who files a return under the federal income tax
653 for such taxable year as an unmarried individual or as a married
654 individual filing separately:

T166	Connecticut Taxable Income	Rate of Tax
T167	Not over \$10,000	3.0%
T168	Over \$10,000	\$300.00, plus 4.5% of the
T169		excess over \$10,000

655 (B) For any person who files a return under the federal income tax
 656 for such taxable year as a head of household, as defined in Section 2(b)
 657 of the Internal Revenue Code:

T170	Connecticut Taxable Income	Rate of Tax
T171	Not over \$16,000	3.0%
T172	Over \$16,000	\$480.00, plus 4.5% of the
T173		excess over \$16,000

658 (C) For any husband and wife who file a return under the federal
 659 income tax for such taxable year as married individuals filing jointly or
 660 any person who files a return under the federal income tax for such
 661 taxable year as a surviving spouse, as defined in Section 2(a) of the
 662 Internal Revenue Code:

T174	Connecticut Taxable Income	Rate of Tax
T175	Not over \$20,000	3.0%
T176	Over \$20,000	\$600.00, plus 4.5% of the
T177		excess over \$20,000

663 (D) For trusts or estates, the rate of tax shall be 4.5% of their
 664 Connecticut taxable income.

665 (6) For taxable years commencing on or after January 1, 2003, but
 666 prior to January 1, 2007, in accordance with the following schedule:

667 (A) For any person who files a return under the federal income tax
668 for such taxable year as an unmarried individual or as a married
669 individual filing separately:

T178	Connecticut Taxable Income	Rate of Tax
T179	Not over \$10,000	3.0%
T180	Over \$10,000	\$300.00, plus 5.0% of the
T181		excess over \$10,000

670 (B) For any person who files a return under the federal income tax
671 for such taxable year as a head of household, as defined in Section 2(b)
672 of the Internal Revenue Code:

T182	Connecticut Taxable Income	Rate of Tax
T183	Not over \$16,000	3.0%
T184	Over \$16,000	\$480.00, plus 5.0% of the
T185		excess over \$16,000

673 (C) For any husband and wife who file a return under the federal
674 income tax for such taxable year as married individuals filing jointly or
675 any person who files a return under the federal income tax for such
676 taxable year as a surviving spouse, as defined in Section 2(a) of the
677 Internal Revenue Code:

T186	Connecticut Taxable Income	Rate of Tax
T187	Not over \$20,000	3.0%
T188	Over \$20,000	\$600.00, plus 5.0% of the
T189		excess over \$20,000

678 (D) For trusts or estates, the rate of tax shall be 5.0% of the
 679 Connecticut taxable income.

680 (7) For taxable years commencing on or after January 1, 2007, but
 681 prior to January 1, 2008, in accordance with the following schedule:

682 (A) For any person who files a return under the federal income tax
 683 for such taxable year as an unmarried individual:

T190	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T191	<u>Not over \$10,000</u>	<u>3.0%</u>
T192	<u>Over \$10,000</u>	<u>\$300.00, plus 4.875% of the excess</u>
T193	<u>but not over \$53,125</u>	<u>over \$10,000</u>
T194	<u>Over \$53,125</u>	<u>\$2,402.34, plus 5.00% of the excess</u>
T195	<u>but not over \$79,700</u>	<u>over \$53,125</u>
T196	<u>Over \$79,700</u>	<u>\$3,731.09, plus 5.25% of the excess</u>
T197	<u>but not over \$106,250</u>	<u>over \$79,700</u>
T198	<u>Over \$106, 250</u>	<u>\$5,124.97, plus 5.80% of the excess</u>
T199	<u>but not over \$132,800</u>	<u>over \$106, 250</u>
T200	<u>Over \$132,800</u>	<u>\$6,664.87, plus 6.15% of the excess</u>
T201	<u>Over \$132,800</u>	

684 (B) For any person who files a return under the federal income tax
 685 for such taxable year as a head of household, as defined in Section 2(b)
 686 of the Internal Revenue Code:

T202	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T203	<u>Not over \$16,000</u>	<u>3.0%</u>
T204	<u>Over \$16,000</u>	<u>\$480.00, plus 4.875% of the excess</u>
T205	<u>but not over \$80,000</u>	<u>over \$16,000</u>
T206	<u>Over \$80,000</u>	<u>\$3,600.00, plus 5.00% of the excess</u>

T207	<u>but not over \$120,000</u>	<u>over \$80,000</u>
T208	<u>Over \$120,000</u>	<u>\$5,600.00, plus 5.25% of the excess</u>
T209	<u>but not over \$160,000</u>	<u>over \$120,000</u>
T210	<u>Over \$160,000</u>	<u>\$7,700.00, plus 5.80% of the excess</u>
T211	<u>but not over \$200,000</u>	<u>over \$160,000</u>
T212	<u>Over \$200,000</u>	<u>\$10,020.00, plus 6.15% of the excess</u>
T213		<u>over \$200,000</u>

687 (C) For any husband and wife who file a return under the federal
688 income tax for such taxable year as married individuals filing jointly or
689 any person who files a return under the federal income tax for such
690 taxable year as a surviving spouse, as defined in Section 2(a) of the
691 Internal Revenue Code:

T214	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T215	<u>Not over \$20,000</u>	<u>3.0%</u>
T216	<u>Over \$20,000</u>	<u>\$600.00, plus 4.875% of the excess</u>
T217	<u>but not over \$100,000</u>	<u>over \$20,000</u>
T218	<u>Over \$100,000</u>	<u>\$4,500.00, plus 5.00% of the excess</u>
T219	<u>but not over \$150,000</u>	<u>over \$100,000</u>
T220	<u>Over \$150,000</u>	<u>\$7,000.00, plus 5.25% of the excess</u>
T221	<u>but not over \$200,000</u>	<u>over \$150,000</u>
T222	<u>Over \$200,000</u>	<u>\$9,625.00, plus 5.80% of the excess</u>
T223	<u>but not over \$250,000</u>	<u>over \$200,000</u>
T224	<u>Over \$250,000</u>	<u>\$12,525.00, plus 6.15% of the excess</u>
T225		<u>over \$250,000</u>

692 (D) For any person who files a return under the federal income tax
693 for such taxable year as a married individual filing separately:

T226	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T227	<u>Not over \$10,000</u>	<u>3.0%</u>

T228	<u>Over \$10,000</u>	<u>\$300.00, plus 4.875% of the excess</u>
T229	<u>but not over \$50,000</u>	<u>over \$10,000</u>
T230	<u>Over \$50,000</u>	<u>\$2,250.00, plus 5.00% of the excess</u>
T231	<u>but not over \$75,000</u>	<u>over \$50,000</u>
T232	<u>Over \$75,000</u>	<u>\$3,500.00, plus 5.25% of the excess</u>
T233	<u>but not over \$100,000</u>	<u>over \$75,000</u>
T234	<u>Over \$100,000</u>	<u>\$4,812.50, plus 5.80% of the excess</u>
T235	<u>but not over \$125,000</u>	<u>over \$100,000</u>
T236	<u>Over \$125,000</u>	<u>\$6,262.50, plus 6.15% of the excess</u>
T237		<u>over \$125,000</u>
694		

695 (E) For trusts or estates, the rate of tax shall be 6.15% of the
 696 Connecticut taxable income.

697 (8) For taxable years commencing on or after January 1, 2008, in
 698 accordance with the following schedule:

699 (A) For any person who files a return under the federal income tax
 700 for such taxable year as an unmarried individual:

T238	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T239	<u>Not over \$10,000</u>	<u>3.0%</u>
T240	<u>Over \$10,000</u>	<u>\$300.00, plus 4.75% of the excess</u>
T241	<u>but not over \$53,125</u>	<u>over \$10,000</u>
T242	<u>Over \$53,125</u>	<u>\$2,348.44, plus 5.00% of the excess</u>
T243	<u>but not over \$79,700</u>	<u>over \$53,125</u>
T244	<u>Over \$79,700</u>	<u>\$3,677.19, plus 5.50% of the excess</u>
T245	<u>but not over \$106,250</u>	<u>over \$79,700</u>
T246	<u>Over \$106,250</u>	<u>\$5,137.44, plus 6.25% of the excess</u>
T247	<u>but not over \$132,800</u>	<u>over \$106,250</u>
T248	<u>Over \$132,800</u>	<u>\$6,796.81, plus 6.95% of the excess</u>
T249		<u>over \$132,800</u>

701 (B) For any person who files a return under the federal income tax
 702 for such taxable year as a head of household, as defined in Section 2(b)
 703 of the Internal Revenue Code:

T250	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T251	<u>Not over \$16,000</u>	<u>3.0%</u>
T252	<u>Over \$16,000</u>	<u>\$480.00, plus 4.75% of the excess</u>
T253	<u>but not over \$80,000</u>	<u>over \$16,000</u>
T254	<u>Over \$80,000</u>	<u>\$3,520.00, plus 5.00% of the excess</u>
T255	<u>but not over \$120,000</u>	<u>over \$80,000</u>
T256	<u>Over \$120,000</u>	<u>\$5,520.00, plus 5.50% of the excess</u>
T257	<u>but not over \$160,000</u>	<u>over \$120,000</u>
T258	<u>Over \$160,000</u>	<u>\$7,720.00, plus 6.25% of the excess</u>
T259	<u>but not over \$200,000</u>	<u>over \$160,000</u>
T260	<u>Over \$200,000</u>	<u>\$10,220.00, plus 6.95% of the excess</u>
T261		<u>over \$200,000</u>

704 (C) For any husband and wife who file a return under the federal
 705 income tax for such taxable year as married individuals filing jointly or
 706 any person who files a return under the federal income tax for such
 707 taxable year as a surviving spouse, as defined in Section 2(a) of the
 708 Internal Revenue Code:

T262	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T263	<u>Not over \$20,000</u>	<u>3.0%</u>
T264	<u>Over \$20,000</u>	<u>\$600.00, plus 4.75% of the excess</u>
T265	<u>but not over \$100,000</u>	<u>over \$20,000</u>
T266	<u>Over \$100,000</u>	<u>\$4,400.00, plus 5.00% of the excess</u>
T267	<u>but not over \$150,000</u>	<u>over \$100,000</u>
T268	<u>Over \$150,000</u>	<u>\$6,900.00, plus 5.25% of the excess</u>
T269	<u>but not over \$200,000</u>	<u>over \$150,000</u>

T270	<u>Over \$200,000</u>	<u>\$9,650.00, plus 6.25% of the excess</u>
T271	<u>but not over \$250,000</u>	<u>over \$200,000</u>
T272	<u>Over \$250,000</u>	<u>\$12,775.00, plus 6.95% of the excess</u>
T273		<u>over \$250,000</u>

709 (D) For any person who files a return under the federal income tax
 710 for such taxable year as a married person filing separately:

T274	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T275	<u>Not over \$10,000</u>	<u>3.0%</u>
T276	<u>Over \$10,000</u>	<u>\$300.00, plus 4.75% of the excess</u>
T277	<u>but not over \$50,000</u>	<u>over \$10,000</u>
T278	<u>Over \$50,000</u>	<u>\$2,200.00, plus 5.00% of the excess</u>
T279	<u>but not over \$75,000</u>	<u>over \$50,000</u>
T280	<u>Over \$75,000</u>	<u>\$3,450.00, plus 5.25% of the excess</u>
T281	<u>but not over \$100,000</u>	<u>over \$75,000</u>
T282	<u>Over \$100,000</u>	<u>\$4,825.00, plus 6.25% of the excess</u>
T283	<u>but not over \$125,000</u>	<u>over \$100,000</u>
T284	<u>Over \$125,000</u>	<u>\$6,387.50, plus 6.95% of the excess</u>
T285		<u>over \$125,000</u>

711 (E) For trusts or estates, the rate of tax shall be 6.95% of the
 712 Connecticut taxable income.

713 [(7)] (9) The provisions of this subsection shall apply to resident
 714 trusts and estates and, wherever reference is made in this subsection to
 715 residents of this state, such reference shall be construed to include
 716 resident trusts and estates, provided any reference to a resident's
 717 Connecticut adjusted gross income derived from sources without this
 718 state or to a resident's Connecticut adjusted gross income shall be
 719 construed, in the case of a resident trust or estate, to mean the resident
 720 trust or estate's Connecticut taxable income derived from sources
 721 without this state and the resident trust or estate's Connecticut taxable
 722 income, respectively.

723 Sec. 17. (*Effective July 1, 2007*) The Commissioner of Revenue
724 Services shall, pursuant to chapter 229 of the general statutes, issue
725 new withholding tax tables, effective July 1, 2007.

726 Sec. 18. Subsection (b) of section 12-704c of the general statutes is
727 repealed and the following is substituted in lieu thereof (*Effective July*
728 *1, 2007, and applicable to taxable years commencing on or after January 1,*
729 *2007*):

730 (b) The credit allowed under this section shall not exceed two
731 hundred fifteen dollars for the taxable year commencing on or after
732 January 1, 1997, and prior to January 1, 1998; for taxable years
733 commencing on or after January 1, 1998, but prior to January 1, 1999,
734 three hundred fifty dollars; for taxable years commencing on or after
735 January 1, 1999, but prior to January 1, 2000, four hundred twenty-five
736 dollars; for taxable years commencing on or after January 1, 2000, but
737 prior to January 1, 2003, five hundred dollars; for taxable years
738 commencing on or after January 1, 2003, three hundred fifty dollars;
739 for taxable years commencing on or after January 1, 2005, but prior to
740 January 1, 2006, three hundred fifty dollars; [and] for taxable years
741 commencing on or after January 1, 2006, but prior to January 1, 2007,
742 five hundred dollars; and for taxable years commencing on or after
743 January 1, 2007, one thousand dollars. In the case of any husband and
744 wife who file a return under the federal income tax for such taxable
745 year as married individuals filing a joint return, the credit allowed, in
746 the aggregate, shall not exceed such amounts for each such taxable
747 year.

748 Sec. 19. (NEW) (*Effective July 1, 2007, and applicable to taxable years*
749 *commencing on or after January 1, 2007*) Any person who qualifies for and
750 claims the earned income credit allowable under Section 32 of the
751 Internal Revenue Code of 1986, or any subsequent corresponding
752 internal revenue code of the United States, as from time to time
753 amended, for any taxable year shall be entitled to a credit in determining
754 the amount of tax liability under chapter 229 of the general statutes for
755 such taxable year. The credit allowed under this section shall equal

756 twenty per cent of the credit allowed under Section 32 of said Internal
757 Revenue Code for the taxable year. If the amount of the credit allowed
758 under this section exceeds the taxpayer's liability, the Commissioner of
759 Revenue Services shall treat such excess as an overpayment and shall
760 pay the taxpayer the amount of such excess, without interest.

761 Sec. 20. Section 29-112 of the general statutes is repealed and the
762 following is substituted in lieu thereof (*Effective July 1, 2007*):

763 The following fees shall be collected by the commissioner and by
764 him paid to the State Treasurer: For inspection and annual approval of
765 any premises or place where moving picture films are used or
766 exhibited, [~~thirty-five~~] fifty dollars; for inspection and approval of any
767 projection room or area as defined in regulations adopted under
768 section 29-109, [~~ten~~] twenty-five dollars; for inspection of any other
769 building or plan of building, incident to the administration of section
770 29-109, [~~ten~~] twenty-five dollars. Permits and approvals issued under
771 the provisions of said sections may be for definite dates only, but,
772 unless otherwise specified, shall cover the premises described from
773 date of issue until the first day of February next following.

774 Sec. 21. Section 29-117 of the general statutes is repealed and the
775 following is substituted in lieu thereof (*Effective July 1, 2007*):

776 No person shall exhibit, show or use any moving picture film, reel
777 or view in any place to which an admission fee is charged, except in a
778 church, parish house, school or other building of a religious,
779 ecclesiastical or educational organization in furtherance of its
780 purposes, without a license for such purpose issued by the
781 Commissioner of Public Safety. The commissioner, after investigation,
782 shall issue the license required herein to any person found by him to
783 be a suitable person, provided he shall have received a written
784 application therefor, which application shall describe the location of
785 the place and shall give its seating capacity and such other information
786 as the commissioner requires. Such license shall be effective until
787 September first next following its issuance, unless suspended or

788 revoked for cause, and the applicant shall pay for the same and for
789 each renewal thereof the sum of [thirty-five] fifty dollars. When any
790 person so licensed exhibits, shows or uses or permits to be exhibited,
791 shown or used in any place described in such license any moving
792 picture film, title, subtitle or part thereof, reel or view of an immoral,
793 degrading or criminal character, or which is unlawful under the
794 provisions of section 53a-194 or 53a-196, the commissioner may, upon
795 complaint or upon his own motion, suspend or revoke the license of
796 such person. No license shall be granted to any person to whom two of
797 the licenses issued have been either suspended or revoked. Any
798 person, or the officer of any corporation, violating any provision of this
799 section shall be fined not more than one thousand dollars or
800 imprisoned not more than one year or both.

801 Sec. 22. Section 29-130 of the general statutes is repealed and the
802 following is substituted in lieu thereof (*Effective July 1, 2007*):

803 The Commissioner of Public Safety shall prescribe a form of
804 application to be signed by each applicant and may require such
805 information respecting the business in which the applicant proposes to
806 engage as he finds necessary to safeguard the public from all forms of
807 lascivious conduct, immoral practices, vice or violations of the law.
808 Said commissioner or any employee of the Department of Public
809 Safety authorized by him for said purpose may enter into any place so
810 licensed or upon the premises where such business is being conducted
811 for the purpose of observing the conduct of the same. Said
812 commissioner shall issue to each applicant so licensed a certificate to
813 be designated "amusement park license", and each certificate shall state
814 the name of the applicant, the location of the place where such
815 amusement, entertainment, diversion or recreation may be conducted
816 and the hours each day during which the same may be conducted.
817 Each certificate shall be displayed conspicuously for public view by
818 the licensee at the place where the business so licensed is conducted.
819 Any such license may be suspended or revoked by said commissioner
820 whenever it appears that any of the conditions required to be stated in
821 such license have been violated. Such applications and license

822 certificates shall be printed at the expense of the state. The annual
823 license fee shall be [thirty-five] fifty dollars to be paid by the applicant
824 to the Commissioner of Public Safety with each application for such
825 license. Such licenses shall not be transferable and, if any licensee
826 voluntarily discontinues operations thereunder, all rights secured
827 thereby shall terminate. On and after January 1, 1986, the license year
828 shall be from January first until December thirty-first following,
829 inclusive. Each such license shall be for a period of one license year.

830 Sec. 23. Section 29-134 of the general statutes is repealed and the
831 following is substituted in lieu thereof (*Effective July 1, 2007*):

832 No owner shall exhibit or provide any amusement, as defined in
833 section 29-133, in this state unless he has obtained a license therefor as
834 hereinafter provided and otherwise complies with the provisions of
835 sections 29-133 to 29-142, inclusive. An annual license fee of [fifty] one
836 hundred dollars shall be paid by the applicant to the Commissioner of
837 Public Safety with each application for such amusement license.

838 Sec. 24. Section 29-193 of the general statutes is repealed and the
839 following is substituted in lieu thereof (*Effective July 1, 2007*):

840 No new elevator or escalator shall be erected or installed and no
841 elevator or escalator shall be relocated or altered until detailed plans
842 and specifications of the proposed construction or other work have
843 been submitted in triplicate to the department for approval. A fee of
844 [one hundred fifty] two hundred dollars for each elevator or escalator
845 payable to the department shall accompany each such proposal. Notice
846 that such plans are approved or disapproved shall be given within a
847 reasonable time and final inspection of the elevator or escalator, when
848 installed, relocated or altered, shall be made before final approval for
849 operation is given by the department. The department may issue a
850 temporary operating permit, if necessary, pending final inspection and
851 approval. The provisions of this chapter shall not prevent the
852 operation of any elevator installed for temporary use in connection
853 with building operations or the operation of any elevator for purposes

854 connected with the installation or the testing of the same.

855 Sec. 25. Section 29-196 of the general statutes is repealed and the
856 following is substituted in lieu thereof (*Effective July 1, 2007*):

857 As soon as the department approves any new, relocated or altered
858 elevator or escalator as being fit for operation, it shall issue to the
859 owner a certificate of operation for a capacity and speed specified in
860 the inspector's report. The fee for the certificate first issued shall be
861 [one hundred fifty] two hundred dollars. Such certificate shall be
862 posted conspicuously in the car or cage or on the platform of the
863 elevator or escalator and shall be valid for twelve months. Thereafter,
864 the certificate shall be renewed [each year] every two years upon
865 receipt of the renewal fee of [forty] one hundred twenty dollars, except
866 that private residence elevators, as defined in the regulations adopted
867 pursuant to section 29-192, shall not be subject to said renewal
868 requirement. No fee shall be required of the state or any agency of the
869 state. No elevator or escalator may be lawfully operated without such
870 certificate.

871 Sec. 26. Section 29-204 of the general statutes is repealed and the
872 following is substituted in lieu thereof (*Effective July 1, 2007*):

873 No new passenger tramway shall be erected or installed and no
874 passenger tramway shall be relocated or altered until detailed plans
875 and specifications of the proposed construction or other work have
876 been submitted in duplicate to the department for approval. A fee of
877 [one] two hundred dollars payable to the Department of Public Safety
878 shall accompany each such proposal. Notice that such plans are
879 approved or disapproved shall be given within a reasonable time, and
880 final inspection of the passenger tramway, when installed, relocated or
881 altered, shall be made before final approval for operating is given by
882 the department.

883 Sec. 27. Section 29-206 of the general statutes is repealed and the
884 following is substituted in lieu thereof (*Effective July 1, 2007*):

885 The department shall enforce the regulations adopted pursuant to
886 section 29-203, and shall inspect the construction, operation and
887 maintenance of passenger tramways to determine whether such
888 regulations have been complied with by the operators. Each passenger
889 tramway shall be thoroughly inspected by a qualified inspector
890 approved by the department at least once every twelve months. More
891 frequent inspections of any passenger tramway may be made if the
892 condition thereof indicates that additional inspections are necessary or
893 desirable. As soon as the department inspects and approves any
894 passenger tramway as being fit for operation, it shall issue to the
895 operator, upon receipt of a fee of [one hundred fifty] two hundred
896 dollars, a certificate of operation with such conditions and limitations
897 as the commissioner shall prescribe. Such certificate shall be valid for
898 twelve months and shall be renewed yearly, if the department
899 approves the passenger tramway, upon payment of a renewal fee of
900 [eighty] one hundred dollars. No passenger tramway may be operated
901 without such operating certificate.

902 Sec. 28. Section 29-237 of the general statutes is repealed and the
903 following is substituted in lieu thereof (*Effective July 1, 2007*):

904 All boilers included under this chapter shall be inspected by a state
905 boiler inspector or by a special inspector employed by an insurance
906 company licensed to insure boilers in this state as follows:

907 (1) Power boilers, meaning boilers operating at steam or vapor
908 pressures in excess of fifteen pounds per square inch gauge, except
909 power boilers that operate with internal water treatment under the
910 direct supervision of a qualified engineer, shall be inspected each year.
911 Such boiler inspection shall consist of (A) a thorough internal and
912 external inspection while not under pressure, and (B) an external
913 inspection under operating conditions not more than six months after
914 the internal and external inspection. No more than fourteen months
915 shall elapse between internal inspections and between external
916 inspections while under pressure.

917 (2) Power boilers that operate with internal water treatment under
918 the direct supervision of a qualified engineer shall be inspected every
919 eighteen months. Such boiler inspection shall consist of (A) a thorough
920 internal and external inspection while not under pressure, and (B) an
921 external inspection under operating conditions not more than nine
922 months after the internal and external inspection.

923 (3) Where construction will permit, low pressure steam or vapor
924 heating boilers, hot water heating boilers, hot water supply boilers and
925 hot water heaters shall be inspected externally biennially and
926 internally at the discretion of the boiler inspector. If a boiler inspector
927 decides a hydrostatic test is necessary to determine the safety of a
928 boiler or heater, such test shall be made under the inspector's direction.
929 The Commissioner of Public Safety may order inspections by the
930 Department of Public Safety or the insurance carrier in addition to the
931 regular annual or biennial inspections to clear up any doubts as to the
932 safety of continuing the operation of any boiler or heater included in
933 this chapter. [, but no additional fee shall be charged or allowed for
934 such additional inspections, unless the owner or user is found to have
935 operated or ordered or permitted the operation of such boiler or
936 heater, intentionally or negligently, in violation of this chapter or the
937 boiler regulations.] Each boiler insurance carrier shall forward to the
938 commissioner, [within] not later than thirty days [following] after each
939 inspection as required by this chapter, a report of such inspection upon
940 appropriate forms as promulgated by the commissioner, who may use
941 the form suggested by the American Society of Mechanical Engineers.

942 Sec. 29. Section 29-238 of the general statutes is repealed and the
943 following is substituted in lieu thereof (*Effective July 1, 2007*):

944 [The owner or user of a boiler required by this chapter to be
945 inspected by the Commissioner of Public Safety or by state boiler
946 inspectors shall pay to the commissioner at the time of inspection a fee
947 as follows:

948 (1) Boilers of fifty square feet or less of heating surface, thirty

949 dollars; boilers of over fifty square feet of heating surface and less than
950 one thousand square feet, forty dollars; boilers of over one thousand
951 square feet of heating surface and less than four thousand square feet,
952 sixty dollars; boilers of at least four thousand square feet of heating
953 surface and less than ten thousand square feet of heating surface,
954 eighty dollars; boilers of at least ten thousand square feet of heating
955 surface, one hundred dollars. External inspection: Boilers having fifty
956 square feet or less of heating surface, twenty dollars; boilers having
957 over fifty square feet of heating surface, twenty-five dollars. Not more
958 than the equivalent of the internal and external inspection fees shall be
959 charged or collected for any and all such inspections of any boiler in
960 any one year.

961 (2) Inspection of heating boilers without a manhole, thirty dollars;
962 inspection of heating boilers with a manhole, fifty dollars; inspection of
963 hot water supply boilers and hot water heaters, thirty dollars. Not
964 more than one fee shall be charged or collected for any and all such
965 inspections of any low pressure boiler in any two-year period.

966 (3) An additional fee based on the scale of fees applicable to an
967 internal inspection of the boiler shall be charged in any instance where
968 it is necessary to make a special trip to witness a hydrostatic test.]

969 The owner or user of a boiler required by this chapter to be
970 inspected by the Commissioner of Public Safety, state boiler inspectors
971 or special inspectors shall pay to the commissioner the sum of forty
972 dollars for each operating certificate issued. No fee shall be required of
973 the state or any agency of the state. All fees collected by the
974 commissioner under authority of this chapter shall be transferred by
975 the commissioner to the State Treasurer for deposit in the General
976 Fund. If the report of inspection by the Department of Public Safety
977 inspector or special inspector indicates that any boiler meets the
978 requirements of this chapter and the boiler regulations, an operating
979 certificate shall be issued by the commissioner to the owner or user.
980 Such certificate shall state the pressure and other conditions under
981 which such boiler may be lawfully operated. An operating certificate

982 shall be valid for a period of not more than twelve months from the
983 date of internal inspection, in the case of power boilers inspected
984 pursuant to subdivision (1) of section 29-237, except that the certificate
985 shall be valid for a period of not more than two months beyond the
986 period set by the Commissioner of Public Safety in accordance with
987 section 29-237. An operating certificate shall be valid for a period of
988 not more than eighteen months from the date of internal inspection in
989 the case of power boilers inspected pursuant to subdivision (2) of
990 section 29-237. Operating certificates shall be valid for twenty-four
991 months in the case of low pressure steam or vapor heating boilers, hot
992 water heating boilers, hot water supply boilers and hot water heaters
993 approved by a nationally recognized testing agency. If a boiler
994 inspected by a state boiler inspector or special inspector commissioned
995 by said commissioner is found to conform with the requirements of
996 this chapter and the boiler regulations, an operating certificate shall be
997 issued by said commissioner to the owner or user upon the receipt of
998 the insuring company's report or the state boiler inspector's report.
999 [and such owner or user shall be exempt from the inspection fees
1000 provided by this section, except that for each certificate so issued the
1001 owner or user of the boiler shall pay to said commissioner the sum of
1002 twenty dollars.] Said commissioner may order reinspection if
1003 reasonable doubt exists regarding any inspection. Such certificate shall
1004 state the pressure and other conditions under which such boiler may
1005 be lawfully operated and shall be valid not more than the period
1006 indicated in this section and shall be renewed each year in the case of
1007 power boilers inspected pursuant to subdivision (1) of section 29-237,
1008 every eighteen months in the case of power boilers inspected pursuant
1009 to subdivision (2) of section 29-237, and biennially in the case of hot
1010 water heating or hot water supply boilers and hot water heaters. An
1011 operating certificate shall be immediately invalid if the boiler is
1012 relocated or altered, unless such relocation or alteration has been
1013 approved in accordance with this chapter or the boiler code and
1014 regulations. No boiler shall be operated unless a valid operating
1015 certificate is displayed under glass in a conspicuous place in the room
1016 in which such boiler is located. If the boiler is not located within the

1017 building, the certificate shall be posted in a location convenient to the
1018 boiler inspected. In the case of a portable boiler such certificate shall be
1019 kept in a metal container to be fastened to the boiler or kept in a tool
1020 box accompanying the boiler.

1021 Sec. 30. Section 29-349 of the general statutes is repealed and the
1022 following is substituted in lieu thereof (*Effective July 1, 2007*):

1023 (a) The Commissioner of Public Safety shall have exclusive
1024 jurisdiction in the preparation of and may enforce reasonable
1025 regulations for the safe and convenient storage, transportation and use
1026 of explosives and blasting agents used in connection therewith, which
1027 regulations shall deal in particular with the quantity and character of
1028 explosives and blasting agents to be stored, transported and used, the
1029 proximity of such storage to inhabited dwellings or other occupied
1030 buildings, public highways and railroad tracks, the character and
1031 construction of suitable magazines for such storage, protective
1032 measures to secure such stored explosives and blasting agents and the
1033 abatement of any hazard that may arise incident to the storage,
1034 transportation or use of such explosives and blasting agents.

1035 (b) No person, firm or corporation shall engage in any activity
1036 concerning the storage, transportation or use of explosives unless such
1037 person, firm or corporation has obtained a license therefor from the
1038 Commissioner of Public Safety. Such license shall be issued upon
1039 payment of a fee of [fifty] one hundred dollars and upon submission
1040 by the applicant of evidence of good moral character and of
1041 competence in the control and handling of explosives, provided, if
1042 such license is for the use of explosives, it may be issued only to an
1043 individual person after demonstration that such individual is
1044 technically qualified to detonate explosives. Any such license to use
1045 explosives shall bear both the fingerprints of the licensee obtained by
1046 the Commissioner of Public Safety at the time of licensing, and the
1047 licensee's photograph, furnished by the licensee, of a size specified by
1048 the commissioner and taken not more than one year prior to the
1049 issuance of the license. Each such license shall be valid for one year

1050 from the date of its issuance, unless sooner revoked or suspended, and
1051 may be renewed annually thereafter upon a payment of [thirty]
1052 seventy-five dollars.

1053 (c) The Commissioner of Public Safety shall require any applicant
1054 for a license under this section to submit to state and national criminal
1055 history records checks. The criminal history records checks required
1056 pursuant to this subsection shall be conducted in accordance with
1057 section 29-17a.

1058 (d) No person shall manufacture, keep, store, sell or deal in any
1059 explosives unless such person has a valid license under the provisions
1060 of subsection (b) of this section and obtains from the Commissioner of
1061 Public Safety or from the fire marshal of the town where such business
1062 is conducted a written permit therefor, which permit shall not be valid
1063 for more than one year and for which such person shall pay a fee of
1064 [twenty-five] fifty dollars. If the permit is issued by the Commissioner
1065 of Public Safety, the commissioner shall forward a copy thereof to the
1066 local fire marshal. Such permit so granted shall definitely state the
1067 location of the building where such business is to be carried on or such
1068 explosive deposited and shall state that such building or premises
1069 complies with the regulations provided for in this section.

1070 (e) No person shall procure, transport or use any explosives unless
1071 such person has a valid license under subsection (b) of this section and
1072 has obtained a written permit therefor signed by the Commissioner of
1073 Public Safety or by the fire marshal of the town where such explosive
1074 is to be used, specifying the name of the purchaser, the amount to be
1075 purchased and transported and the purpose for which it is to be used.
1076 Any such permit to use explosives shall state the number of years the
1077 permittee has been engaged in blasting activity. Such permit shall be
1078 valid for such period, not longer than one year, as is required to
1079 accomplish the purpose for which it was obtained. No carrier shall
1080 transport any such explosive until the vehicle transporting the
1081 explosive has been inspected and approved by the Department of
1082 Public Safety and unless such written permit accompanies the same

1083 and no person shall have in such person's possession any such
1084 explosive unless such person has a license and permit therefor. The fee
1085 for such inspection shall be [twenty-five] fifty dollars. The fee for such
1086 permit shall be [twenty] thirty dollars. Each person who has in such
1087 person's custody or possession any explosive or any detonating caps
1088 for explosives shall keep the same either under personal observation or
1089 securely locked up.

1090 (f) Any license or permit issued under the provisions of this section
1091 may be suspended or revoked by the issuing authority for violation by
1092 the licensee or permittee of any provision of law or regulation relating
1093 to explosives or conviction of such licensee or permittee of any felony
1094 or misdemeanor. Suspension or revocation of a license shall
1095 automatically suspend or revoke the permit and the suspension or
1096 revocation of a permit shall automatically suspend or revoke the
1097 license.

1098 (g) Any person who, by himself or herself or by such person's
1099 employee or agent or as the employee or agent of another, violates any
1100 provision of this section, or any regulation made by the Commissioner
1101 of Public Safety pursuant to the provisions of this section, shall be
1102 fined not more than ten thousand dollars or imprisoned not more than
1103 ten years or both.

1104 (h) As used in this section, "blasting agent" means any material,
1105 composition or mixture intended for blasting, consisting substantially
1106 of a fuel and oxidizer, none of the ingredients of which is an explosive
1107 as defined in section 29-343, and the finished product of which as
1108 mixed and packaged for use or shipment cannot be detonated by the
1109 test procedure established by regulations adopted by the
1110 Commissioner of Public Safety in accordance with chapter 54.

1111 (i) Notwithstanding the provisions of this section, the Labor
1112 Commissioner shall regulate the storage, transportation and use of
1113 explosives and blasting agents in places of employment insofar as such
1114 activities relate to employee health and safety, provided such

1115 regulations shall be no less stringent than those prepared and enforced
1116 by the Commissioner of Public Safety pursuant to this section.

1117 Sec. 31. Section 29-357 of the general statutes is repealed and the
1118 following is substituted in lieu thereof (*Effective July 1, 2007*):

1119 (a) Except as provided in subsection (b) of this section, no person,
1120 firm or corporation shall offer for sale, expose for sale, sell at retail or
1121 use or explode or possess with intent to sell, use or explode any
1122 fireworks. A person who is sixteen years of age or older may offer for
1123 sale, expose for sale, sell at retail, purchase, use or possess with intent
1124 to sell or use sparklers or fountains of not more than one hundred
1125 grams of pyrotechnic mixture per item, which are nonexplosive and
1126 nonaerial, provided (1) such sparklers and fountains do not contain
1127 magnesium, except for magnalium or magnesium-aluminum alloy, (2)
1128 such sparklers and fountains containing any chlorate or perchlorate
1129 salts do not exceed five grams of composition per item, and (3) when
1130 more than one fountain is mounted on a common base, the total
1131 pyrotechnic composition does not exceed two hundred grams.

1132 (b) The State Fire Marshal shall adopt reasonable regulations, in
1133 accordance with chapter 54, for the granting of permits for supervised
1134 displays of fireworks or for the indoor use of pyrotechnics, sparklers
1135 and fountains for special effects by municipalities, fair associations,
1136 amusement parks, other organizations or groups of individuals or
1137 artisans in pursuit of their trade. Such permit may be issued upon
1138 application to said State Fire Marshal and after (1) inspection of the site
1139 of such display or use by the local fire marshal to determine
1140 compliance with the requirements of such regulations, (2) approval of
1141 the chiefs of the police and fire departments, or, if there is no police or
1142 fire department, of the first selectman, of the municipality wherein the
1143 display is to be held as is provided in this section, and (3) the filing of a
1144 bond by the applicant as provided in section 29-358. No such display
1145 shall be handled or fired by any person until such person has been
1146 granted a certificate of competency by the State Fire Marshal, in
1147 respect to which a fee of [fifty] one hundred dollars shall be payable to

1148 the State Treasurer when issued and which may be renewed every
1149 three years upon payment of a fee of [thirty] one hundred fifty dollars
1150 to the State Treasurer, provided such certificate may be suspended or
1151 revoked by said marshal at any time for cause. Such certificate of
1152 competency shall attest to the fact that such operator is competent to
1153 fire a display. Such display shall be of such a character and so located,
1154 discharged or fired as in the opinion of the chiefs of the police and fire
1155 departments or such selectman, after proper inspection, will not be
1156 hazardous to property or endanger any person or persons. In an aerial
1157 bomb, no salute, report or maroon may be used that is composed of a
1158 formula of chlorate of potash, sulphur, black needle antimony and
1159 dark aluminum. Formulas that may be used in a salute, report or
1160 maroon are as follows: (A) Perchlorate of potash, black needle
1161 antimony and dark aluminum, and (B) perchlorate of potash, dark
1162 aluminum and sulphur. No high explosive such as dynamite,
1163 fulminate of mercury or other stimulator for detonating shall be used
1164 in any aerial bomb or other pyrotechnics. Application for permits shall
1165 be made in writing at least fifteen days prior to the date of display, on
1166 such notice as the State Fire Marshal by regulation prescribes, on forms
1167 furnished by him, and a fee of [thirty-five] fifty dollars shall be payable
1168 to the State Treasurer with each such application. After such permit
1169 has been granted, sales, possession, use and distribution of fireworks
1170 for such display shall be lawful for that purpose only. No permit
1171 granted hereunder shall be transferable. Any permit issued under the
1172 provisions of this section may be suspended or revoked by the State
1173 Fire Marshal or the local fire marshal for violation by the permittee of
1174 any provision of the general statutes, any regulation or any ordinance
1175 relating to fireworks.

1176 (c) The State Fire Marshal may grant variations or exemptions from,
1177 or approve equivalent or alternate compliance with, particular
1178 provisions of any regulation issued under the provisions of subsection
1179 (b) of this section where strict compliance with such provisions would
1180 entail practical difficulty or unnecessary hardship or is otherwise
1181 adjudged unwarranted, provided any such variation, exemption,

1182 approved equivalent or alternate compliance shall, in the opinion of
1183 the State Fire Marshal, secure the public safety and shall be made in
1184 writing.

1185 (d) Any person, firm or corporation violating the provisions of this
1186 section shall be fined not more than one hundred dollars or
1187 imprisoned not more than ninety days or be both fined and
1188 imprisoned, except that (1) any person, firm or corporation violating
1189 the provisions of subsection (a) of this section by offering for sale,
1190 exposing for sale or selling at retail or possessing with intent to sell any
1191 fireworks with a value exceeding ten thousand dollars shall be guilty
1192 of a class A misdemeanor, and (2) any person, firm or corporation
1193 violating any provision of subsection (b) of this section or any
1194 regulation adopted thereunder shall be guilty of a class A
1195 misdemeanor, except if death or injury results from any such violation,
1196 such person, firm or corporation shall be fined not more than ten
1197 thousand dollars or imprisoned not more than ten years, or both.

1198 Sec. 32. Section 29-365 of the general statutes is repealed and the
1199 following is substituted in lieu thereof (*Effective July 1, 2007*):

1200 The fee to be paid to the licensing authority upon each application
1201 shall be as follows: For a fireworks manufacturing license, [~~one~~] two
1202 hundred dollars; for a dealer, wholesaler and jobber, [~~fifty~~] two
1203 hundred dollars. Fees collected by the State Fire Marshal shall be paid
1204 to the State Treasurer.

1205 Sec. 33. Section 29-402 of the general statutes is repealed and the
1206 following is substituted in lieu thereof (*Effective July 1, 2007*):

1207 (a) No person shall engage in the business of demolition of
1208 buildings without a certificate of registration obtained from the
1209 Department of Public Safety. An applicant for initial registration shall
1210 file an application with the Department of Public Safety, furnish
1211 evidence of expertise and financial responsibility and pay a fee of three
1212 hundred fifty dollars for a class B certificate and seven hundred fifty
1213 dollars for a class A certificate. Each certificate shall be valid for twelve

1214 months from date of issuance and shall be renewable on application of
1215 the registrant upon payment of an annual fee of two hundred dollars
1216 for a class B certificate and six hundred dollars for a class A certificate.
1217 The department may refuse to issue any such certificate for cause, and
1218 may revoke or refuse to renew any such certificate for failure to carry
1219 out and conform to the provisions of this part or to any regulations
1220 adopted hereunder, or for any violation of title 22a. No person shall be
1221 refused a certificate or a renewal thereof, and no certificate shall be
1222 revoked, without an opportunity for a hearing conducted by the
1223 Department of Public Safety.

1224 (b) As used in this part, the term "registration" includes the whole or
1225 part of any permit which the Department of Public Safety issues under
1226 authority of the general statutes and which (1) requires persons to
1227 place their names on a list maintained by the department before they
1228 can engage in the business of demolition of buildings, (2) does not
1229 require a person to demonstrate competence by examination or other
1230 means, and (3) may be revoked or suspended by the department for
1231 cause.

1232 (c) The provisions of this section shall not apply to (1) a person who
1233 is engaged in the disassembling, transportation and reconstruction of
1234 historic buildings for historical purposes or in the demolition of farm
1235 buildings or in the renovation, alteration or reconstruction of a single-
1236 family residence, (2) the removal of underground petroleum storage
1237 tanks, (3) the burning of a building or structure as part of an organized
1238 fire department training exercise, or (4) the demolition of a single-
1239 family residence or out building by an owner of such structure if it
1240 does not exceed a height of thirty feet, provided (A) the owner shall be
1241 present on site while such demolition work is in progress and shall be
1242 held personally liable for any injury to individuals or damage to public
1243 or private property caused by such demolition, and (B) such
1244 demolition shall be permitted only with respect to buildings which
1245 have clearance from other structures, roads or highways equal to or
1246 greater than the height of the structure subject to demolition. The local
1247 building official may require additional clearance when deemed

1248 necessary for safety.

1249 Sec. 34. Subparagraph (A) of subdivision (37) of subsection (a) of
 1250 section 12-407, subdivision (47) of section 12-412, section 12-412b of the
 1251 general statutes are repealed. (*Effective July 1, 2007, and applicable to*
 1252 *sales occurring on or after July 1, 2007*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	12-211a
Sec. 2	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	12-217zz
Sec. 3	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	12-296
Sec. 4	<i>July 1, 2007, and applicable to the storage or use of unstamped cigarettes occurring on or after July 1, 2007</i>	12-316
Sec. 5	<i>July 1, 2007</i>	New section
Sec. 6	<i>July 1, 2007, and applicable to the estates of decedents who die on or after January 1, 2007</i>	12-391
Sec. 7	<i>July 1, 2007</i>	12-407(a)(37)
Sec. 8	<i>July 1, 2007</i>	12-408(1)
Sec. 9	<i>July 1, 2007, and applicable to sales occurring on and after July 1, 2007</i>	12-412(55)
Sec. 10	<i>from passage</i>	New section

Sec. 11	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	12-412(27)
Sec. 12	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	12-412k(b)
Sec. 13	<i>July 1, 2007</i>	12-460a
Sec. 14	<i>July 1, 2007</i>	12-494(a)
Sec. 15	<i>July 1, 2007, and applicable to calendar years commencing on or after January 1, 2007</i>	12-642(a)
Sec. 16	<i>July 1, 2007, and applicable to taxable years commencing on or after January 1, 2007</i>	12-700(a)
Sec. 17	<i>July 1, 2007</i>	New section
Sec. 18	<i>July 1, 2007, and applicable to taxable years commencing on or after January 1, 2007</i>	12-704c(b)
Sec. 19	<i>July 1, 2007, and applicable to taxable years commencing on or after January 1, 2007</i>	New section
Sec. 20	<i>July 1, 2007</i>	29-112
Sec. 21	<i>July 1, 2007</i>	29-117
Sec. 22	<i>July 1, 2007</i>	29-130
Sec. 23	<i>July 1, 2007</i>	29-134
Sec. 24	<i>July 1, 2007</i>	29-193
Sec. 25	<i>July 1, 2007</i>	29-196
Sec. 26	<i>July 1, 2007</i>	29-204
Sec. 27	<i>July 1, 2007</i>	29-206
Sec. 28	<i>July 1, 2007</i>	29-237
Sec. 29	<i>July 1, 2007</i>	29-238
Sec. 30	<i>July 1, 2007</i>	29-349
Sec. 31	<i>July 1, 2007</i>	29-357
Sec. 32	<i>July 1, 2007</i>	29-365
Sec. 33	<i>July 1, 2007</i>	29-402

Sec. 34	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	Repealer section
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FIN *Joint Favorable Subst.*