



General Assembly

Substitute Bill No. 1436

January Session, 2007

* SB01436FIN 040907 *

**AN ACT CONCERNING A TAX CREDIT FOR HIGH TECHNOLOGY
MANUFACTURING COMPANIES.**

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

1 Section 1. Section 12-217v of the general statutes is repealed and the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 (a) As used in this section, "qualifying corporation" means (1) a
5 corporation which is created on or after January 1, 1997, in an
6 enterprise zone and which either [(1)] (A) has at least three hundred
7 seventy-five employees, at least forty per cent of whom [(A)] (i) are
8 residents of the enterprise zone or the municipality in which the
9 enterprise zone is located, and [(B)] (ii) qualify under the Job Training
10 Partnership Act, or [(2)] (B) has less than three hundred seventy-five
11 employees, at least one hundred fifty employees of whom [(A)] (i) are
12 residents of the enterprise zone or the municipality in which the
13 enterprise zone is located, and [(B)] (ii) qualify under the Job Training
14 Partnership Act, or (2) a manufacturer of trading systems that is
15 located in this state and that employs not less than three hundred
16 persons. For purposes of this subdivision, "trading systems" means
17 telecommunication devices used by financial trading firms.

18 (b) There shall be allowed as a credit against the tax imposed on any
19 qualifying corporation under this chapter [which is created on or after

20 January 1, 1997, in an enterprise zone,] in an amount equal to (1) one
21 hundred per cent of the tax liability of the qualifying corporation
22 under [said] this chapter with respect to the first three taxable years of
23 the corporation that follow the year in which such corporation became
24 a qualifying corporation, and (2) fifty per cent of the tax liability of the
25 qualifying corporation under this chapter with respect to the next
26 seven taxable years of the qualifying corporation.

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| 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> | 12-217v |

Statement of Legislative Commissioners:

In section 1, a definition of "trading systems" was added for clarity.

FIN *Joint Favorable Subst.-LCO*