



General Assembly

January Session, 2007

Amendment

LCO No. 9539

HB0650009539HDO

Offered by:

REP. BERGER, 73rd Dist.
SEN. LEBEAU, 3rd Dist.
REP. AMANN, 118th Dist.
REP. STAPLES, 96th Dist.
SEN. DAILY, 33rd Dist.

REP. LEONE, 148th Dist.
REP. GENTILE, 104th Dist.
REP. STONE, 9th Dist.
REP. FOX, 146th Dist.
REP. SERRA, 33rd Dist.

To: Subst. House Bill No. 6500

File No. 773

Cal. No. 593

"AN ACT EXPANDING CONNECTICUT'S FILM INDUSTRY."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 12-217jj of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective July 1, 2007, and*
5 *applicable to income years commencing on or after January 1, 2007*):

6 (a) As used in this section:

7 (1) "Commissioner" means the Commissioner of Revenue Services.

8 (2) "Commission" means the Connecticut Commission on Culture
9 and Tourism.

10 (3) (A) "Qualified production" means [the process of producing any

11 type of] entertainment content [which shall include] created in whole
12 or in part within the state, including motion pictures; documentaries;
13 long-form, specials, mini-series, series, sound recordings, videos and
14 music videos and interstitials television programming; interactive
15 television; interactive games; videogames; commercials; infomercials;
16 any format of digital media, including an interactive website, created
17 [primarily] for distribution or exhibition to the general public; and any
18 trailer, pilot, video teaser or demo created primarily to stimulate the
19 sale, marketing, promotion or exploitation of future investment in
20 either a product or a qualified production via any means and media in
21 any digital media format, film or videotape, provided such program
22 meets all the underlying criteria of a qualified production.

23 (B) "Qualified production" shall not include [(A)] any ongoing
24 television program created primarily as news, weather or financial
25 market reports, a production featuring current events, sporting events,
26 an awards show or other gala event, a production whose sole purpose
27 is fundraising, a long-form production that primarily markets a
28 product or service, a production used for corporate training or in-
29 house corporate advertising or other similar productions, or [(B)] any
30 production [containing any material or performance that is obscene, as
31 defined in section 53a-193] for which records are required to be
32 maintained under 18 USC 2257 with respect to sexually explicit
33 content.

34 (4) "Eligible production company" means a corporation, partnership,
35 limited liability company, or other business entity engaged in the
36 business of producing qualified productions on a one-time or ongoing
37 basis, and qualified by the Secretary of the State to engage in business
38 in the state.

39 (5) "Production expenses or costs" means all expenditures clearly
40 and demonstrably incurred [in the state] in the development,
41 preproduction, production or postproduction costs of a qualified
42 production, including:

43 [(A) Expenditures for optioning or purchase of any intellectual
44 property including, but not limited to, books, scripts, music or
45 trademarks relating to the development or purchase of a script,
46 screenplay or format, provided (i) the intellectual property was
47 produced primarily in the state, (ii) seventy-five per cent of the
48 qualified production based on such intellectual property is produced
49 in the state, and (iii) the production expenses or costs for such
50 optioning or purchase are less than thirty-five per cent of the
51 production expenses or costs incurred in the state. Such expenses or
52 costs shall include all expenditures generally associated with the
53 optioning or purchase of intellectual property, including option
54 money, agent fees and attorney fees relating to the transaction, but
55 shall not include any and all deferrals, deferments, royalties, profit
56 participation or recourse or nonrecourse loans which the eligible
57 production company may negotiate in order to obtain the rights to the
58 intellectual property;]

59 [(B)] (A) Expenditures incurred [in the state] in the form of either
60 compensation or purchases including production work, production
61 equipment not eligible for the infrastructure tax credit provided in
62 section 2 of this act, production software, postproduction work,
63 postproduction equipment, postproduction software, set design, set
64 construction, props, lighting, wardrobe, makeup, makeup accessories,
65 special effects, visual effects, audio effects, film processing, music,
66 sound mixing, editing, location fees, soundstages and any and all other
67 costs or services directly incurred [in the state] in connection with a
68 state-certified qualified production;

69 [(C)] (B) Expenditures for distribution, including preproduction,
70 production or postproduction costs relating to the creation of trailers,
71 marketing videos, commercials, point-of-purchase videos and any and
72 all content created on film or digital media, including the duplication
73 of films, videos, CDs, DVDs and any and all digital files now in
74 existence and those yet to be created for mass consumer consumption;
75 the purchase, by a company in the state, of any and all equipment
76 relating to the duplication or mass market distribution of any content

77 created or produced in the state by any digital media format which is
78 now in use and those formats yet to be created for mass consumer
79 consumption; and

80 [(D)] (C) "Production expenses or costs" does not include the
81 following: (i) [Talent fees for extras, principal day players and
82 atmosphere, as defined by the Screen Actors Guild, to the extent the
83 individual performer costs exceed the rates of the Screen Actors Guild
84 for double scale wages under the current collective bargaining
85 agreements] On and after January 1, 2008, compensation in excess of
86 fifteen million dollars paid to any individual or entity representing an
87 individual, for services provided in the production of a qualified
88 production; (ii) media buys, promotional events or gifts or public
89 relations associated with the promotion or marketing of any qualified
90 production; (iii) deferred, leveraged or profit participation costs
91 relating to any and all personnel associated with any and all aspects of
92 the production, including, but not limited to, producer fees, director
93 fees, talent fees and writer fees; (iv) costs relating to the transfer of the
94 production tax credits; and (v) any amounts paid to persons or
95 businesses as a result of their participation in profits from the
96 exploitation of the qualified production.

97 (6) "Sound recording" means a recording of music, poetry or
98 spoken-word performance, but does not include the audio portions of
99 dialogue or words spoken and recorded as part of a motion picture,
100 video, theatrical production, television news coverage or athletic event.

101 [(6)] (Z) "State-certified qualified production" means a qualified
102 production produced by an eligible production company that (A) is in
103 compliance with regulations adopted pursuant to subsection [(e)] (g)
104 of this section, (B) is authorized to conduct business in this state, and
105 (C) has been approved by the commission as qualifying for a
106 production tax credit under this section.

107 (8) "Interactive web site" means a web site, the production costs of
108 which (A) exceed five hundred thousand dollars per income year, and

109 (B) is primarily (i) interactive games or end user applications, or (ii)
110 animation, simulation, sound, graphics, story lines or video created or
111 repurposed for distribution over the internet. An interactive web site
112 does not include a web site primarily used for institutional, private,
113 industrial, retail or wholesale marketing or promotional purposes, or
114 which contains obscene content.

115 (9) "Post-certification remedy" means the recapture, disallowance,
116 recovery, reduction, repayment, forfeiture, decertification or any other
117 remedy that would have the effect of reducing or otherwise limiting
118 the use of a tax credit provided by this section.

119 (b) (1) The Connecticut Commission on Culture and Tourism shall
120 administer a system of tax credit vouchers within the resources,
121 requirements and purposes of this section for eligible production
122 companies producing a state-certified qualified production in the state.
123 For income years commencing on or after January 1, [2006] 2007, any
124 eligible production company incurring production expenses or costs in
125 excess of fifty thousand dollars shall be eligible for a credit against the
126 tax imposed under chapter 207 or this chapter equal to thirty per cent
127 of such production expenses or costs, provided (A) on and after
128 January 1, 2009, fifty per cent of such expenses or costs shall be
129 counted toward such credit when incurred outside the state and used
130 within the state, and one hundred per cent of such expenses or costs
131 shall be counted toward such credit when incurred within the state
132 and used within the state, and (B) on and after January 1, 2012, no
133 expenses or costs incurred outside the state and used within the state
134 shall be eligible for a credit, and one hundred per cent of such
135 expenses or costs shall be counted toward such credit when incurred
136 within the state and used within the state.

137 (2) Any credit allowed pursuant to this subsection may be sold,
138 assigned or otherwise transferred, in whole or in part, to one or more
139 taxpayers, [provided such taxpayers may claim such credit only for an
140 income year in which the eligible production company would have
141 been eligible to claim such credit] provided no credit, after issuance,

142 may be sold, assigned or otherwise transferred, in whole or in part,
143 more than three times.

144 (3) Any such credit allowed under this subsection shall be claimed
145 against the tax imposed under chapter 207 or this chapter for the
146 income year in which [final certification for the state-certified qualified
147 production is made by the commission pursuant to this section] the
148 production expenses or costs were incurred, and may be carried
149 forward for the three immediately succeeding income years. Any
150 production tax credit allowed under this subsection shall be
151 nonrefundable.

152 (c) (1) An eligible production company shall apply to the
153 commission for [an eligibility certificate] a tax credit voucher on an
154 annual basis, but not later than ninety days after the first production
155 expenses or costs are incurred in the production of a qualified
156 production, and shall provide with such application such information
157 as the commission may require to determine such company's eligibility
158 to claim a credit under this section. No production expenses or costs
159 may be listed more than once for purposes of the tax credit voucher
160 pursuant to this section, or pursuant to section 2 or 3 of this act, and if
161 a production expense or cost has been included in a claim for a credit,
162 such production expense or cost may not be included in any
163 subsequent claim for a credit.

164 (2) Not earlier than three months after the application in subdivision
165 (1) of this subsection, an eligible production company may apply to the
166 commission for a production tax credit voucher, and shall provide
167 with such application such information as the commission may require
168 pertaining to the amount of such company's production expenses or
169 costs to date. If the commission determines that such company is
170 eligible to be issued a production tax credit voucher, the commission
171 shall enter on the voucher the amount of production expenses or costs
172 that has been established to the satisfaction of the commission, and the
173 amount of such company's credit under this section. The commission
174 shall provide a copy of such voucher to the commissioner, upon

175 request.

176 [(2)] (3) Not later than ninety days after the end of the annual
177 period, or after the last production expenses or costs are incurred in
178 the production of a qualified production, an eligible production
179 company shall apply to the commission for a production tax credit
180 [certificate] voucher, and shall provide with such application such
181 information as the commission may require pertaining to the amount
182 of [the] such company's production expenses or costs. If the
183 commission determines that [the] such company is eligible to be issued
184 a production tax credit [certificate] voucher, the commission shall enter
185 on the [certificate] voucher the amount of production expenses or costs
186 that has been established to the satisfaction of the commission, minus
187 the amount of any credit issued pursuant to subdivision (2) of this
188 subsection, and the amount of [the] such company's credit under this
189 section. The commission shall provide a copy of such [certificate]
190 voucher to the commissioner, upon request.

191 (d) If an eligible production company sells, assigns or otherwise
192 transfers a credit under this section to another taxpayer, the transferor
193 and transferee shall jointly submit written notification of such transfer
194 to the commission not later than thirty days after such transfer. If such
195 transferee sells, assigns or otherwise transfers a credit under this
196 section to a subsequent transferee, such transferee and such
197 subsequent transferee shall jointly submit written notification of such
198 transfer to the commission not later than thirty days after such
199 transfer. The notification after each transfer shall include the credit
200 [certificate] voucher number, the date of transfer, the amount of such
201 credit transferred, the tax credit balance before and after the transfer,
202 the tax identification numbers for both the transferor and the
203 transferee, and any other information required by the commission.
204 Failure to comply with this subsection will result in a disallowance of
205 the tax credit until there is full compliance on [both] the part of the
206 transferor and the transferee, and for a second or third transfer, on the
207 part of all subsequent transferors and transferees. The commission
208 shall provide a copy of the notification of assignment to the

209 commissioner upon request.

210 (e) Any eligible production company that wilfully submits
211 information to the commission that it knows to be fraudulent or false
212 shall, in addition to any other penalties provided by law, be liable for a
213 penalty equal to the amount of such company's credit entered on the
214 production tax credit certificate issued under this section.

215 (f) The issuance by the commissioner of a tax credit voucher with
216 respect to an amount of tax credits stated thereon shall mean that none
217 of such tax credits are subject to a post-certification remedy, and that
218 the commission and the commissioner shall have no right, except in
219 the case of possible material misrepresentation or fraud, to conduct
220 any further or additional review, examination or audit of the
221 expenditures or costs for which such tax credits were issued. In the
222 event that at any time after the issuance of a tax credit voucher, the
223 commission or the commissioner determines that there was a material
224 misrepresentation or fraud on the part of an eligible production
225 company in connection with the submission of an expense report and
226 the result of such material misrepresentation or fraud was that (1) a
227 specific amount of tax credits was reflected on the tax credit voucher
228 issued in response to such expense report that would not have
229 otherwise been so reflected, and (2) such tax credits would otherwise
230 be subject to a post-certification remedy, such tax credits shall not be
231 subject to any post-certification remedy and the sole and exclusive
232 remedy of the commission and the commissioner shall be to seek
233 collection of the amount of such tax credits from the eligible
234 production company that committed the fraud or misrepresentation,
235 not from any transferee of such tax credits.

236 ~~[(e)]~~ (g) The commission, in consultation with the commissioner,
237 shall adopt regulations, in accordance with the provisions of chapter
238 54, as may be necessary for the administration of this section.

239 Sec. 2. (NEW) *(Effective July 1, 2007, and applicable to income years*
240 *commencing on or after January 1, 2007)* (a) As used in this section:

- 241 (1) "Commissioner" means the Commissioner of Revenue Services.
- 242 (2) "Commission" means the Connecticut Commission on Culture
243 and Tourism.
- 244 (3) "Infrastructure project" means a capital project to provide basic
245 buildings, facilities or installations needed for the functioning of the
246 digital media and motion picture industry in this state.
- 247 (4) "State-certified project" means an infrastructure project
248 undertaken in this state by an entity that (A) is in compliance with
249 regulations adopted pursuant to subsection (e) of this section, (B) is
250 authorized to conduct business in this state, (C) is not in default on a
251 loan made by the state or a loan guaranteed by the state, nor has ever
252 declared bankruptcy under which an obligation of the entity to pay or
253 repay public funds was discharged as a part of such bankruptcy, and
254 (D) has been approved by the commission as qualifying for an
255 infrastructure tax credit under this section.
- 256 (5) "Post-certification remedy" means the recapture, disallowance,
257 recovery, reduction, repayment, forfeiture, decertification or any other
258 remedy that would have the effect of reducing or otherwise limiting
259 the use of a tax credit provided by this section.
- 260 (b) (1) There shall be allowed a state-certified project credit against
261 the tax imposed under chapter 207 or 208 of the general statutes to any
262 taxpayer that invests in a state-certified project. Such credit may be in
263 the following amounts: (A) For state-certified projects costing greater
264 than fifteen thousand dollars and less than one hundred fifty thousand
265 dollars, each taxpayer may be allowed a tax credit of ten per cent of the
266 investment made by such taxpayer; (B) for state-certified projects
267 costing one hundred fifty thousand dollars or more, but less than one
268 million dollars, each taxpayer may be allowed a tax credit of fifteen per
269 cent of the investment made by such taxpayer; and (C) for state-
270 certified projects costing one million dollars or more, each taxpayer
271 may be allowed a tax credit of twenty per cent of the investment made
272 by such taxpayer.

273 (2) Eligible expenditures pursuant to this section shall include the
274 following: All expenditures for a capital project to provide buildings,
275 facilities or installations, whether leased or purchased, together with
276 necessary equipment for a film, video, television, digital production
277 facility or digital animation production facility; project development,
278 including design, professional consulting fees and transaction costs;
279 development, preproduction, production, post-production and
280 distribution equipment and system access; and fixtures and other
281 equipment.

282 (3) Any credit allowed pursuant to this section may be sold,
283 assigned or otherwise transferred, in whole or in part, to one or more
284 taxpayers, and such taxpayers may sell, assign or otherwise transfer, in
285 whole or in part, such credit. Any taxpayer holding such credit may
286 claim such credit only for the income year in which expenditures were
287 made by the taxpayer for the infrastructure project.

288 (4) Any credit allowed pursuant to this section shall be claimed
289 against the tax imposed under chapter 207 or 208 of the general
290 statutes. If the amount of the credit allowable under this section
291 exceeds the sum of any taxes due from a taxpayer, any such excess
292 amount of the credit allowable under this section may be taken in any
293 of the three immediately succeeding income years.

294 (5) Any tax credit earned under this section shall be nonrefundable.

295 (c) (1) An entity undertaking an infrastructure project shall apply to
296 the commission for an eligibility certificate not later than ninety days
297 after the first expenses or costs are incurred, and shall provide with
298 such application such information as the commission may require to
299 determine such infrastructure project's eligibility as a state-certified
300 project.

301 (2) Each application for an eligibility certificate shall include: (A) A
302 detailed description of the infrastructure project; (B) a preliminary
303 budget; (C) estimated completion date; and (D) such other information
304 as the commission may require. The commission may require an

305 independent audit of all project costs and expenditures prior to
306 certification. If the commission determines that such project is eligible
307 to be a state-certified project, the commission shall indicate the amount
308 of costs or expenditures that has been established to the satisfaction of
309 the commission, and issue to such entity a tax credit certification letter
310 for investors indicating the amount of tax credits available under this
311 section. The commission shall provide a copy of such letter to the
312 commissioner, upon request.

313 (3) Prior to the issuance of a state-certified project tax credit voucher
314 to a taxpayer based upon the tax credit certification letter issued
315 pursuant to subdivision (2) of this subdivision, the entity undertaking
316 such infrastructure project shall provide the commission with a
317 description of the progress on such project and an estimated
318 completion date. The commission may require an independent audit of
319 all project costs and expenditures prior to issuance of such tax credit
320 voucher to a taxpayer. No such tax credit voucher may be issued prior
321 to such time as such state-certified project is shown to be not less than
322 sixty per cent complete.

323 (d) If a taxpayer sells, assigns or otherwise transfers a credit under
324 this section to another taxpayer, the transferor and transferee shall
325 jointly submit written notification of such transfer to the commission
326 not later than thirty days after such transfer. The notification shall
327 include the credit certificate number, the date of transfer, the amount
328 of such credit transferred, the tax credit balance before and after the
329 transfer, the tax identification numbers for both the transferor and the
330 transferee and any other information required by the commissioner.
331 After the initial issuance of a tax credit, such credit may be sold,
332 assigned or otherwise transferred not more than three times. Failure to
333 comply with this subsection will result in a disallowance of the tax
334 credit until there is full compliance on both the part of the transferor
335 and the transferee, and all subsequent transferors and transferees. The
336 commission shall provide a copy of the notification of assignment to
337 the commissioner upon request.

338 (e) The issuance by the commissioner of a tax credit voucher with
339 respect to an amount of tax credits stated thereon shall mean that none
340 of such tax credits are subject to a post-certification remedy, and that
341 the commission and the commissioner shall have no right except in the
342 case of a possible material misrepresentation or fraud, to conduct any
343 further or additional review, examination or audit of the expenditures
344 or costs for which such tax credits were issued. In the event that at any
345 time after the issuance of a tax credit voucher, the commission or the
346 commissioner determines that there was a material misrepresentation
347 or fraud on the part of a taxpayer in connection with the submission of
348 an expense report and the result of such material misrepresentation or
349 fraud was that (1) a specific amount of tax credits was reflected on the
350 tax credit voucher issued in response to such expense report that
351 would not have otherwise been so reflected, and (2) such tax credits
352 would otherwise be subject to a post-certification remedy, such tax
353 credits shall not be subject to any post-certification remedy and the
354 sole and exclusive remedy of the commission and the commissioner
355 shall be to seek collection of the amount of such tax credits from the
356 taxpayer that committed the fraud or misrepresentation, not from any
357 transferee of the tax credits.

358 (f) The commission, in consultation with the commissioner, shall
359 adopt regulations, in accordance with the provisions of chapter 54 of
360 the general statutes, as may be necessary for the administration of this
361 section.

362 Sec. 3. (NEW) (*Effective July 1, 2007, and applicable to income years*
363 *commencing on or after January 1, 2007*) (a) As used in this section:

364 (1) "Commissioner" means the Commissioner of Revenue Services.

365 (2) "Commission" means the Connecticut Commission on Culture
366 and Tourism.

367 (3) "Digital animation production company" means a corporation,
368 partnership, limited liability company or other business entity engaged
369 exclusively in digital animation production activity on an ongoing

370 basis, and that is qualified by the Secretary of the State to engage in
371 business in the state.

372 (4) "State-certified digital animation production company" means a
373 digital animation production company that (A) maintains studio
374 facilities located within the state at which digital animation production
375 activities are conducted, (B) employs at least two hundred full-time
376 employees within the state, (C) is in compliance with regulations
377 adopted pursuant to subsection (h) of this section, and (D) has been
378 certified by the commission.

379 (5) "Digital animation production activity" means the creation,
380 development and production of computer-generated animation
381 content for distribution or exhibition to the general public, but not for
382 the production of any material for which records are required to be
383 maintained under 18 USC 2257 with respect to sexually explicit
384 content.

385 (6) "Full-time employee" means an employee required to work at
386 least thirty-five hours or more per week, and who is not a temporary
387 or seasonal employee.

388 (7) "Post-certification remedy" means the recapture, disallowance,
389 recovery, reduction, repayment, forfeiture, decertification or any other
390 remedy that would have the effect of reducing or otherwise limiting
391 the use of a tax credit provided by this section.

392 (8) "Production expenses or costs" means all expenditures clearly
393 and demonstrably incurred in the state in the development,
394 preproduction, production or postproduction costs of a digital
395 animation production activity, including:

396 (A) Expenditures for optioning or purchase of any intellectual
397 property including, but not limited to, books, scripts, music or
398 trademarks relating to the development or purchase of a script,
399 screenplay or format, to the extent that such expenditures are less than
400 thirty-five per cent of the production expenses or costs incurred by a

401 digital animation production company in any income year. Such
402 expenses or costs shall include all expenditures generally associated
403 with the optioning or purchase of intellectual property, including
404 option money, agent fees and attorney fees relating to the transaction,
405 but shall not include any and all deferrals, deferments, profit
406 participation or recourse or nonrecourse loans which the digital
407 animation production company may negotiate in order to obtain the
408 rights to the intellectual property;

409 (B) Expenditures incurred in the form of either compensation or
410 purchases including production work, production equipment not
411 eligible for the infrastructure tax credit provided in section 2 of this act,
412 production software, postproduction work, postproduction
413 equipment, postproduction software, set design, set construction,
414 props, lighting, wardrobe, makeup, makeup accessories, special
415 effects, visual effects, audio effects, actors, voice talent, film processing,
416 music, sound mixing, editing, location fees, soundstages, rent, utilities,
417 insurance, administrative support, systems support, all reasonably-
418 related expenses in connection with digital animation production
419 activity, and any and all other costs or services directly incurred in the
420 state in connection with a state-certified digital animation production
421 company;

422 (C) Expenditures for distribution, including preproduction,
423 production or postproduction costs relating to the creation of trailers,
424 marketing videos, short films, commercials, point-of-purchase videos
425 and any and all content created on film or digital media, including the
426 duplication of films, videos, CDs, DVDs and any and all digital files
427 now in existence and those yet to be created for mass consumer
428 consumption; the purchase, by a company in the state, of any and all
429 equipment relating to the duplication or mass market distribution of
430 any content created or produced in the state by any digital media
431 format which is now in use and those formats yet to be created for
432 mass consumer consumption; and

433 (D) "Production expenses or costs" does not include the following:

434 (i) Compensation in excess of fifteen million dollars paid to any
435 individual or entity representing an individual, for services provided
436 in a digital animation production activity; (ii) media buys, promotional
437 events or gifts or public relations associated with the promotion or
438 marketing of any digital animation production activity; (iii) deferred,
439 leveraged or profit participation costs relating to any and all personnel
440 associated with any and all aspects of the production, including, but
441 not limited to, producer fees, director fees, talent fees and writer fees;
442 (iv) costs relating to the transfer of the digital animation tax credits;
443 and (v) any amounts paid to persons or businesses as a result of their
444 participation in profits from the exploitation of the digital animation
445 production activity.

446 (b) (1) The Connecticut Commission on Culture and Tourism shall
447 administer a system of tax credit vouchers within the resources,
448 requirements and purposes of this section for digital animation
449 production companies undertaking digital animation production
450 activity in the state. For income years commencing on or after January
451 1, 2007, any state-certified digital animation production company
452 incurring production expenses or costs in excess of fifty thousand
453 dollars shall be eligible for a credit against the tax imposed under
454 chapter 207 or 208 of the general statutes, equal to thirty per cent of
455 such production expenses or costs.

456 (2) Any credit allowed pursuant to this section may be sold,
457 assigned or otherwise transferred, in whole or in part, to one or more
458 taxpayers, provided no credit, after issuance, may be sold, assigned or
459 otherwise transferred, in whole or in part, more than three times.

460 (3) Any credit allowed pursuant to this section shall be claimed
461 against the tax imposed under chapter 207 or 208 of the general
462 statutes, for the income year in which the production expenses or costs
463 were incurred, and may be carried forward for the three immediately
464 succeeding income years. Any digital animation tax credit allowed
465 under this section shall be nonrefundable.

466 (4) Any digital animation production company receiving a digital
467 animation tax credit pursuant to this section shall not be eligible to
468 apply for or receive a tax credit pursuant to section 12-217j of the
469 general statutes, as amended by this act.

470 (c) Not more frequently than twice during the income year of a
471 state-certified digital animation production company, such company
472 may apply to the commission for a digital animation tax credit
473 voucher, and shall provide with such application such information as
474 the commission may require pertaining to the amount of such
475 company's production expenses or costs incurred during the period for
476 which such application is made. If the commission determines that the
477 company is eligible to be issued a tax credit voucher, the commission
478 shall enter on the voucher the amount of production expenses and
479 costs incurred during the period for which the voucher is issued and
480 the amount of tax credits issued pursuant to such voucher. The
481 commission shall provide a copy of such voucher to the commissioner
482 upon request.

483 (d) If a state-certified digital animation production company sells,
484 assigns or otherwise transfers a credit under this section to another
485 taxpayer, the transferor and transferee shall jointly submit written
486 notification of such transfer to the commission not later than thirty
487 days after such transfer. If such transferee sells, assigns or otherwise
488 transfers a credit under this section to a subsequent transferee, such
489 transferee and such subsequent transferee shall jointly submit written
490 notification of such transfer to the commission not later than thirty
491 days after such transfer. The notification after each transfer shall
492 include the credit voucher number, the date of transfer, the amount of
493 such credit transferred, the tax credit balance before and after the
494 transfer, the tax identification numbers for both the transferor and the
495 transferee, and any other information required by the commission.
496 Failure to comply with this subsection will result in a disallowance of
497 the tax credit until there is full compliance on the part of the transferor
498 and the transferee, and for a second or third transfer, on the part of all
499 subsequent transferors and transferees. The commission shall provide

500 a copy of the notification of assignment to the commissioner upon
501 request.

502 (e) Any state-certified digital animation production company that
503 wilfully submits information to the commission that it knows to be
504 fraudulent or false shall, in addition to any other penalties provided by
505 law, be liable for a penalty equal to the amount of such company's
506 credit entered on the digital animation tax credit certificate issued
507 under this section.

508 (f) The issuance by the commissioner of a digital animation tax
509 credit voucher with respect to an amount of tax credits stated thereon
510 shall mean that none of such tax credits are subject to a post-
511 certification remedy, and that the commission and the commissioner
512 shall have no right, except in the case of possible material
513 misrepresentation or fraud, to conduct any further or additional
514 review, examination or audit of the expenditures or costs for which
515 such tax credits were issued. In the event that at any time after the
516 issuance of a tax credit voucher, the commission or the commissioner
517 determines that there was a material misrepresentation or fraud on the
518 part of a state-certified digital animation production company in
519 connection with the submission of an expense report and the result of
520 such material misrepresentation or fraud was that (1) a specific
521 amount of tax credits was reflected on the tax credit voucher issued in
522 response to such expense report that would not have otherwise been
523 so reflected, and (2) such tax credits would otherwise be subject to a
524 post-certification remedy, such tax credits shall not be subject to any
525 post-certification remedy and the sole and exclusive remedy of the
526 commission and the commissioner shall be to seek collection of the
527 amount of such tax credits from the digital animation production
528 company that committed the fraud or misrepresentation, not from any
529 transferee of the tax credits.

530 (g) The aggregate amount of all tax credits which may be reserved
531 by the commission pursuant to this section shall not exceed fifteen
532 million dollars in any one fiscal year.

533 (h) The commission, in consultation with the commissioner, shall
534 adopt regulations, in accordance with the provisions of chapter 54 of
535 the general statutes, as may be necessary for the administration of this
536 section.

537 Sec. 4. Section 32-39 of the general statutes is repealed and the
538 following is substituted in lieu thereof (*Effective July 1, 2007*):

539 The purposes of the corporation shall be to stimulate and encourage
540 the research and development of new technologies, [and] businesses
541 and products, to encourage the creation and transfer of new
542 technologies, to assist existing businesses in adopting current and
543 innovative technological processes, to stimulate and provide services
544 to industry that will advance the adoption and utilization of
545 technology, to achieve improvements in the quality of products and
546 services, to stimulate and encourage the development and operation of
547 new and existing science parks and incubator facilities, and to promote
548 science, engineering, mathematics and other disciplines that are
549 essential to the development and application of technology within
550 Connecticut by the infusion of financial aid for research, invention and
551 innovation in situations in which such financial aid would not
552 otherwise be reasonably available from commercial or other sources,
553 and for these purposes the corporation shall have the following
554 powers:

555 (1) To have perpetual succession as a body corporate and to adopt
556 bylaws, policies and procedures for the regulation of its affairs and
557 conduct of its businesses as provided in section 32-36;

558 (2) To enter into venture agreements with persons, upon such terms
559 and on such conditions as are consistent with the purposes of this
560 chapter, for the advancement of financial aid to such persons for the
561 research, development and application of specific technologies,
562 products, procedures, services and techniques, to be developed and
563 produced in this state, and to condition such agreements upon
564 contractual assurances that the benefits of increasing or maintaining

565 employment and tax revenues shall remain in this state and shall
566 accrue to it;

567 (3) To solicit, receive and accept aid, grants or contributions from
568 any source of money, property or labor or other things of value, to be
569 held, used and applied to carry out the purposes of this chapter,
570 subject to the conditions upon which such grants and contributions
571 may be made, including but not limited to, gifts or grants from any
572 department or agency of the United States or the state;

573 (4) To invest in, acquire, lease, purchase, own, manage, hold and
574 dispose of real property and lease, convey or deal in or enter into
575 agreements with respect to such property on any terms necessary or
576 incidental to the carrying out of these purposes; provided, however,
577 that all such acquisitions of real property for the corporation's own use
578 with amounts appropriated by the state to the corporation or with the
579 proceeds of bonds supported by the full faith and credit of the state
580 shall be subject to the approval of the Secretary of the Office of Policy
581 and Management and the provisions of section 4b-23;

582 (5) To borrow money or to guarantee a return to the investors in or
583 lenders to any capital initiative, to the extent permitted under this
584 chapter;

585 (6) To hold patents, copyrights, trademarks, marketing rights,
586 licenses, or any other evidences of protection or exclusivity as to any
587 products as defined herein, issued under the laws of the United States
588 or any state or any nation;

589 (7) To employ such assistants, agents and other employees as may
590 be necessary or desirable, which employees shall be exempt from the
591 classified service and shall not be employees, as defined in subsection
592 (b) of section 5-270; establish all necessary or appropriate personnel
593 practices and policies, including those relating to hiring, promotion,
594 compensation, retirement and collective bargaining, which need not be
595 in accordance with chapter 68, and the corporation shall not be an
596 employer as defined in subsection (a) of section 5-270; and engage

597 consultants, attorneys and appraisers as may be necessary or desirable
598 to carry out its purposes in accordance with this chapter;

599 (8) To make and enter into all contracts and agreements necessary or
600 incidental to the performance of its duties and the execution of its
601 powers under this chapter;

602 (9) To sue and be sued, plead and be impleaded, adopt a seal and
603 alter the same at pleasure;

604 (10) With the approval of the State Treasurer, to invest any funds
605 not needed for immediate use or disbursement, including any funds
606 held in reserve, in obligations issued or guaranteed by the United
607 States of America or the state of Connecticut and in other obligations
608 which are legal investments for retirement funds in this state;

609 (11) To procure insurance against any loss in connection with its
610 property and other assets in such amounts and from such insurers as it
611 deems desirable;

612 (12) To the extent permitted under its contract with other persons, to
613 consent to any termination, modification, forgiveness or other change
614 of any term of any contractual right, payment, royalty, contract or
615 agreement of any kind to which the corporation is a party;

616 (13) To do anything necessary and convenient to render the bonds
617 to be issued under section 32-41 more marketable;

618 (14) To acquire, lease, purchase, own, manage, hold and dispose of
619 personal property, and lease, convey or deal in or enter into
620 agreements with respect to such property on any terms necessary or
621 incidental to the carrying out of these purposes;

622 (15) In connection with any application for assistance under this
623 chapter, or commitments therefor, to make and collect such fees as the
624 corporation shall determine to be reasonable;

625 (16) To enter into venture agreements with persons, upon such

626 terms and conditions as are consistent with the purposes of this
627 chapter to provide financial aid to such persons for the marketing of
628 new and innovative services based on the use of a specific technology,
629 product, device, technique, service or process;

630 (17) To enter into limited partnerships or other contractual
631 arrangements with private and public sector entities as the corporation
632 deems necessary to provide financial aid which shall be used to make
633 investments of seed venture capital in companies based in or
634 relocating to the state in a manner which shall foster additional capital
635 investment, the establishment of new businesses, the creation of new
636 jobs and additional commercially-oriented research and development
637 activity. The repayment of such financial aid shall be structured in
638 such manner as the corporation deems will best encourage private
639 sector participation in such limited partnerships or other
640 arrangements. The board of directors, executive director, officers and
641 staff of the corporation may serve as members of any advisory or other
642 board which may be established to carry out the purposes of this
643 subdivision;

644 (18) To account for and audit funds of the corporation and funds of
645 any recipients of financial aid from the corporation;

646 (19) To advise the Governor, the General Assembly, the
647 Commissioner of Economic and Community Development and the
648 Commissioner of Higher Education on matters relating to science,
649 engineering and technology which may have an impact on state
650 policies, programs, employers and residents, and on job creation and
651 retention;

652 (20) To promote technology-based development in the state;

653 (21) To encourage and promote the establishment of and, within
654 available resources, to provide financial aid to advanced technology
655 centers;

656 (22) To maintain an inventory of data and information concerning

657 state and federal programs which are related to the purposes of this
658 chapter and to serve as a clearinghouse and referral service for such
659 data and information;

660 (23) To conduct and encourage research and studies relating to
661 technological development;

662 (24) To provide technical or other assistance and, within available
663 resources, to provide financial aid to the Connecticut Academy of
664 Science and Engineering, Incorporated, in order to further the
665 purposes of this chapter;

666 (25) To recommend a science and technology agenda for the state
667 that will promote the formation of public and private partnerships for
668 the purpose of stimulating research, new business formation and
669 growth and job creation;

670 (26) To encourage and provide technical assistance and, within
671 available resources, to provide financial aid to existing manufacturers
672 and other businesses in the process of adopting innovative technology
673 and new state-of-the-art processes and techniques;

674 (27) To recommend state goals for technological development and
675 to establish policies and strategies for developing and assisting
676 technology-based companies and for attracting such companies to the
677 state;

678 (28) To promote and encourage and, within available resources, to
679 provide financial aid for the establishment, maintenance and operation
680 of incubator facilities;

681 (29) To promote and encourage the coordination of public and
682 private resources and activities within the state in order to assist
683 technology-based entrepreneurs and business enterprises;

684 (30) To provide services to industry that will stimulate and advance
685 the adoption and utilization of technology and achieve improvements
686 in the quality of products and services;

687 (31) To promote science, engineering, mathematics and other
688 disciplines that are essential to the development and application of
689 technology;

690 (32) To coordinate its efforts with existing business outreach centers,
691 as described in section 32-9qq;

692 (33) To do all acts and things necessary and convenient to carry out
693 the purposes of this chapter;

694 (34) To accept from the department: (A) Financial assistance, (B)
695 revenues or the right to receive revenues with respect to any program
696 under the supervision of the department, and (C) loan assets or equity
697 interests in connection with any program under the supervision of the
698 department; to make advances to and reimburse the department for
699 any expenses incurred or to be incurred by it in the delivery of such
700 assistance, revenues, rights, assets, or interests; to enter into
701 agreements for the delivery of services by the corporation, in
702 consultation with the department, the Connecticut Housing Finance
703 Authority and the Connecticut Development Authority, to third
704 parties which agreements may include provisions for payment by the
705 department to the corporation for the delivery of such services; and to
706 enter into agreements with the department or with the Connecticut
707 Development Authority or Connecticut Housing Finance Authority for
708 the sharing of assistants, agents and other consultants, professionals
709 and employees, and facilities and other real and personal property
710 used in the conduct of the corporation's affairs;

711 (35) To transfer to the department: (A) Financial assistance, (B)
712 revenues or the right to receive revenues with respect to any program
713 under the supervision of the corporation, and (C) loan assets or equity
714 interests in connection with any program under the supervision of the
715 corporation, provided the transfer of such financial assistance,
716 revenues, rights, assets or interests is determined by the corporation to
717 be practicable, within the constraints and not inconsistent with the
718 fiduciary obligations of the corporation imposed upon or established

719 upon the corporation by any provision of the general statutes, the
720 corporation's bond resolutions or any other agreement or contract of
721 the corporation and to have no adverse effect on the tax-exempt status
722 of any bonds of the state;

723 (36) With respect to any capital initiative, to create, with one or more
724 persons, one or more affiliates and to provide, directly or indirectly, for
725 the contribution of capital to any such affiliate, each such affiliate being
726 expressly authorized to exercise on such affiliate's own behalf all
727 powers which the corporation may exercise under this section, in
728 addition to such other powers provided to it by law;

729 (37) To provide financial aid to enable biotechnology and other
730 technology companies to lease, acquire, construct, maintain, repair,
731 replace or otherwise obtain and maintain production, testing, research,
732 development, manufacturing, laboratory and related and other
733 facilities, improvements and equipment;

734 (38) To provide financial aid to persons developing smart buildings,
735 as defined in section 32-23d, incubator facilities or other information
736 technology intensive office and laboratory space;

737 (39) To provide financial aid to persons developing or constructing
738 the basic buildings, facilities or installations needed for the functioning
739 of the media and motion picture industry in this state.

740 Sec. 5. Subdivision (5) of subsection (b) of section 1-210 of the
741 general statutes is repealed and the following is substituted in lieu
742 thereof (*Effective from passage*):

743 (5) (A) Trade secrets, which for purposes of the Freedom of
744 Information Act, are defined as information, including formulas,
745 patterns, compilations, programs, devices, methods, techniques,
746 processes, drawings, cost data, [or] customer lists, film or television
747 scripts or detailed production budgets that (i) derive independent
748 economic value, actual or potential, from not being generally known
749 to, and not being readily ascertainable by proper means by, other

750 persons who can obtain economic value from their disclosure or use,
751 and (ii) are the subject of efforts that are reasonable under the
752 circumstances to maintain secrecy; and

753 (B) Commercial or financial information given in confidence, not
754 required by statute.

755 Sec. 6. (NEW) (*Effective July 1, 2007*) (a) The Office of Workforce
756 Competitiveness, in consultation with the Labor Commissioner, the
757 Commissioners of Education and Economic and Community
758 Development, and the Connecticut Commission on Culture and
759 Tourism, shall establish a program that is designed to develop a
760 trained workforce for the film industry in the state. Such program
761 shall have three components: (1) An unpaid intern training program
762 for high school and college students; (2) a production assistant training
763 program open to any state resident; and (3) a workforce training
764 program that would include classroom training, on-set training and a
765 mentor program.

766 (b) Not later than ninety days after July 1, 2007, the Office of
767 Workforce Competitiveness shall establish written participation
768 guidelines for the program authorized under this section.

769 (c) Not later than January 1, 2008, and annually thereafter, the Office
770 of Workforce Competitiveness shall submit a status report, in
771 accordance with the provisions of section 11-4a of the general statutes,
772 on the establishment and operation of the program authorized under
773 this section to the Connecticut Employment and Training Commission,
774 the joint standing committees of the General Assembly having
775 cognizance of matters relating to commerce, and higher education and
776 employment advancement.

777 Sec. 7. Subsection (a) of section 12-407 is amended by adding
778 subdivision (38) as follows (*Effective July 1, 2007*):

779 (NEW) (38) "Media payroll services company" means a retailer
780 whose principal business activity is the management and payment of

781 compensation, fringe benefits, workers' compensation, payroll taxes or
782 assessments to individuals providing services to an eligible production
783 company pursuant to section 12-217jj, as amended by this act.

784 Sec. 8. Subparagraph (B) of subdivision (8) of subsection (a) of
785 section 12-407 of the general statutes is repealed and the following is
786 substituted in lieu thereof (*Effective July 1, 2007*):

787 (B) "Sales price" does not include any of the following: (i) Cash
788 discounts allowed and taken on sales; (ii) any portion of the amount
789 charged for property returned by purchasers, which upon rescission of
790 the contract of sale is refunded either in cash or credit, provided the
791 property is returned within ninety days from the date of purchase; (iii)
792 the amount of any tax, not including any manufacturers' or importers'
793 excise tax, imposed by the United States upon or with respect to retail
794 sales whether imposed upon the retailer or the purchaser; (iv) the
795 amount charged for labor rendered in installing or applying the
796 property sold, provided such charge is separately stated and exclusive
797 of such charge for any service rendered within the purview of
798 subparagraph (I) of subdivision (37) of this subsection; (v) unless the
799 provisions of subdivision (4) of section 12-430 or of section 12-430a are
800 applicable, any amount for which credit is given to the purchaser by
801 the retailer, provided such credit is given solely for property of the
802 same kind accepted in part payment by the retailer and intended by
803 the retailer to be resold; (vi) the full face value of any coupon used by a
804 purchaser to reduce the price paid to a retailer for an item of tangible
805 personal property, whether or not the retailer will be reimbursed for
806 such coupon, in whole or in part, by the manufacturer of the item of
807 tangible personal property or by a third party; (vii) the amount
808 charged for separately stated compensation, fringe benefits, workers'
809 compensation and payroll taxes or assessments paid to or on behalf of
810 employees of a retailer who has contracted to manage a service
811 recipient's property or business premises and renders management
812 services described in subparagraph (I) or (J) of subdivision (37) of this
813 subsection, provided, the employees perform such services solely for
814 the service recipient at its property or business premises and "sales

815 price" shall include the separately stated compensation, fringe benefits,
816 workers' compensation and payroll taxes or assessments paid to or on
817 behalf of any employee of the retailer who is an officer, director or
818 owner of more than five per cent of the outstanding capital stock of the
819 retailer. Determination whether an employee performs services solely
820 for a service recipient at its property or business premises for purposes
821 of this subdivision shall be made by reference to such employee's
822 activities during the time period beginning on the later of the
823 commencement of the management contract, the date of the
824 employee's first employment by the retailer or the date which is six
825 months immediately preceding the date of such determination; (viii)
826 the amount charged for separately stated compensation, fringe
827 benefits, workers' compensation and payroll taxes or assessments paid
828 to or on behalf of (I) a leased employee, or (II) a worksite employee by
829 a professional employer organization pursuant to a professional
830 employer agreement. For purposes of this subparagraph, an employee
831 shall be treated as a leased employee if the employee is provided to the
832 client at the commencement of an agreement with an employee leasing
833 organization under which at least seventy-five per cent of the
834 employees provided to the client at the commencement of such initial
835 agreement qualify as leased employees pursuant to Section 414(n) of
836 the Internal Revenue Code of 1986, or any subsequent corresponding
837 internal revenue code of the United States, as from time to time
838 amended, or the employee is added to the client's workforce by the
839 employee leasing organization subsequent to the commencement of
840 such initial agreement and qualifies as a leased employee pursuant to
841 Section 414(n) of said Internal Revenue Code of 1986 without regard to
842 subparagraph (B) of paragraph (2) thereof. A leased employee, or a
843 worksite employee subject to a professional employer agreement, shall
844 not include any employee who is hired by a temporary help service
845 and assigned to support or supplement the workforce of a temporary
846 help service's client; [and] (ix) any amount received by a retailer from a
847 purchaser as the battery deposit that is required to be paid under
848 subsection (a) of section 22a-245h; the refund value of a beverage
849 container that is required to be paid under subsection (a) of section

850 22a-244; or a deposit that is required by law to be paid by the
851 purchaser to the retailer and that is required by law to be refunded to
852 the purchaser by the retailer when the same or similar tangible
853 personal property is delivered as required by law to the retailer by the
854 purchaser, if such amount is separately stated on the bill or invoice
855 rendered by the retailer to the purchaser; and ~~(x) the amount charged~~
856 for separately stated compensation, fringe benefits, workers'
857 compensation and payroll taxes or assessments paid to a media payroll
858 services company, as defined in this subsection.

859 Sec. 9. Subparagraph (B) of subdivision (9) of subsection (a) of
860 section 12-407 of the general statutes is repealed and the following is
861 substituted in lieu thereof (*Effective July 1, 2007*):

862 (B) "Gross receipts" do not include any of the following: (i) Cash
863 discounts allowed and taken on sales; (ii) any portion of the sales price
864 of property returned by purchasers, which upon rescission of the
865 contract of sale is refunded either in cash or credit, provided the
866 property is returned within ninety days from the date of sale; (iii) the
867 amount of any tax, not including any manufacturers' or importers'
868 excise tax, imposed by the United States upon or with respect to retail
869 sales whether imposed upon the retailer or the purchaser; (iv) the
870 amount charged for labor rendered in installing or applying the
871 property sold, provided such charge is separately stated and exclusive
872 of such charge for any service rendered within the purview of
873 subparagraph (I) of subdivision (37) of this subsection; (v) unless the
874 provisions of subdivision (4) of section 12-430 or of section 12-430a are
875 applicable, any amount for which credit is given to the purchaser by
876 the retailer, provided such credit is given solely for property of the
877 same kind accepted in part payment by the retailer and intended by
878 the retailer to be resold; (vi) the full face value of any coupon used by a
879 purchaser to reduce the price paid to the retailer for an item of tangible
880 personal property, whether or not the retailer will be reimbursed for
881 such coupon, in whole or in part, by the manufacturer of the item of
882 tangible personal property or by a third party; (vii) the amount
883 charged for separately stated compensation, fringe benefits, workers'

884 compensation and payroll taxes or assessments paid to or on behalf of
885 employees of a retailer who has contracted to manage a service
886 recipient's property or business premises and renders management
887 services described in subparagraph (I) or (J) of subdivision (37) of this
888 subsection, provided the employees perform such services solely for
889 the service recipient at its property or business premises and "gross
890 receipts" shall include the separately stated compensation, fringe
891 benefits, workers' compensation and payroll taxes or assessments paid
892 to or on behalf of any employee of the retailer who is an officer,
893 director or owner of more than five per cent of the outstanding capital
894 stock of the retailer. Determination whether an employee performs
895 services solely for a service recipient at its property or business
896 premises for purposes of this subdivision shall be made by reference to
897 such employee's activities during the time period beginning on the
898 later of the commencement of the management contract, the date of the
899 employee's first employment by the retailer or the date which is six
900 months immediately preceding the date of such determination; (viii)
901 the amount charged for separately stated compensation, fringe
902 benefits, workers' compensation and payroll taxes or assessments paid
903 to or on behalf of (I) a leased employee, or (II) a worksite employee by
904 a professional employer organization pursuant to a professional
905 employer agreement. For purposes of this subparagraph, an employee
906 shall be treated as a leased employee if the employee is provided to the
907 client at the commencement of an agreement with an employee leasing
908 organization under which at least seventy-five per cent of the
909 employees provided to the client at the commencement of such initial
910 agreement qualify as leased employees pursuant to Section 414(n) of
911 the Internal Revenue Code of 1986, or any subsequent corresponding
912 internal revenue code of the United States, as from time to time
913 amended, or the employee is added to the client's workforce by the
914 employee leasing organization subsequent to the commencement of
915 such initial agreement and qualifies as a leased employee pursuant to
916 Section 414(n) of said Internal Revenue Code of 1986 without regard to
917 subparagraph (B) of paragraph (2) thereof. A leased employee, or a
918 worksite employee subject to a professional employer agreement, shall

919 not include any employee who is hired by a temporary help service
 920 and assigned to support or supplement the workforce of a temporary
 921 help service's client; [and] (ix) the amount received by a retailer from a
 922 purchaser as the battery deposit that is required to be paid under
 923 subsection (a) of section 22a-256h; the refund value of a beverage
 924 container that is required to be paid under subsection (a) of section
 925 22a-244 or a deposit that is required by law to be paid by the purchaser
 926 to the retailer and that is required by law to be refunded to the
 927 purchaser by the retailer when the same or similar tangible personal
 928 property is delivered as required by law to the retailer by the
 929 purchaser, if such amount is separately stated on the bill or invoice
 930 rendered by the retailer to the purchaser; and (x) the amount charged
 931 for separately stated compensation, fringe benefits, workers'
 932 compensation and payroll taxes or assessments paid to a media payroll
 933 services company, as defined in this subsection."

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>	12-217jj
Sec. 2	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	New section
Sec. 3	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	New section
Sec. 4	<i>July 1, 2007</i>	32-39
Sec. 5	<i>from passage</i>	1-210(b)(5)
Sec. 6	<i>July 1, 2007</i>	New section
Sec. 7		
Sec. 8	<i>July 1, 2007</i>	12-407(a)(8)(B)
Sec. 9	<i>July 1, 2007</i>	12-407(a)(9)(B)