



General Assembly

January Session, 2007

**Amendment**

LCO No. 8342

**\*HB0740008342HRO\***

Offered by:

REP. CAFERO, 142<sup>nd</sup> Dist.  
SEN. DELUCA, 32<sup>nd</sup> Dist.  
REP. HAMZY, 78<sup>th</sup> Dist.  
SEN. MCKINNEY, 28<sup>th</sup> Dist.  
REP. KLARIDES, 114<sup>th</sup> Dist.  
REP. MINER, 66<sup>th</sup> Dist.  
SEN. NICKERSON, 36<sup>th</sup> Dist.  
REP. DELGOBBO, 70<sup>th</sup> Dist.  
SEN. CAPPIELLO, 24<sup>th</sup> Dist.  
REP. ADINOLFI, 103<sup>rd</sup> Dist.  
REP. ALBERTS, 50<sup>th</sup> Dist.  
REP. AMAN, 14<sup>th</sup> Dist.  
REP. BACCHIOCHI, 52<sup>nd</sup> Dist.  
REP. BELDEN, 113<sup>th</sup> Dist.  
REP. BOUCHER, 143<sup>rd</sup> Dist.  
REP. BURNS, 77<sup>th</sup> Dist.  
REP. CANDELORA, 86<sup>th</sup> Dist.  
REP. CARON, 44<sup>th</sup> Dist.  
REP. CARSON, 108<sup>th</sup> Dist.  
REP. CHAPIN, 67<sup>th</sup> Dist.  
REP. D'AMELIO, 71<sup>st</sup> Dist.  
REP. FAHRBACH, 61<sup>st</sup> Dist.  
REP. FERRARI, 62<sup>nd</sup> Dist.  
REP. FLOREN, 149<sup>th</sup> Dist.  
REP. FREY, 111<sup>th</sup> Dist.  
REP. GIBBONS, 150<sup>th</sup> Dist.  
REP. GIEGLER, 138<sup>th</sup> Dist.

REP. GIULIANO, 23<sup>rd</sup> Dist.  
REP. GREENE, 105<sup>th</sup> Dist.  
REP. HARKINS, 120<sup>th</sup> Dist.  
REP. HETHERINGTON, 125<sup>th</sup> Dist.  
REP. HOVEY, 112<sup>th</sup> Dist.  
REP. KALINOWSKI, 100<sup>th</sup> Dist.  
REP. LABRIOLA, 131<sup>st</sup> Dist.  
REP. MILLER, 122<sup>nd</sup> Dist.  
REP. NOUJAIM, 74<sup>th</sup> Dist.  
REP. O'NEILL, 69<sup>th</sup> Dist.  
REP. PISCOPO, 76<sup>th</sup> Dist.  
REP. POWERS, 151<sup>st</sup> Dist.  
REP. ROWE, 123<sup>rd</sup> Dist.  
REP. RUWET, 65<sup>th</sup> Dist.  
REP. RYAN, 141<sup>st</sup> Dist.  
REP. SAWYER, 55<sup>th</sup> Dist.  
REP. SCRIBNER, 107<sup>th</sup> Dist.  
REP. STRIPP, 135<sup>th</sup> Dist.  
REP. WASSERMAN, 106<sup>th</sup> Dist.  
REP. WILLIAMS, 68<sup>th</sup> Dist.  
REP. WITKOS, 17<sup>th</sup> Dist.  
SEN. FASANO, 34<sup>th</sup> Dist.  
SEN. FREEDMAN, 26<sup>th</sup> Dist.  
SEN. GUGLIELMO, 35<sup>th</sup> Dist.  
SEN. HERLIHY, 8<sup>th</sup> Dist.  
SEN. KISSEL, 7<sup>th</sup> Dist.  
SEN. RORABACK, 30<sup>th</sup> Dist.

To: Subst. House Bill No. 7400

File No. 716

Cal. No. 558

(As Amended)

**"AN ACT CONCERNING MOTION PICTURE TAX CREDITS."**

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

3 "Section 1. Section 12-217j of the general statutes is repealed and the  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] including motion  
12 pictures; documentaries; [long-form, specials,] mini-series, series,  
13 videos, music videos; [and interstitials television programming;]  
14 interactive television; interactive games; videogames; commercials;  
15 [infomercials; any format] other formats of digital media created  
16 [primarily] for distribution or exhibition to the general public, [; and  
17 any trailer, pilot, video teaser or demo created primarily to stimulate  
18 the sale, marketing, promotion or exploitation of future investment in  
19 either a product or a qualified production via any means and media in  
20 any digital media format, film or videotape, provided such program  
21 meets all the underlying criteria of a qualified production.]

22 (B) "Qualified production" shall not include [(A)] any ongoing  
23 program created primarily as news, weather or financial market  
24 reports, a production featuring current events, sporting events, an

25 awards show or other gala event, a production whose sole purpose is  
26 fundraising, a long-form production that primarily markets a product  
27 or service, a production used for corporate training or in-house  
28 corporate advertising or other similar productions, or [(B)] any  
29 production [containing any material or performance that is obscene, as  
30 defined in section 53a-193] for which records are required to be  
31 maintained under 18 USC 2257 with respect to sexually explicit  
32 content.

33 (4) "Eligible production company" means a corporation, partnership,  
34 limited liability company, or other business entity engaged in the  
35 business of producing qualified productions on a one-time or ongoing  
36 basis, and qualified by the Secretary of the State to engage in business  
37 in the state. "Eligible production company" shall not include any  
38 business entity owned or controlled by any entity or person that is in  
39 default on a loan made by the state or a loan guaranteed by the state.

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

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

58 production company may negotiate in order to obtain the rights to the  
59 intellectual property;]

60 (B) Expenditures incurred in the state in the form of either  
61 compensation or purchases including production work, production  
62 equipment, 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]  
67 other costs [or services directly] incurred in the state in connection  
68 with a state-certified qualified production;

69 [(C) 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] Compensation in excess of five million dollars paid to any  
86 individual or entity representing an individual for services provided in  
87 the production of a qualified production; (ii) media buys, promotional  
88 events or gifts or public relations associated with the promotion, [or]  
89 marketing or advertising of any qualified production; (iii) deferred,  
90 leveraged or profit participation costs relating to any and all personnel

91 associated with any and all aspects of the production, including, but  
92 not limited to, producer fees, director fees, talent fees and writer fees;  
93 (iv) costs relating to the transfer of the production tax credits; and (v)  
94 any amounts paid to persons or businesses as a result of their  
95 participation in profits from the exploitation of the qualified  
96 production.

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

103 (b) The Connecticut Commission on Culture and Tourism shall  
104 administer a system of tax credit vouchers within the resources,  
105 requirements and purposes of this section for eligible production  
106 companies producing a state-certified qualified production in the state.  
107 For income years commencing on or after January 1, [2006] 2007, any  
108 eligible production company incurring production expenses or costs in  
109 excess of two hundred fifty thousand dollars shall be eligible for a  
110 credit against the tax imposed under this chapter equal to thirty per  
111 cent of such production expenses or costs. Any credit allowed  
112 pursuant to this subsection may be sold, assigned or otherwise  
113 transferred, in whole or in part, to one or more taxpayers, provided  
114 such taxpayers may claim such credit only for an income year in which  
115 the eligible production company would have been eligible to claim  
116 such credit. Any such credit allowed under this subsection shall be  
117 claimed against the tax imposed under this chapter for the income year  
118 in which final certification for the state-certified qualified production is  
119 made by the commission pursuant to this section, and may be carried  
120 forward for the three immediately succeeding income years. Any  
121 production tax credit allowed under this subsection shall be  
122 nonrefundable.

123 (c) (1) An eligible production company shall apply to the

124 commission for an eligibility certificate not later than ninety days after  
125 the first production expenses or costs are incurred in the production of  
126 a qualified production, and shall provide with such application such  
127 information as the commission may require to determine such  
128 company's eligibility to claim a credit under this section.

129 (2) Not later than ninety days after the last production expenses or  
130 costs are incurred in the production of a qualified production, an  
131 eligible production company shall apply to the commission for a  
132 production tax credit certificate, and shall provide with such  
133 application such information as the commission may require  
134 pertaining to the amount of the company's production expenses or  
135 costs. If the commission determines that the company is eligible to be  
136 issued a production tax credit certificate, the commission shall enter on  
137 the certificate the amount of production expenses or costs that has  
138 been established to the satisfaction of the commission, and the amount  
139 of the company's credit under this section. The commission shall  
140 provide a copy of such certificate to the commissioner, upon request.

141 (d) If an eligible production company sells, assigns or otherwise  
142 transfers a credit under this section to another taxpayer, the transferor  
143 and transferee shall jointly submit written notification of such transfer  
144 to the commission not later than thirty days after such transfer. The  
145 notification shall include the credit certificate number, the date of  
146 transfer, the amount of such credit transferred, the tax credit balance  
147 before and after the transfer, the tax identification numbers for both  
148 the transferor and the transferee, and any other information required  
149 by the commission. Failure to comply with this subsection will result  
150 in a disallowance of the tax credit until there is full compliance on both  
151 the part of the transferor and the transferee. The commission shall  
152 provide a copy of the notification of assignment to the commissioner  
153 upon request.

154 (e) Any eligible production company that wilfully submits  
155 information to the commission that it knows to be fraudulent or false  
156 shall, in addition to any other penalties provided by law, be liable for a

157 penalty equal to the amount of such company's credit entered on the  
158 production tax credit certificate issued under this section.

159 [(e)] (f) The commission, in consultation with the commissioner,  
160 shall adopt regulations, in accordance with the provisions of chapter  
161 54, as may be necessary for the administration of this section.

162 Sec. 2. Subsection (b) of section 12-284b of the general statutes is  
163 repealed and the following is substituted in lieu thereof (*Effective July*  
164 *1, 2007, and applicable to taxable years commencing on or after January 1,*  
165 *2007*):

166 (b) Each limited liability company, limited liability partnership,  
167 limited partnership and S corporation shall be liable for the tax  
168 imposed by this section for each taxable year or portion thereof that  
169 such company, partnership or corporation is an affected business  
170 entity. Each affected business entity shall annually, on or before the  
171 fifteenth day of the fourth month following the close of its taxable year,  
172 pay to the Commissioner of Revenue Services a tax in the [amount of  
173 two hundred fifty dollars] following amounts: For taxable years  
174 commencing prior to January 1, 2007, two hundred fifty dollars; for the  
175 taxable year commencing on or after January 1, 2007, but prior to  
176 January 1, 2008, one hundred twenty-five dollars; and for taxable years  
177 commencing on or after January 1, 2008, zero.

178 Sec. 3. Subsection (g) of section 12-391 of the general statutes is  
179 repealed and the following is substituted in lieu thereof (*Effective July*  
180 *1, 2007, and applicable to estates of decedents dying on or after January 1,*  
181 *2007*):

182 (g) (1) With respect to the estates of decedents dying [on or after  
183 January 1, 2005] during the period from January 1, 2005, to December  
184 31, 2006, inclusive, the tax based on the Connecticut taxable estate shall  
185 be 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

186 (2) With respect to the estates of decedents dying during the period  
 187 from January 1, 2007, to December 31, 2007, inclusive, the tax based on  
 188 the Connecticut taxable estate shall be as provided in the following

189	<u>schedule:</u>	
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>	
T32	<u>but not over \$2,100,000</u>	<u>5.085% of the excess over</u> <u>\$2,000,000</u>
T33	<u>Over \$2,100,000</u>	<u>\$106,800 plus 8% 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>\$146,800 plus 8.8% 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>\$190,800 plus 9.6% 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>\$238,800 plus 10.4% 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>\$290,800 plus 11.2% 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>\$402,800 plus 12% 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>\$522,800 plus 12.8% 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>\$650,800 plus 13.6% 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>\$786,800 plus 14.4% 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>\$930,800 plus 15.2% of the excess</u>
T52	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T53	<u>Over \$10,100,000</u>	<u>\$1,082,800 plus 16% of the excess</u>
T54		<u>over \$10,100,000</u>

190 (3) With respect to the estates of decedents dying on or after January  
 191 1, 2008, but prior to January 1, 2009, the tax based on the Connecticut  
 192 taxable estate shall be as provided in the following schedule:

T55	<u>Amount of Connecticut</u>	<u>Rate of Tax</u>
T56	<u>Taxable Estate</u>	
T57	<u>Not over \$4,100,000</u>	<u>None</u>
T58	<u>Over \$4,100,000</u>	<u>\$0 plus 11.2% of the excess</u>
T59	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T60	<u>Over \$5,100,000</u>	<u>\$112,000 plus 12% of the excess</u>
T61	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T62	<u>Over \$6,100,000</u>	<u>\$232,000 plus 12.8% of the excess</u>
T63	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T64	<u>Over \$7,100,000</u>	<u>\$360,000 plus 13.6% of the excess</u>
T65	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T66	<u>Over \$8,100,000</u>	<u>\$496,000 plus 14.4% of the excess</u>
T67	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T68	<u>Over \$9,100,000</u>	<u>\$640,000 plus 15.2% of the excess</u>
T69	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T70	<u>Over \$10,100,000</u>	<u>\$792,000 plus 16% of the excess</u>
T71		<u>over \$10,100,000</u>

193 (3) With respect to the estates of decedents dying on or after January  
 194 1, 2009, but prior to January 1, 2010, the tax based on the Connecticut  
 195 taxable estate shall be as provided in the following schedule:

T72	<u>Amount of Connecticut</u>	<u>Rate of Tax</u>
T73	<u>Taxable Estate</u>	
T74	<u>Not over \$5,100,000</u>	<u>None</u>
T75	<u>Over \$5,100,000</u>	<u>\$0 plus 12% of the excess</u>
T76	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T77	<u>Over \$6,100,000</u>	<u>\$120,000 plus 12.8% of the excess</u>
T78	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T79	<u>Over \$7,100,000</u>	<u>\$248,000 plus 13.6% of the excess</u>
T80	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T81	<u>Over \$8,100,000</u>	<u>\$384,000 plus 14.4% of the excess</u>
T82	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T83	<u>Over \$9,100,000</u>	<u>\$528,000 plus 15.2% of the excess</u>

T84	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T85	<u>Over \$10,100,000</u>	<u>\$680,000 plus 16% of the excess</u>
T86		<u>over \$10,100,000</u>

196 (4) With respect to the estates of decedents dying on or after January  
 197 1, 2010, but prior to January 1, 2011, the tax based on the Connecticut  
 198 taxable estate shall be as provided in the following schedule:

T87	<u>Amount of Connecticut</u>	<u>Rate of Tax</u>
T88	<u>Taxable Estate</u>	
T89	<u>Not over \$7,100,000</u>	<u>None</u>
T90	<u>Over \$7,100,000</u>	<u>\$0 plus 13.6% of the excess</u>
T91	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T92	<u>Over \$8,100,000</u>	<u>\$136,000 plus 14.4% of the excess</u>
T93	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T94	<u>Over \$9,100,000</u>	<u>\$280,000 plus 15.2% of the excess</u>
T95	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T96	<u>Over \$10,100,000</u>	<u>\$432,000 plus 16% of the excess</u>
T97		<u>over \$10,100,000</u>

199 (5) With respect to the estates of decedents dying on or after January  
 200 1, 2011, but prior to January 1, 2012, the tax based on the Connecticut  
 201 taxable estate shall be as provided in the following schedule:

T98	<u>Amount of Connecticut</u>	<u>Rate of Tax</u>
T99	<u>Taxable Estate</u>	
T100	<u>Not over \$10,100,000</u>	<u>None</u>
T101	<u>Over \$10,100,000</u>	<u>\$0 plus 16% of the excess</u>
T102		<u>over \$10,100,000</u>

202 (6) With respect to the estates of decedents dying on or after January  
 203 1, 2012, no tax shall be imposed by this chapter upon the transfer of the  
 204 estate.

205 Sec. 4. Subdivision (1) of subsection (d) of section 12-391 of the  
206 general statutes is repealed and the following is substituted in lieu  
207 thereof (*Effective July 1, 2007, and applicable to estates of decedents dying on*  
208 *or after January 1, 2007*):

209 (d) (1) With respect to the estates of decedents who die on or after  
210 January 1, 2005, but prior to January 1, 2012, a tax is imposed upon the  
211 transfer of the estate of each person who at the time of death was a  
212 resident of this state. The amount of the tax shall be determined using  
213 the schedule in subsection (g) of this section, as amended by this act. A  
214 credit shall be allowed against such tax for any taxes paid to this state  
215 pursuant to section 12-642, as amended by this act, for Connecticut  
216 taxable gifts made on or after January 1, 2005. With respect to the  
217 estates of decedents who die on or after January 1, 2012, no tax shall be  
218 imposed by this chapter upon the transfer of the estate.

219 Sec. 5. Subsection (e) of section 12-391 of the general statutes is  
220 repealed and the following is substituted in lieu thereof (*Effective July*  
221 *1, 2007, and applicable to estates of decedents dying on or after January 1,*  
222 *2007*):

223 (e) (1) With respect to the estates of decedents who die on or after  
224 January 1, 2005, but prior to January 1, 2012, a tax is imposed upon the  
225 transfer of the estate of each person who at the time of death was a  
226 nonresident of this state. The amount of such tax shall be computed by  
227 multiplying (A) the amount of tax determined using the schedule in  
228 subsection (g) of this section, as amended by this act, by (B) a fraction,  
229 (i) the numerator of which is the value of that part of the decedent's  
230 gross estate over which this state has jurisdiction for estate tax  
231 purposes, and (ii) the denominator of which is the value of the  
232 decedent's gross estate. A credit shall be allowed against such tax for  
233 any taxes paid to this state pursuant to section 12-642, as amended by  
234 this act, for Connecticut taxable gifts made on or after January 1, 2005.

235 (2) With respect to the estates of decedents who die on or after  
236 January 1, 2012, no tax shall be imposed by this chapter.

237 [(2)] (3) Property of a nonresident estate over which this state has  
 238 jurisdiction for estate tax purposes includes real property situated in  
 239 this state and tangible personal property having an actual situs in this  
 240 state.

241 Sec. 6. Subsection (a) of section 12-642 of the general statutes is  
 242 repealed and the following is substituted in lieu thereof (*Effective July*  
 243 *1, 2007, and applicable to calendar years commencing on or after January 1,*  
 244 *2007*):

245 (a) (1) With respect to calendar years commencing prior to January  
 246 1, 2001, the tax imposed by section 12-640 for the calendar year shall be  
 247 at a rate of the taxable gifts made by the donor during the calendar  
 248 year set forth in the following schedule:

T103	Amount of Taxable Gifts	Rate of Tax
T104	Not over \$25,000	1%
T105	Over \$25,000	\$250, plus 2% of the excess
T106	but not over \$50,000	over \$25,000
T107	Over \$50,000	\$750, plus 3% of the excess
T108	but not over \$75,000	over \$50,000
T109	Over \$75,000	\$1,500, plus 4% of the excess
T110	but not over \$100,000	over \$75,000
T111	Over \$100,000	\$2,500, plus 5% of the excess
T112	but not over \$200,000	over \$100,000
T113	Over \$200,000	\$7,500, plus 6% of the excess
T114		over \$200,000

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

T115	Amount of Taxable Gifts	Rate of Tax
T116	Over \$25,000	\$250, plus 2% of the excess
T117	but not over \$50,000	over \$25,000
T118	Over \$50,000	\$750, plus 3% of the excess
T119	but not over \$75,000	over \$50,000
T120	Over \$75,000	\$1,500, plus 4% of the excess
T121	but not over \$100,000	over \$75,000
T122	Over \$100,000	\$2,500, plus 5% of the excess
T123	but not over \$675,000	over \$100,000
T124	Over \$675,000	\$31,250, plus 6% of the excess
T125		over \$675,000

254 (3) With respect to Connecticut taxable gifts, as defined in section  
 255 12-643, made by a donor during a calendar year commencing on or  
 256 after January 1, 2005, and prior to January 1, 2007, including the  
 257 aggregate amount of all Connecticut taxable gifts made by the donor  
 258 during all calendar years commencing on or after January 1, 2005 the  
 259 tax imposed by section 12-640 for the calendar year shall be at the rate  
 260 set forth in the following schedule, with a credit allowed against such  
 261 tax for any tax previously paid to this state pursuant to this  
 262 subdivision:

T126	Amount of Taxable Gifts	Rate of Tax
T127	Not over \$2,000,000	None
T128	Over \$2,000,000	
T129	but not over \$2,100,000	5.085% of the excess over \$0
T130	Over \$2,100,000	\$106,800 plus 8% of the excess
T131	but not over \$2,600,000	over \$2,100,000
T132	Over \$2,600,000	\$146,800 plus 8.8% of the excess
T133	but not over \$3,100,000	over \$2,600,000

T134	Over \$3,100,000	\$190,800 plus 9.6% of the excess
T135	but not over \$3,600,000	over \$3,100,000
T136	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T137	but not over \$4,100,000	over \$3,600,000
T138	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T139	but not over \$5,100,000	over \$4,100,000
T140	Over \$5,100,000	\$402,800 plus 12% of the excess
T141	but not over \$6,100,000	over \$5,100,000
T142	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T143	but not over \$7,100,000	over \$6,100,000
T144	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T145	but not over \$8,100,000	over \$7,100,000
T146	Over \$8,100,000	\$786,800 plus 14.4% of the excess
T147	but not over \$9,100,000	over \$8,100,000
T148	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T149	but not over \$10,100,000	over \$9,100,000
T150	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T151		over \$10,100,000

263 (4) With respect to Connecticut taxable gifts, as defined in section  
 264 12-643, made by a donor during a calendar year commencing on or  
 265 after January 1, 2005, and prior to January 1, 2008, including the  
 266 aggregate amount of all Connecticut taxable gifts made by the donor  
 267 during all calendar years commencing on or after January 1, 2005, the  
 268 tax imposed by section 12-640 for the calendar year shall be at the rate  
 269 set forth in the following schedule, with a credit allowed against such  
 270 tax for any tax previously paid to this state pursuant to this  
 271 subdivision:

272 (5) With respect to Connecticut taxable gifts, as defined in section  
 273 12-643, made by a donor during the calendar year commencing  
 274 January 1, 2008, including the aggregate amount of all Connecticut

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

T152	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T153	<u>Not over \$4,100,000</u>	<u>None</u>
T154	<u>Over \$4,100,000</u>	<u>\$0 plus 11.2% of the excess</u>
T155	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T156	<u>Over \$5,100,000</u>	<u>\$112,000 plus 12% of the excess</u>
T157	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T158	<u>Over \$6,100,000</u>	<u>\$232,000 plus 12.8% of the excess</u>
T159	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T160	<u>Over \$7,100,000</u>	<u>\$360,000 plus 13.6% of the excess</u>
T161	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T162	<u>Over \$8,100,000</u>	<u>\$496,000 plus 14.4% of the excess</u>
T163	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T164	<u>Over \$9,100,000</u>	<u>\$640,000 plus 15.2% of the excess</u>
T165	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T166	<u>Over \$10,100,000</u>	<u>\$792,000 plus 16% of the excess</u>
T167		<u>over \$10,100,000</u>

280 (6) With respect to Connecticut taxable gifts, as defined in section  
 281 12-643, made by a donor during the calendar year commencing  
 282 January 1, 2009, including the aggregate amount of all Connecticut  
 283 taxable gifts made by the donor during all calendar years commencing  
 284 on or after January 1, 2005, the tax imposed by section 12-640 for the  
 285 calendar year shall be at the rate set forth in the following schedule,  
 286 with a credit allowed against such tax for any tax previously paid to  
 287 this state pursuant to this subdivision:

T168	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T169	<u>Not over \$5,100,000</u>	<u>None</u>
T170	<u>Over \$5,100,000</u>	<u>\$0 plus 12% of the excess</u>
T171	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>

T172	<u>Over \$6,100,000</u>	<u>\$120,000 plus 12.8% of the excess</u>
T173	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T174	<u>Over \$7,100,000</u>	<u>\$248,000 plus 13.6% of the excess</u>
T175	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T176	<u>Over \$8,100,000</u>	<u>\$384,000 plus 14.4% of the excess</u>
T177	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T178	<u>Over \$9,100,000</u>	<u>\$528,000 plus 15.2% of the excess</u>
T179	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T180	<u>Over \$10,100,000</u>	<u>\$680,000 plus 16% of the excess</u>
T181		<u>over \$10,100,000</u>

288 (7) With respect to Connecticut taxable gifts, as defined in section  
 289 12-643, made by a donor during the calendar year commencing  
 290 January 1, 2010, including the aggregate amount of all Connecticut  
 291 taxable gifts made by the donor during all calendar years commencing  
 292 on or after January 1, 2005, the tax imposed by section 12-640 for the  
 293 calendar year shall be at the rate set forth in the following schedule,  
 294 with a credit allowed against such tax for any tax previously paid to  
 295 this state pursuant to this subdivision:

T182	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T183	<u>Not over \$7,100,000</u>	<u>None</u>
T184	<u>Over \$7,100,000</u>	<u>\$0 plus 13.6% of the excess</u>
T185	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T186	<u>Over \$8,100,000</u>	<u>\$136,000 plus 14.4% of the excess</u>
T187	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T188	<u>Over \$9,100,000</u>	<u>\$280,000 plus 15.2% of the excess</u>
T189	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T190	<u>Over \$10,100,000</u>	<u>\$432,000 plus 16% of the excess</u>
T191		<u>over \$10,100,000</u>

296 (8) With respect to Connecticut taxable gifts, as defined in section  
 297 12-643, made by a donor during the calendar year commencing  
 298 January 1, 2011, including the aggregate amount of all Connecticut  
 299 taxable gifts made by the donor during all calendar years commencing  
 300 on or after January 1, 2005, the tax imposed by section 12-640 for the

301 calendar year shall be at the rate set forth in the following schedule,  
 302 with a credit allowed against such tax for any tax previously paid to  
 303 this state pursuant to this subdivision:

T192	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T193	<u>Not over \$10,100,000</u>	<u>None</u>
T194	<u>Over \$10,100,000</u>	<u>\$0 plus 16% of the excess over</u>
T195		<u>\$10,100,000</u>

304 (9) With respect to Connecticut taxable gifts, as defined in section  
 305 12-643, made by a donor during the calendar year commencing on or  
 306 after January 1, 2012, including the aggregate amount of all  
 307 Connecticut taxable gifts made by the donor during all prior calendar  
 308 years commencing on or after January 1, 2005, no tax shall be imposed  
 309 by section 12-640 for the calendar year.

310 Sec. 7. Subdivision (3) of section 12-412 of the general statutes is  
 311 repealed and the following is substituted in lieu thereof (*Effective July*  
 312 *1, 2007, and applicable to sales occurring on or after July 1, 2007*):

313 (3) (A) The sale, furnishing or service of gas, including bottled gas,  
 314 and electricity when delivered to consumers through mains, lines,  
 315 pipes or bottles for use (i) in any residential dwelling, or (ii) directly in  
 316 agricultural production, fabrication of a finished product to be sold or  
 317 an industrial manufacturing plant, provided the exemption under this  
 318 subdivision (ii) shall only be allowed with respect to a metered  
 319 building, location or premise at which not less than seventy-five per  
 320 cent of the gas, including bottled gas, or electricity consumed at such  
 321 metered building, location or premise is used for the purpose of such  
 322 production, fabrication or manufacturing. Bottled gas as used in this  
 323 subsection means L.P. (propane) gas.

324 (B) The sale or furnishing of telephone service and community  
 325 antenna television and cable service, provided the exemption for  
 326 services described in this subparagraph shall not be applicable to any

327 such service rendered on or after January 1, 1990.

328 (C) The sale, furnishing or service of water, steam and telegraph  
329 when delivered to consumers through mains, lines, pipes or bottles.

330 (D) The sale or furnishing of electricity, not subject to the exemption  
331 under subparagraph (A) of this subsection, with respect to that portion  
332 of the charges applicable to such electricity for any month of service  
333 which is not in excess of one hundred fifty dollars, provided the rate of  
334 such tax for sales or furnishing occurring on and after July 1, 2007, but  
335 prior to July 1, 2008, shall be three per cent, and provided further that  
336 there shall be no tax on such sales or furnishing on and after July 1,  
337 2008.

338 (E) The sale, furnishing or service of gas, water, steam or electricity  
339 for use directly in the furnishing of gas, water, steam or electricity  
340 delivered to consumers through mains, lines or pipes.

341 Sec. 8. Subdivision (115) of section 12-412 of the general statutes is  
342 repealed and the following is substituted in lieu thereof (*Effective July*  
343 *1, 2007*):

344 (115) On and after October 1, 2004, and prior to [October 1, 2008]  
345 June 30, 2010, the sale of any hybrid passenger car that has a United  
346 States Environmental Protection Agency estimated highway gasoline  
347 mileage rating of at least forty miles per gallon. For purposes of this  
348 subdivision, "hybrid passenger car" means a passenger car that draws  
349 acceleration energy from two onboard sources of stored energy, which  
350 are both an internal combustion or heat engine using combustible fuel  
351 and a rechargeable energy storage system and, for a passenger car or  
352 light truck with a model year of 2004 or later, is certified to meet or  
353 exceed the tier II bin 5 low emission vehicle classification.

354 Sec. 9. Section 12-412 of the general statutes is amended by adding  
355 subdivisions (117) to (119), inclusive, as follows (*Effective July 1, 2007,*  
356 *and applicable to sales occurring on or after July 1, 2007, and prior to July 1,*  
357 *2010*):

358 (NEW) (117) Sales of and the storage, use or other consumption of  
359 machinery and equipment used for blending renewable fuels. For  
360 purposes of this subdivision, "renewable fuels" means a blended  
361 product the components of which individually meet the specifications  
362 of the American Society of Testing and Materials (ASTM) designation  
363 D 396, D 975 or D 6751 and at least five per cent by volume of such  
364 blended product is fuel meeting the ASTM designation D 6751.

365 (NEW) (118) Sales of solar energy electricity generating systems and  
366 passive or active solar water or space heating systems and geo-thermal  
367 resource systems, including equipment related to such systems, and  
368 sales of services relating to the installation of such systems.

369 (NEW) (119) Sales of ice storage systems used for cooling, including  
370 equipment related to such systems, and sales of services relating to the  
371 installation of such systems by a utility ratepayer who is billed by such  
372 utility on a time-of-service metering basis.

373 Sec. 10. Section 12-412k of the general statutes is repealed and the  
374 following is substituted in lieu thereof (*Effective July 1, 2007*):

375 (a) For purposes of this section, "residential weatherization  
376 products" means programmable thermostats, window film, caulking,  
377 window and door weather strips, insulation, water heater blankets,  
378 water heaters, natural gas and propane furnaces and boilers that meet  
379 the federal Energy Star standard, windows and doors that meet the  
380 federal Energy Star standard, oil furnaces and boilers that are not less  
381 than eighty-five per cent efficient and ground-based heat pumps that  
382 meet the minimum federal energy efficiency rating.

383 (b) Notwithstanding the provisions of the general statutes, [from  
384 November 25, 2005, to April 1, 2006, and from June 1, 2006, to June 30,  
385 2007,] the provisions of this chapter shall not apply to sales of any  
386 residential weatherization products.

387 Sec. 11. (NEW) (*Effective from passage*) Notwithstanding the  
388 provisions of the general statutes, from the effective date of this section

389 to June 30, 2008, the provisions of chapter 219 of the general statutes  
390 shall not apply to sales of any household appliance that meets the  
391 federal Energy Star standard.

392 Sec. 12. Subdivision (3) of subsection (a) of section 12-458 of the  
393 general statutes is repealed and the following is substituted in lieu  
394 thereof (*Effective from passage*):

395 (3) Said tax shall not be payable on such fuel as may have been (A)  
396 sold to the United States, (B) sold to a municipality of this state, (i) for  
397 use by any contractor performing a service for such municipality in  
398 accordance with a contract, provided such fuel is used by such  
399 contractor exclusively for the purposes of and in accordance with such  
400 contract, or (ii) for use exclusively in a school bus, as defined in section  
401 14-275, (C) sold to a municipality of this state, a transit district of this  
402 state, or this state, at other than a retail outlet, for governmental  
403 purposes and for use in vehicles owned and operated, or leased and  
404 operated by such municipality, such transit district or this state, (D)  
405 sold to a person licensed as a distributor in this state under section 12-  
406 456, (E) transferred from storage within this state to some point  
407 without this state, (F) sold to the holder of a permit issued under  
408 section 12-458a for sale or use without this state, (G) sold to the holder  
409 of a permit issued under subdivision (63) of section 12-412, provided  
410 (i) such fuel is not used in motor vehicles registered or required to be  
411 registered to operate upon the public highways of this state, unless  
412 such fuel is used in motor vehicles registered exclusively for farming  
413 purposes, (ii) such fuel is not delivered, upon such sale, to a tank in  
414 which such person keeps fuel for personal and farm use, and (iii) a  
415 statement, prescribed as to form by the Commissioner of Revenue  
416 Services and bearing notice to the effect that false statements made  
417 under this section are punishable, that such fuel is used exclusively for  
418 farming purposes, is submitted by such person to the distributor, (H)  
419 sold exclusively to furnish power for an industrial plant in the actual  
420 fabrication of finished products to be sold, or for the fishing industry,  
421 (I) sold exclusively for heating purposes, (J) sold exclusively to furnish  
422 gas, water, steam or electricity, if delivered to consumers through

423 mains, lines or pipes, (K) sold to the owner or operator of an aircraft, as  
424 defined in section 15-34, exclusively for aviation purposes, provided (i)  
425 for purposes of this subdivision, "aviation purposes" means for the  
426 purpose of powering an aircraft or an aircraft engine, (ii) such fuel is  
427 delivered, upon such sale, to a tank in which fuel is kept exclusively  
428 for aviation purposes, and (iii) a statement, prescribed as to form by  
429 the Commissioner of Revenue Services and bearing notice to the effect  
430 that false statements made under this section are punishable, that such  
431 fuel is used exclusively for aviation purposes, is submitted by such  
432 person to the distributor, (L) sold to a dealer who is licensed under  
433 section 12-462 and whose place of business is located upon an  
434 established airport within this state, [or] (M) diesel fuel sold  
435 exclusively for use in portable power system generators that are larger  
436 than one hundred fifty kilowatts, or (N) sold during the period from  
437 the effective date of this section, to Monday, September 3, 2007, known  
438 as Labor Day, inclusive.

439 Sec. 13. (*Effective from passage*) The Comptroller may transfer up to  
440 one hundred twenty-four million seven hundred thousand dollars  
441 from the General Fund to the Special Transportation Fund for the fiscal  
442 year ending June 30, 2007, of which an amount equal to the number of  
443 days in June that the tax imposed by section 12-458 of the general  
444 statutes is suspended pursuant to section 13 of this act, multiplied by  
445 one million three hundred thousand dollars shall be deposited into the  
446 Special Transportation Fund for the fiscal year ending June 30, 2007,  
447 and eighty-three million dollars shall be deemed deposited into the  
448 Special Transportation Fund for the fiscal year ending June 30, 2008.

449 Sec. 14. (NEW) (*Effective from passage*) During the period specified in  
450 subparagraph (N) of subdivision (3) of subsection (a) of section 12-458  
451 of the general statutes, as amended by this act, upon the reduction in  
452 the tax required by subsection (a) of section 12-458 of the general  
453 statutes, as amended by this act, each distributor, as defined in section  
454 12-455a of the general statutes, shall reduce the per-gallon price of  
455 gasoline or other product intended for use in the propelling of motor  
456 vehicles using combustion type engines sold in this state by such

457 distributor to any retail dealer, as defined in section 14-318 of the  
458 general statutes, in an amount equal to the amount of the reduction in  
459 such tax that is imposed on each gallon of such gasoline or other  
460 product.

461 Sec. 15. Section 14-332 of the general statutes is repealed and the  
462 following is substituted in lieu thereof (*Effective from passage*):

463 (a) The commissioner may adopt regulations, in accordance with  
464 chapter 54, governing the administration of all statutes relating to  
465 gasoline or any other product intended as a fuel for motor vehicles or  
466 internal combustion engines or relating to the sale of such gasoline or  
467 such other product, except as provided in subsection (b) of this section.

468 (b) The commissioner, in consultation with the Secretary of the  
469 Office of Policy and Management, shall adopt emergency regulations,  
470 in accordance with chapter 54, to establish a program to monitor and  
471 enforce compliance with the requirements of subsection (c) of section  
472 14-332a, as amended by this act.

473 Sec. 16. Section 14-332a of the general statutes is repealed and the  
474 following is substituted in lieu thereof (*Effective from passage*):

475 (a) As used in subsection (b) of this section: (1) "Surcharge" means  
476 any charge by a retail dealer to any person for the pumping or sale of  
477 gasoline or other product intended for use in the propelling of motor  
478 vehicles using combustion type engines which exceeds the amount of  
479 the posted retail price displayed on such price signs as may be  
480 required by law; and (2) "tie-in-sale" means any sale by a retail dealer  
481 of any petroleum product, except gasoline, or of any other product or  
482 merchandise or of any service which is made a condition for the  
483 purchase of gasoline.

484 (b) Any retail dealer that adds a surcharge to the price of gasoline or  
485 other product intended for use in the propelling of motor vehicles  
486 using combustion type engines sold by him at retail, or requires a tie-  
487 in-sale as a condition of such sale, shall be subject to the penalties

488 provided in section 14-331. Nothing in this subsection shall be  
489 construed to prohibit any charge for financing in accordance with  
490 sections 36a-675 to 36a-685, inclusive.

491 (c) (1) During the period [commencing on July 1, 1998, and ending  
492 on October 1, 1998] specified in subparagraph (N) of subdivision (3) of  
493 subsection (a) of section 12-458, as amended by this act, upon the  
494 reduction in the tax required by said section, [12-458, that is effective  
495 July 1, 1998, and during the period commencing on July 1, 2000, and  
496 ending November 1, 2000, upon the reduction in the tax required by  
497 said section 12-458, that is effective July 1, 2000,] each retail dealer  
498 shall, in accordance with subdivision (2) of this subsection, reduce the  
499 per-gallon price of gasoline or other product intended for use in the  
500 propelling of motor vehicles using combustion type engines sold by  
501 such retail dealer at retail in an amount equal to the amount of the  
502 reduction in such tax that is imposed on each gallon of such gasoline  
503 or other product. [Such retail dealer shall maintain any such price  
504 reduction in effect for a period of not less than one hundred twenty  
505 days after such tax reduction.]

506 (2) The price reduction required by subdivision (1) of this subsection  
507 shall take effect not later than (A) two days following the effective date  
508 of the applicable tax reduction, or (B) the close of business on the  
509 business day on which the retail dealer has completed the sale of an  
510 amount of such gasoline or other product equal to the total number of  
511 gallons of such gasoline or other product in the inventory of the retail  
512 dealer at midnight on the effective date of such tax reduction,  
513 whichever is later.

514 (3) Any retail dealer that violates this subsection shall be subject to  
515 the penalties set forth in section 14-331. A violation of this subsection  
516 shall be deemed an unfair or deceptive trade practice under subsection  
517 (a) of section 42-110b.

518 (4) The following shall be affirmative defenses to any action or  
519 administrative proceeding brought against a retail dealer under section

520 14-331 or chapter 735a for an alleged violation of this subsection: (A)  
521 An increase in the wholesale price of such gasoline or other product  
522 that occurs after any such tax reduction; (B) an increase in any other  
523 tax imposed on such gasoline or other product that occurs after any  
524 such tax reduction; or (C) any other bona fide business cost increase  
525 incurred by a retail dealer and upon which the retail dealer relied in  
526 making the decision to forego the implementation or continuation of  
527 any such price reduction in whole or in part.

528 Sec. 17. (NEW) (*Effective from passage*) (a) This section shall be known  
529 as and may be cited as the "Petroleum Transparency and Reporting  
530 Oversight Law".

531 (b) As used in this section:

532 (1) "Classes of retail trade" means the separate subdivisions of  
533 outlets or methods of retail sales of liquid fuels, typically but not  
534 always limited to gasoline and diesel for motor vehicles, and includes  
535 any:

536 (A) Company-operated station operated pursuant to chapter 250a of  
537 the general statutes that is a retail service station owned and operated  
538 by a distributor and where retail prices are set by such distributor;

539 (B) Lessee dealer-operated station that is a retail service station  
540 owned by a distributor and operated by a qualified gasoline dealer  
541 other than a distributor under a franchise; or

542 (C) Owner-operated station that is a retail service station not owned  
543 by a distributor and operated by a qualified gasoline dealer;

544 (2) "Office of the Attorney General" means the office of the Attorney  
545 General of the state of Connecticut;

546 (3) "Distributor" has the same meaning as provided in section 14-  
547 327a of the general statutes;

548 (4) "Energy" means work or heat that is, or may be, produced from

549 any fuel or source whatsoever;

550 (5) "Fuel" means "fuels", as defined in section 14-1 of the general  
551 statutes, diesel fuel and number two heating oil, but does not include  
552 aviation fuel;

553 (6) "Major marketer" means any person who sells fuel in amounts  
554 determined by the office of the Attorney General as having an effect on  
555 energy supplies;

556 (7) "Major oil producer" means any person who produces oil in  
557 amounts determined by the office of the Attorney General as having an  
558 effect on energy supplies;

559 (8) "Major oil storer" means any person who stores oil or other  
560 petroleum products in amounts determined by the office of the  
561 Attorney General as having an effect on energy supplies;

562 (9) "Major oil transporter" means any person who transports oil or  
563 other petroleum products in amounts determined by the office of the  
564 Attorney General as having an effect on energy supplies; and

565 (10) "Person" has the same meaning as provided in section 14-1 of  
566 the general statutes.

567 (c) Notwithstanding the provisions of section 14-327b of the general  
568 statutes, any person holding himself or herself out as a distributor shall  
569 register as such with the office of the Attorney General, on forms to be  
570 prescribed, prepared and furnished by said office.

571 (d) (1) On and after January 1, 2008, and each week thereafter, every  
572 distributor, shall file with the office of the Attorney General, on forms  
573 prescribed, prepared and furnished by said office, a certified statement  
574 showing separately for each transaction in the state in which fuel was  
575 sold or used during the time period commencing on the effective date  
576 of this section and for each weekly period after January 1, 2008, the  
577 following:

578 (A) The total number of gallons or units of fuel, by type or grade,  
579 compounded by the distributor within the state and the number of  
580 gallons or units of fuel, by type or grade, sold, exchanged or otherwise  
581 transferred or used by the distributor in each transaction;

582 (B) The total number of gallons or units of fuel, by type or grade,  
583 imported or exported by the distributor; the total volumes of fuel, by  
584 type or grade, sold, exchanged or otherwise transferred or used by the  
585 distributor; the number of gallons or units of fuel, by type or grade,  
586 sold, exchanged or otherwise transferred or used by the distributor in  
587 each transaction;

588 (C) The total number of gallons or units of fuel sold as fuel;

589 (D) The total number of gallons or units of fuel, by type or grade,  
590 and their respective sales prices for all fuel sold to federal, state and  
591 municipal agencies, ships stores or base exchanges, commercial  
592 agricultural accounts, commercial nonagricultural accounts, retail  
593 dealers and other customers;

594 (E) Weekly weighted average acquisition cost per barrel and  
595 volumes of foreign or domestic crude oil or other liquid fuels, finished  
596 or unfinished, imported to this state, including information identifying  
597 the source of the crude oil or other fuels;

598 (F) The effective date and time, and the amount of change in cents  
599 per gallon, of any increase or decrease in wholesale price occurring  
600 during the week and the weekly weighted average wholesale prices  
601 and sales volumes of finished unleaded regular and premium motor  
602 gasoline, and of each other grade of gasoline sold, by transaction, to  
603 retail outlets, by classes of retail trade, and to wholesale distributors;

604 (G) Weekly weighted average retail prices, and sales volumes of  
605 finished unleaded regular and premium motor gasoline, and of each  
606 other grade of gasoline sold, by transaction, by retail distributor outlets  
607 of all classes of retail trade and by any distributor to other end-users;  
608 provided the office of the Attorney General may purchase retail price

609 data from data service companies that said office may use to substitute  
610 some or all data to meet the reporting requirement for retail price data  
611 under this subdivision;

612 (H) The effective date and time, and the amount of change in cents  
613 per gallon, of any increase or decrease in wholesale price occurring  
614 during the week and the weekly weighted average wholesale prices,  
615 and sales volumes of diesel fuel and number two heating oil, by  
616 transaction, to retail distributor outlets, by classes of retail trade, and to  
617 all other wholesale distributors. Weighted average wholesale prices  
618 and sales volumes shall be reported by type of wholesale fuel price;

619 (I) Weekly weighted average retail prices, and sales volumes of  
620 diesel fuel and number two heating oil sold, by transaction, by retail  
621 distributor outlets of all classes of retail trade and by any distributor to  
622 other end-users. The office of the Attorney General may purchase retail  
623 price data from data service companies that said office may use to  
624 substitute some or all data to meet the reporting requirement for retail  
625 price data under this subdivision;

626 (J) For each distributor, the gross margins or spreads between the  
627 distributor's average weighted price for each gallon or unit of fuel  
628 acquired by the distributor and the average weighted prices for each  
629 gallon or unit of fuel sold, by transaction, to another distributor, a  
630 retail dealer, end-user or consumer.

631 (2) The office of the Attorney General shall prescribe applicable  
632 standards and practices for reporting to facilitate uniformity,  
633 consistency and comparability of the data to be submitted pursuant to  
634 this subsection.

635 (3) On and after the effective date of this section, distributors shall  
636 maintain all data required to be reported to the office of the Attorney  
637 General pursuant to this subsection and shall report such data to said  
638 office on the date and in the manner required by subdivision (1) of this  
639 subsection.

640 (e) Each major marketer shall submit to the office of the Attorney  
641 General, at a time and in a form as said office shall prescribe,  
642 information, including petroleum and petroleum product receipts,  
643 exchanges, inventories and distributions.

644 (f) The office of the Attorney General may request additional  
645 information as and when said office deems necessary to perform said  
646 office's responsibilities under this section.

647 (g) Information in the statements filed pursuant to subsections (d),  
648 (e), (f) and (h) of this section shall be collected and maintained for the  
649 purpose of facilitating the analysis required by subsection (i) of this  
650 section, provided the office of the Attorney General shall make  
651 available to the public the information contained in the statements but  
652 not the statements themselves, as provided in subsections (k) and (m)  
653 of this section.

654 (h) Each major oil producer, marketer, oil transporter and oil storer  
655 shall submit to the office of the Attorney General, in a form and at  
656 intervals as said office shall prescribe, information that includes the  
657 following:

658 (1) Major oil transporters shall report the capacities of each major  
659 petroleum transportation system, the amount transported by each  
660 system and inventories thereof;

661 (2) Major oil storers shall report on their storage capacity,  
662 inventories, receipts and distributions, and methods of transportation  
663 of receipts and distributions; and

664 (3) Major oil marketers shall report on facility capacity and methods  
665 of transportation of receipts and distributions.

666 (i) (1) The office of the Attorney General, with said office's own staff  
667 and other support staff with expertise and experience in, or with, the  
668 petroleum industry, shall gather, analyze and interpret the information  
669 submitted to it pursuant to subsections (d), (e), (f) and (h) of this

670 section and other information relating to the supply, prices, margins  
671 and profits of petroleum products, with particular emphasis on motor  
672 vehicle fuels, including, but not limited to, the following:

673 (A) The nature, cause and extent of any petroleum or petroleum  
674 product situation or condition affecting supply, price, margins or  
675 profits;

676 (B) The prices, with particular emphasis on wholesale and retail  
677 motor vehicle fuel prices, and any significant changes in prices  
678 charged by the petroleum industry for petroleum or petroleum  
679 products sold in the state and the reasons for the changes;

680 (C) The income, expenses, margins and profits in the state, both  
681 before and after taxes, of each distributor and the income, expenses,  
682 margins and profits, both before and after taxes, of major oil  
683 companies in other regions of the United States and other countries;  
684 and

685 (D) The emerging trends relating to supply, demand, price, margins  
686 and profits.

687 (2) The office of the Attorney General shall analyze the effects of  
688 state and federal policies, rules and regulations upon the supply and  
689 pricing of petroleum products.

690 (3) The office of the Attorney General shall annually submit to the  
691 Governor and the General Assembly, in accordance with section 11-4a  
692 of the general statutes, twenty days prior to the first day of each  
693 regular legislative session a summary, including any analysis and  
694 interpretation of the information submitted to it pursuant to this  
695 section and any other activities taken by said office, including civil  
696 penalties imposed and violation notices issued by the Attorney  
697 General under subsection (n) of this section.

698 (j) The office of the Attorney General shall establish a petroleum  
699 transparency and reporting oversight program that includes

700 development and maintenance of an automated petroleum industry  
701 information reporting system that meets the requirements of  
702 government, industry and the public while promoting sound policy-  
703 making and consumer information and protection. Such program shall  
704 conduct and facilitate the efficient analysis and reporting of all  
705 information and data provided by the petroleum industry pursuant to  
706 this section. The office of the Attorney General shall develop such  
707 program in a manner that will result in greater market transparency  
708 and provide useful information to the general public and those  
709 agencies that are authorized to conduct oversight of the petroleum  
710 industry and ensure compliance with all relevant laws.

711 (k) (1) Confidential commercial information provided to the office of  
712 the Attorney General pursuant to this section shall be held in  
713 confidence by said office or aggregated to the extent necessary to  
714 ensure the confidentiality of such information.

715 (2) No data or information submitted to the office of the Attorney  
716 General shall be deemed confidential if the person submitting the  
717 information or data has made it public.

718 (3) Unless otherwise provided by law, with respect to data that the  
719 office of the Attorney General obtains or is provided pursuant to  
720 subsections (d), (e) or (f) of this section, neither the office of the  
721 Attorney General or any employee of said office may do any of the  
722 following:

723 (A) Make any publication whereby the data furnished by any  
724 person can be identified; or

725 (B) Permit any person other than the office of the Attorney General,  
726 the Department of Revenue Services, the Commissioner of Consumer  
727 Protection or the Chief State's Attorney and the authorized  
728 representatives and employees of each to examine the individual  
729 reports or statements provided.

730 (l) Any confidential information pertinent to the responsibilities of

731 the office of the Attorney General specified in this section that is  
732 obtained by another agency or department of this state shall be treated  
733 in a confidential manner;

734 (m) (1) Notwithstanding the provisions of any general statutes,  
735 including any other provision of this section, not later than fourteen  
736 days after the reporting date established by the office of the Attorney  
737 General under subsection (e) of this section, said office shall disclose to  
738 the public, using the best readily available technology, the information  
739 contained in the statements, but not the statements themselves, that are  
740 filed pursuant to said section;

741 (2) Nothing in this section shall be construed to prohibit the  
742 implementation of the petroleum transparency and reporting oversight  
743 program under subsection (j) of this section or the public disclosure of  
744 the analysis of information and reports pursuant to this section.

745 (n) (1) The office of the Attorney General shall notify those persons  
746 who have failed to timely provide the information specified in  
747 subsections (d) and (h) of this section or requested by the office of the  
748 Attorney General under said subsections. If, within five business days  
749 after being notified of the failure to provide the specified or requested  
750 information, the person fails to supply the specified or requested  
751 information, the person shall be subject to a civil penalty of not less  
752 than fifty thousand dollars per day or more than one hundred  
753 thousand dollars per day for each day the submission of information is  
754 refused or delayed;

755 (2) Any person or any employee of any person, who wilfully makes  
756 any false statement, representation or certification in any record,  
757 report, plan or other document filed with the office of the Attorney  
758 General pursuant to this section shall be subject to a civil penalty not to  
759 exceed five hundred thousand dollars and shall be deemed to have  
760 committed an unfair or deceptive act or practice in the conduct of a  
761 trade or commerce in violation of section 42-110b of the general  
762 statutes.

763 (o) The provisions of subsections (a) to (n), inclusive, of this section  
764 shall not be applied in a manner that would render its application  
765 preempted by the "Petroleum Marketing Practices Act", 15 USC 2801,  
766 et seq., as amended from time to time, or other applicable federal law."

767 (p) Any employee or agent of the office of the Attorney General or  
768 of another agency or department of the state who discloses  
769 confidential information in violation of subsection (k), (l) or (m) of this  
770 section shall be fined not more than five thousand dollars or  
771 imprisoned not more than five years, or both.

772 Sec. 18. Subparagraph (B) of subdivision (20) of subsection (a) of  
773 section 12-701 of the general statutes is repealed and the following is  
774 substituted in lieu thereof (*Effective October 1, 2007, and applicable to*  
775 *taxable years commencing on or after January 1, 2007*):

776 (B) There shall be subtracted therefrom (i) to the extent properly  
777 includable in gross income for federal income tax purposes, any  
778 income with respect to which taxation by any state is prohibited by  
779 federal law, (ii) to the extent allowable under section 12-718, exempt  
780 dividends paid by a regulated investment company, (iii) the amount of  
781 any refund or credit for overpayment of income taxes imposed by this  
782 state, or any other state of the United States or a political subdivision  
783 thereof, or the District of Columbia, to the extent properly includable  
784 in gross income for federal income tax purposes, (iv) to the extent  
785 properly includable in gross income for federal income tax purposes  
786 and not otherwise subtracted from federal adjusted gross income  
787 pursuant to clause (x) of this subparagraph in computing Connecticut  
788 adjusted gross income, any tier 1 railroad retirement benefits, (v) to the  
789 extent any additional allowance for depreciation under Section 168(k)  
790 of the Internal Revenue Code, as provided by Section 101 of the Job  
791 Creation and Worker Assistance Act of 2002, for property placed in  
792 service after December 31, 2001, but prior to September 10, 2004, was  
793 added to federal adjusted gross income pursuant to subparagraph (A)  
794 (ix) of this subdivision in computing Connecticut adjusted gross  
795 income for a taxable year ending after December 31, 2001, twenty-five

796 per cent of such additional allowance for depreciation in each of the  
797 four succeeding taxable years, (vi) to the extent properly includable in  
798 gross income for federal income tax purposes, any interest income  
799 from obligations issued by or on behalf of the state of Connecticut, any  
800 political subdivision thereof, or public instrumentality, state or local  
801 authority, district or similar public entity created under the laws of the  
802 state of Connecticut, (vii) to the extent properly includable in  
803 determining the net gain or loss from the sale or other disposition of  
804 capital assets for federal income tax purposes, any gain from the sale  
805 or exchange of obligations issued by or on behalf of the state of  
806 Connecticut, any political subdivision thereof, or public  
807 instrumentality, state or local authority, district or similar public entity  
808 created under the laws of the state of Connecticut, in the income year  
809 such gain was recognized, (viii) any interest on indebtedness incurred  
810 or continued to purchase or carry obligations or securities the interest  
811 on which is subject to tax under this chapter but exempt from federal  
812 income tax, to the extent that such interest on indebtedness is not  
813 deductible in determining federal adjusted gross income and is  
814 attributable to a trade or business carried on by such individual, (ix)  
815 ordinary and necessary expenses paid or incurred during the taxable  
816 year for the production or collection of income which is subject to  
817 taxation under this chapter but exempt from federal income tax, or the  
818 management, conservation or maintenance of property held for the  
819 production of such income, and the amortizable bond premium for the  
820 taxable year on any bond the interest on which is subject to tax under  
821 this chapter but exempt from federal income tax, to the extent that  
822 such expenses and premiums are not deductible in determining federal  
823 adjusted gross income and are attributable to a trade or business  
824 carried on by such individual, (x) (I) for a person who files a return  
825 under the federal income tax as an unmarried individual whose  
826 federal adjusted gross income for such taxable year is less than fifty  
827 thousand dollars, or as a married individual filing separately whose  
828 federal adjusted gross income for such taxable year is less than fifty  
829 thousand dollars, or for a husband and wife who file a return under  
830 the federal income tax as married individuals filing jointly whose

831 federal adjusted gross income for such taxable year is less than sixty  
832 thousand dollars or a person who files a return under the federal  
833 income tax as a head of household whose federal adjusted gross  
834 income for such taxable year is less than sixty thousand dollars, an  
835 amount equal to the Social Security benefits includable for federal  
836 income tax purposes; and (II) for a person who files a return under the  
837 federal income tax as an unmarried individual whose federal adjusted  
838 gross income for such taxable year is fifty thousand dollars or more, or  
839 as a married individual filing separately whose federal adjusted gross  
840 income for such taxable year is fifty thousand dollars or more, or for a  
841 husband and wife who file a return under the federal income tax as  
842 married individuals filing jointly whose federal adjusted gross income  
843 from such taxable year is sixty thousand dollars or more or for a  
844 person who files a return under the federal income tax as a head of  
845 household whose federal adjusted gross income for such taxable year  
846 is sixty thousand dollars or more, an amount equal to the difference  
847 between the amount of Social Security benefits includable for federal  
848 income tax purposes and the lesser of twenty-five per cent of the Social  
849 Security benefits received during the taxable year, or twenty-five per  
850 cent of the excess described in Section 86(b)(1) of the Internal Revenue  
851 Code, (xi) to the extent properly includable in gross income for federal  
852 income tax purposes, any amount rebated to a taxpayer pursuant to  
853 section 12-746, (xii) to the extent properly includable in the gross  
854 income for federal income tax purposes of a designated beneficiary,  
855 any distribution to such beneficiary from any qualified state tuition  
856 program, as defined in Section 529(b) of the Internal Revenue Code,  
857 established and maintained by this state or any official, agency or  
858 instrumentality of the state, (xiii) to the extent allowable under section  
859 12-701a, contributions to accounts established pursuant to any  
860 qualified state tuition program, as defined in Section 529(b) of the  
861 Internal Revenue Code, established and maintained by this state or  
862 any official, agency or instrumentality of the state, (xiv) to the extent  
863 properly includable in gross income for federal income tax purposes,  
864 the amount of any Holocaust victims' settlement payment received in  
865 the taxable year by a Holocaust victim, [and] (xv) to the extent

866 properly includable in gross income for federal income tax purposes of  
867 an account holder, as defined in section 31-51ww, interest earned on  
868 funds deposited in the individual development account, as defined in  
869 section 31-51ww, of such account holder, and (xvi) to the extent  
870 properly includable in gross income for federal income tax purposes,  
871 in the taxable year commencing January 1, 2009, but prior to January 1,  
872 2010, one-third of all income received from defined benefit pension  
873 plans, defined contribution plans or Social Security; to the extent  
874 properly includable in gross income for federal tax purposes, in the  
875 taxable year commencing on January 1, 2010, but prior to January 1,  
876 2011, two-thirds of all income received from defined benefit pension  
877 plans, defined contribution plans or Social Security; and to the extent  
878 properly includable in gross income for federal tax purposes, in  
879 taxable years commencing on and after January 1, 2011, all income  
880 received from defined benefit pension plans, defined contribution  
881 plans or Social Security, and (xvii) amounts paid by individuals for  
882 health insurance premiums.

883 Sec. 19. Subparagraph (B) of subdivision (20) of subsection (a) of  
884 section 12-701 of the general statutes, as amended by section 71 of  
885 public act 05-251 and section 77 of public act 06-186, is repealed and  
886 the following is substituted in lieu thereof (*Effective October 1, 2007, and*  
887 *applicable to taxable years commencing on or after January 1, 2008*):

888 (B) There shall be subtracted therefrom (i) to the extent properly  
889 includable in gross income for federal income tax purposes, any  
890 income with respect to which taxation by any state is prohibited by  
891 federal law, (ii) to the extent allowable under section 12-718, exempt  
892 dividends paid by a regulated investment company, (iii) the amount of  
893 any refund or credit for overpayment of income taxes imposed by this  
894 state, or any other state of the United States or a political subdivision  
895 thereof, or the District of Columbia, to the extent properly includable  
896 in gross income for federal income tax purposes, (iv) to the extent  
897 properly includable in gross income for federal income tax purposes  
898 and not otherwise subtracted from federal adjusted gross income  
899 pursuant to clause (x) of this subparagraph in computing Connecticut

900 adjusted gross income, any tier 1 railroad retirement benefits, (v) to the  
901 extent any additional allowance for depreciation under Section 168(k)  
902 of the Internal Revenue Code, as provided by Section 101 of the Job  
903 Creation and Worker Assistance Act of 2002, for property placed in  
904 service after December 31, 2001, but prior to September 10, 2004, was  
905 added to federal adjusted gross income pursuant to subparagraph  
906 (A)(ix) of this subdivision in computing Connecticut adjusted gross  
907 income for a taxable year ending after December 31, 2001, twenty-five  
908 per cent of such additional allowance for depreciation in each of the  
909 four succeeding taxable years, (vi) to the extent properly includable in  
910 gross income for federal income tax purposes, any interest income  
911 from obligations issued by or on behalf of the state of Connecticut, any  
912 political subdivision thereof, or public instrumentality, state or local  
913 authority, district or similar public entity created under the laws of the  
914 state of Connecticut, (vii) to the extent properly includable in  
915 determining the net gain or loss from the sale or other disposition of  
916 capital assets for federal income tax purposes, any gain from the sale  
917 or exchange of obligations issued by or on behalf of the state of  
918 Connecticut, any political subdivision thereof, or public  
919 instrumentality, state or local authority, district or similar public entity  
920 created under the laws of the state of Connecticut, in the income year  
921 such gain was recognized, (viii) any interest on indebtedness incurred  
922 or continued to purchase or carry obligations or securities the interest  
923 on which is subject to tax under this chapter but exempt from federal  
924 income tax, to the extent that such interest on indebtedness is not  
925 deductible in determining federal adjusted gross income and is  
926 attributable to a trade or business carried on by such individual, (ix)  
927 ordinary and necessary expenses paid or incurred during the taxable  
928 year for the production or collection of income which is subject to  
929 taxation under this chapter but exempt from federal income tax, or the  
930 management, conservation or maintenance of property held for the  
931 production of such income, and the amortizable bond premium for the  
932 taxable year on any bond the interest on which is subject to tax under  
933 this chapter but exempt from federal income tax, to the extent that  
934 such expenses and premiums are not deductible in determining federal

935 adjusted gross income and are attributable to a trade or business  
936 carried on by such individual, (x) (I) for a person who files a return  
937 under the federal income tax as an unmarried individual whose  
938 federal adjusted gross income for such taxable year is less than fifty  
939 thousand dollars, or as a married individual filing separately whose  
940 federal adjusted gross income for such taxable year is less than fifty  
941 thousand dollars, or for a husband and wife who file a return under  
942 the federal income tax as married individuals filing jointly whose  
943 federal adjusted gross income for such taxable year is less than sixty  
944 thousand dollars or a person who files a return under the federal  
945 income tax as a head of household whose federal adjusted gross  
946 income for such taxable year is less than sixty thousand dollars, an  
947 amount equal to the Social Security benefits includable for federal  
948 income tax purposes; and (II) for a person who files a return under the  
949 federal income tax as an unmarried individual whose federal adjusted  
950 gross income for such taxable year is fifty thousand dollars or more, or  
951 as a married individual filing separately whose federal adjusted gross  
952 income for such taxable year is fifty thousand dollars or more, or for a  
953 husband and wife who file a return under the federal income tax as  
954 married individuals filing jointly whose federal adjusted gross income  
955 from such taxable year is sixty thousand dollars or more or for a  
956 person who files a return under the federal income tax as a head of  
957 household whose federal adjusted gross income for such taxable year  
958 is sixty thousand dollars or more, an amount equal to the difference  
959 between the amount of Social Security benefits includable for federal  
960 income tax purposes and the lesser of twenty-five per cent of the Social  
961 Security benefits received during the taxable year, or twenty-five per  
962 cent of the excess described in Section 86(b)(1) of the Internal Revenue  
963 Code, (xi) to the extent properly includable in gross income for federal  
964 income tax purposes, any amount rebated to a taxpayer pursuant to  
965 section 12-746, (xii) to the extent properly includable in the gross  
966 income for federal income tax purposes of a designated beneficiary,  
967 any distribution to such beneficiary from any qualified state tuition  
968 program, as defined in Section 529(b) of the Internal Revenue Code,  
969 established and maintained by this state or any official, agency or

970 instrumentality of the state, (xiii) to the extent allowable under section  
971 12-701a, contributions to accounts established pursuant to any  
972 qualified state tuition program, as defined in Section 529(b) of the  
973 Internal Revenue Code, established and maintained by this state or  
974 any official, agency or instrumentality of the state, (xiv) to the extent  
975 properly includable in gross income for federal income tax purposes,  
976 the amount of any Holocaust victims' settlement payment received in  
977 the taxable year by a Holocaust victim, (xv) to the extent properly  
978 includable in gross income for federal income tax purposes of an  
979 account holder, as defined in section 31-51ww, interest earned on  
980 funds deposited in the individual development account, as defined in  
981 section 31-51ww, of such account holder, (xvi) to the extent properly  
982 includable in gross income for federal income tax purposes, in the  
983 taxable year commencing on January 1, 2009, but prior to January 1,  
984 2010, one-third of all income received from defined benefit pension  
985 plans, defined contribution plans or Social Security; to the extent  
986 properly includable in gross income for federal tax purposes, in the  
987 taxable year commencing on January 1, 2010, but prior to January 1,  
988 2011, two-thirds of all income received from defined benefit pension  
989 plans, defined contribution plans or Social Security; and to the extent  
990 properly includable in gross income for federal tax purposes, in  
991 taxable years commencing on and after January 1, 2011, all income  
992 received from defined benefit pension plans, defined contribution  
993 plans or Social Security and (xvii) amounts paid by individuals for  
994 health insurance premiums, and [(xvi)] (xviii) to the extent properly  
995 included in gross income for federal income tax purposes, fifty per  
996 cent of the income received from the United States government as  
997 retirement pay for a retired member of (I) the Armed Forces of the  
998 United States, as defined in Section 101 of Title 10 of the United States  
999 Code, or (II) the National Guard, as defined in Section 101 of Title 10 of  
1000 the United States Code.

1001 Sec. 20. (NEW) (*Effective July 1, 2007*) (a) The Commissioner of  
1002 Economic and Community Development, in consultation with the  
1003 Commissioner of Revenue Services, shall establish a first-time

1004 homebuyer savings program whereby graduates of a public or  
1005 independent institution of higher education in the state, for the period  
1006 ending ten years after the date of graduation, may elect to have one  
1007 hundred per cent of the amount paid by such graduate for the income  
1008 tax under chapter 229 of the general statutes in each calendar year  
1009 segregated by the Commissioner of Revenue Services and deposited  
1010 into the fund established by subsection (e) of this section and used for  
1011 the purchase of the first home of such graduate. Taxes shall be  
1012 segregated for tax years commencing on January 1, 2008. Payments to  
1013 a graduate shall equal the amount paid for the income taxes by the  
1014 graduate. Enrollment in the program shall begin on January 1, 2008,  
1015 and shall be open to graduates who graduate from a public or  
1016 independent institution of higher education in the state, on or after  
1017 January 1, 2007.

1018 (b) The Commissioner of Economic and Community Development,  
1019 in consultation with the Commissioner of Revenue Services, shall  
1020 adopt regulations, in accordance with the provisions of chapter 54 of  
1021 the general statutes, to carry out the provisions of this section.

1022 (c) Not later than December 1, 2007, within available appropriations,  
1023 the Commissioner of Economic and Community Development shall  
1024 develop a comprehensive public education program to educate recent  
1025 graduates of a public or independent institution of higher education in  
1026 the state, about the first-time homebuyer savings program established  
1027 under this section. The public education program shall include, but not  
1028 be limited to, information concerning lifetime savings plans and  
1029 information on the purchase of a house. The department shall begin to  
1030 implement the outreach program not later than January 1, 2008.

1031 (d) Not later than January 1, 2009, and annually thereafter, the  
1032 Commissioner of Economic and Community Development shall  
1033 submit a report to the select committee of the General Assembly  
1034 having cognizance of matters relating to housing, and to the joint  
1035 standing committee of the General Assembly having cognizance of  
1036 matters relating to commerce, on the program established pursuant to

1037 this section. Said report shall review the program and may include  
1038 recommendations for legislation.

1039 (e) There is created a "Connecticut First-time Homebuyers Fund".  
1040 Moneys segregated by the Commissioner of Revenue Services  
1041 pursuant to subsection (a) of this section shall be deposited in the fund.  
1042 Amounts deposited in the fund shall be available to the Commissioner  
1043 of Economic and Community Development for payments to  
1044 participants in the first-time home buyer program established  
1045 pursuant to subsection (a) of this section. The State Treasurer shall  
1046 invest the proceeds of the fund and investment earnings shall be  
1047 credited to and become part of the General Fund. Annually, on or  
1048 before September first, the Treasurer shall notify the Commissioner of  
1049 Economic and Community Development of the total amount in the  
1050 fund. Any balance remaining in the fund at the end of each fiscal year  
1051 shall be carried forward in the fund for the succeeding fiscal year. Any  
1052 funds segregated for a participant in the program that are not used in  
1053 the purchase of a home shall be transferred to the General Fund. Any  
1054 costs incurred by the State Treasurer in administering the fund shall be  
1055 paid from the fund.

1056 Sec. 21. (NEW) (*Effective July 1, 2007, and applicable to income years*  
1057 *commencing on or after January 1, 2007*) (a) Each company, as defined in  
1058 subdivision (1) of subsection (a) of section 12-213 of the general  
1059 statutes, producing one hundred per cent pure biodiesel fuel,  
1060 commonly known as "B100" that is a distributor, as defined in  
1061 subsection (a) of section 12-455a of the general statutes, shall be  
1062 entitled to a credit against the tax imposed by chapter 208 of the  
1063 general statutes in an amount equal to fifty cents per gallon of such  
1064 biodiesel produced in this state by such company, provided such  
1065 biodiesel meets American Society for Testing and Materials  
1066 specifications of ASTM D 6751, "Standard Specification for Biodiesel  
1067 Fuel Blend Stock (B100) for Middle Distillate Fuels", and the  
1068 registration requirements for fuels and fuel additives established by  
1069 the United States Environmental Protection Agency under Section 211  
1070 of the Clean Air Act, 42 USC 7545.

1071 (b) If, after taking into account the provisions of section 12-217zz of  
1072 the general statutes, the amount of the credit to which a company is  
1073 entitled under this section for the income year exceeds the allowable  
1074 credit to the company for that income year, then such excess may be  
1075 carried forward for the five succeeding income years.

1076 (c) A credit under this section may be granted to a taxpayer for not  
1077 more than four successive income years.

1078 (d) A company shall not be entitled to a credit under this section  
1079 with respect to its production of biodiesel as described in subsection  
1080 (a) of this section during any income year commencing on or after  
1081 January 1, 2020.

1082 Sec. 22. (NEW) (*Effective July 1, 2007, and applicable to income and*  
1083 *taxable years commencing on and after January 1, 2008*) (a) For purposes of  
1084 this section, "small business" means a business entity, including its  
1085 affiliates, that employs fifty or fewer full-time, permanent employees,  
1086 and does not, as of the effective date of this section, provide health  
1087 insurance coverage to such employees.

1088 (b) There shall be allowed as a credit against the tax imposed on any  
1089 small business under chapters 207, 208, 209, 210, 211, 211a, 211b, 212,  
1090 or 229 of the general statutes, with respect to any taxable or income  
1091 year of such small business commencing on or after January 1, 2008, in  
1092 an amount up to a per cent of the cost to the small business of  
1093 providing health insurance coverage to all of its full-time, permanent  
1094 employees.

1095 Sec. 23. Section 29-112 of the general statutes is repealed and the  
1096 following is substituted in lieu thereof (*Effective July 1, 2007*):

1097 The following fees shall be collected by the commissioner and by  
1098 him paid to the State Treasurer: For inspection and annual approval of  
1099 any premises or place where moving picture films are used or  
1100 exhibited, [thirty-five] fifty dollars; for inspection and approval of any  
1101 projection room or area as defined in regulations adopted under

1102 section 29-109, [ten] twenty-five dollars; for inspection of any other  
1103 building or plan of building, incident to the administration of section  
1104 29-109, [ten] twenty-five dollars. Permits and approvals issued under  
1105 the provisions of said sections may be for definite dates only, but,  
1106 unless otherwise specified, shall cover the premises described from  
1107 date of issue until the first day of February next following.

1108 Sec. 24. Section 29-117 of the general statutes is repealed and the  
1109 following is substituted in lieu thereof (*Effective July 1, 2007*):

1110 No person shall exhibit, show or use any moving picture film, reel  
1111 or view in any place to which an admission fee is charged, except in a  
1112 church, parish house, school or other building of a religious,  
1113 ecclesiastical or educational organization in furtherance of its  
1114 purposes, without a license for such purpose issued by the  
1115 Commissioner of Public Safety. The commissioner, after investigation,  
1116 shall issue the license required herein to any person found by him to  
1117 be a suitable person, provided he shall have received a written  
1118 application therefor, which application shall describe the location of  
1119 the place and shall give its seating capacity and such other information  
1120 as the commissioner requires. Such license shall be effective until  
1121 September first next following its issuance, unless suspended or  
1122 revoked for cause, and the applicant shall pay for the same and for  
1123 each renewal thereof the sum of [thirty-five] fifty dollars. When any  
1124 person so licensed exhibits, shows or uses or permits to be exhibited,  
1125 shown or used in any place described in such license any moving  
1126 picture film, title, subtitle or part thereof, reel or view of an immoral,  
1127 degrading or criminal character, or which is unlawful under the  
1128 provisions of section 53a-194 or 53a-196, the commissioner may, upon  
1129 complaint or upon his own motion, suspend or revoke the license of  
1130 such person. No license shall be granted to any person to whom two of  
1131 the licenses issued have been either suspended or revoked. Any  
1132 person, or the officer of any corporation, violating any provision of this  
1133 section shall be fined not more than one thousand dollars or  
1134 imprisoned not more than one year or both.

1135 Sec. 25. Section 29-130 of the general statutes is repealed and the  
1136 following is substituted in lieu thereof (*Effective July 1, 2007*):

1137 The Commissioner of Public Safety shall prescribe a form of  
1138 application to be signed by each applicant and may require such  
1139 information respecting the business in which the applicant proposes to  
1140 engage as he finds necessary to safeguard the public from all forms of  
1141 lascivious conduct, immoral practices, vice or violations of the law.  
1142 Said commissioner or any employee of the Department of Public  
1143 Safety authorized by him for said purpose may enter into any place so  
1144 licensed or upon the premises where such business is being conducted  
1145 for the purpose of observing the conduct of the same. Said  
1146 commissioner shall issue to each applicant so licensed a certificate to  
1147 be designated "amusement park license", and each certificate shall state  
1148 the name of the applicant, the location of the place where such  
1149 amusement, entertainment, diversion or recreation may be conducted  
1150 and the hours each day during which the same may be conducted.  
1151 Each certificate shall be displayed conspicuously for public view by  
1152 the licensee at the place where the business so licensed is conducted.  
1153 Any such license may be suspended or revoked by said commissioner  
1154 whenever it appears that any of the conditions required to be stated in  
1155 such license have been violated. Such applications and license  
1156 certificates shall be printed at the expense of the state. The annual  
1157 license fee shall be [thirty-five] fifty dollars to be paid by the applicant  
1158 to the Commissioner of Public Safety with each application for such  
1159 license. Such licenses shall not be transferable and, if any licensee  
1160 voluntarily discontinues operations thereunder, all rights secured  
1161 thereby shall terminate. On and after January 1, 1986, the license year  
1162 shall be from January first until December thirty-first following,  
1163 inclusive. Each such license shall be for a period of one license year.

1164 Sec. 26. Section 29-134 of the general statutes is repealed and the  
1165 following is substituted in lieu thereof (*Effective July 1, 2007*):

1166 No owner shall exhibit or provide any amusement, as defined in  
1167 section 29-133, in this state unless he has obtained a license therefor as

1168 hereinafter provided and otherwise complies with the provisions of  
1169 sections 29-133 to 29-142, inclusive. An annual license fee of [fifty] one  
1170 hundred dollars shall be paid by the applicant to the Commissioner of  
1171 Public Safety with each application for such amusement license.

1172 Sec. 27. Section 29-193 of the general statutes is repealed and the  
1173 following is substituted in lieu thereof (*Effective July 1, 2007*):

1174 No new elevator or escalator shall be erected or installed and no  
1175 elevator or escalator shall be relocated or altered until detailed plans  
1176 and specifications of the proposed construction or other work have  
1177 been submitted in triplicate to the department for approval. A fee of  
1178 [one hundred fifty] two hundred dollars for each elevator or escalator  
1179 payable to the department shall accompany each such proposal. Notice  
1180 that such plans are approved or disapproved shall be given within a  
1181 reasonable time and final inspection of the elevator or escalator, when  
1182 installed, relocated or altered, shall be made before final approval for  
1183 operation is given by the department. The department may issue a  
1184 temporary operating permit, if necessary, pending final inspection and  
1185 approval. The provisions of this chapter shall not prevent the  
1186 operation of any elevator installed for temporary use in connection  
1187 with building operations or the operation of any elevator for purposes  
1188 connected with the installation or the testing of the same.

1189 Sec. 28. Section 29-196 of the general statutes is repealed and the  
1190 following is substituted in lieu thereof (*Effective July 1, 2007*):

1191 As soon as the department approves any new, relocated or altered  
1192 elevator or escalator as being fit for operation, it shall issue to the  
1193 owner a certificate of operation for a capacity and speed specified in  
1194 the inspector's report. The fee for the certificate first issued shall be  
1195 [one hundred fifty] two hundred dollars. Such certificate shall be  
1196 posted conspicuously in the car or cage or on the platform of the  
1197 elevator or escalator and shall be valid for twelve months. Thereafter,  
1198 the certificate shall be renewed [each year] every two years upon  
1199 receipt of the renewal fee of [forty] one hundred twenty dollars, except

1200 that private residence elevators, as defined in the regulations adopted  
1201 pursuant to section 29-192, shall not be subject to said renewal  
1202 requirement. No fee shall be required of the state or any agency of the  
1203 state. No elevator or escalator may be lawfully operated without such  
1204 certificate.

1205 Sec. 29. Section 29-204 of the general statutes is repealed and the  
1206 following is substituted in lieu thereof (*Effective July 1, 2007*):

1207 No new passenger tramway shall be erected or installed and no  
1208 passenger tramway shall be relocated or altered until detailed plans  
1209 and specifications of the proposed construction or other work have  
1210 been submitted in duplicate to the department for approval. A fee of  
1211 [one] two hundred dollars payable to the Department of Public Safety  
1212 shall accompany each such proposal. Notice that such plans are  
1213 approved or disapproved shall be given within a reasonable time, and  
1214 final inspection of the passenger tramway, when installed, relocated or  
1215 altered, shall be made before final approval for operating is given by  
1216 the department.

1217 Sec. 30. Section 29-206 of the general statutes is repealed and the  
1218 following is substituted in lieu thereof (*Effective July 1, 2007*):

1219 The department shall enforce the regulations adopted pursuant to  
1220 section 29-203, and shall inspect the construction, operation and  
1221 maintenance of passenger tramways to determine whether such  
1222 regulations have been complied with by the operators. Each passenger  
1223 tramway shall be thoroughly inspected by a qualified inspector  
1224 approved by the department at least once every twelve months. More  
1225 frequent inspections of any passenger tramway may be made if the  
1226 condition thereof indicates that additional inspections are necessary or  
1227 desirable. As soon as the department inspects and approves any  
1228 passenger tramway as being fit for operation, it shall issue to the  
1229 operator, upon receipt of a fee of [one hundred fifty] two hundred  
1230 dollars, a certificate of operation with such conditions and limitations  
1231 as the commissioner shall prescribe. Such certificate shall be valid for

1232 twelve months and shall be renewed yearly, if the department  
1233 approves the passenger tramway, upon payment of a renewal fee of  
1234 [eighty] one hundred dollars. No passenger tramway may be operated  
1235 without such operating certificate.

1236 Sec. 31. Section 29-237 of the general statutes is repealed and the  
1237 following is substituted in lieu thereof (*Effective July 1, 2007*):

1238 All boilers included under this chapter shall be inspected by a state  
1239 boiler inspector or by a special inspector employed by an insurance  
1240 company licensed to insure boilers in this state as follows:

1241 (1) Power boilers, meaning boilers operating at steam or vapor  
1242 pressures in excess of fifteen pounds per square inch gauge, except  
1243 power boilers that operate with internal water treatment under the  
1244 direct supervision of a qualified engineer, shall be inspected each year.  
1245 Such boiler inspection shall consist of (A) a thorough internal and  
1246 external inspection while not under pressure, and (B) an external  
1247 inspection under operating conditions not more than six months after  
1248 the internal and external inspection. No more than fourteen months  
1249 shall elapse between internal inspections and between external  
1250 inspections while under pressure.

1251 (2) Power boilers that operate with internal water treatment under  
1252 the direct supervision of a qualified engineer shall be inspected every  
1253 eighteen months. Such boiler inspection shall consist of (A) a thorough  
1254 internal and external inspection while not under pressure, and (B) an  
1255 external inspection under operating conditions not more than nine  
1256 months after the internal and external inspection.

1257 (3) Where construction will permit, low pressure steam or vapor  
1258 heating boilers, hot water heating boilers, hot water supply boilers and  
1259 hot water heaters shall be inspected externally biennially and  
1260 internally at the discretion of the boiler inspector. If a boiler inspector  
1261 decides a hydrostatic test is necessary to determine the safety of a  
1262 boiler or heater, such test shall be made under the inspector's direction.  
1263 The Commissioner of Public Safety may order inspections by the

1264 Department of Public Safety or the insurance carrier in addition to the  
1265 regular annual or biennial inspections to clear up any doubts as to the  
1266 safety of continuing the operation of any boiler or heater included in  
1267 this chapter. [, but no additional fee shall be charged or allowed for  
1268 such additional inspections, unless the owner or user is found to have  
1269 operated or ordered or permitted the operation of such boiler or  
1270 heater, intentionally or negligently, in violation of this chapter or the  
1271 boiler regulations.] Each boiler insurance carrier shall forward to the  
1272 commissioner, [within] not later than thirty days [following] after each  
1273 inspection as required by this chapter, a report of such inspection upon  
1274 appropriate forms as promulgated by the commissioner, who may use  
1275 the form suggested by the American Society of Mechanical Engineers.

1276 Sec. 32. Section 29-238 of the general statutes is repealed and the  
1277 following is substituted in lieu thereof (*Effective July 1, 2007*):

1278 [The owner or user of a boiler required by this chapter to be  
1279 inspected by the Commissioner of Public Safety or by state boiler  
1280 inspectors shall pay to the commissioner at the time of inspection a fee  
1281 as follows:

1282 (1) Boilers of fifty square feet or less of heating surface, thirty  
1283 dollars; boilers of over fifty square feet of heating surface and less than  
1284 one thousand square feet, forty dollars; boilers of over one thousand  
1285 square feet of heating surface and less than four thousand square feet,  
1286 sixty dollars; boilers of at least four thousand square feet of heating  
1287 surface and less than ten thousand square feet of heating surface,  
1288 eighty dollars; boilers of at least ten thousand square feet of heating  
1289 surface, one hundred dollars. External inspection: Boilers having fifty  
1290 square feet or less of heating surface, twenty dollars; boilers having  
1291 over fifty square feet of heating surface, twenty-five dollars. Not more  
1292 than the equivalent of the internal and external inspection fees shall be  
1293 charged or collected for any and all such inspections of any boiler in  
1294 any one year.

1295 (2) Inspection of heating boilers without a manhole, thirty dollars;

1296 inspection of heating boilers with a manhole, fifty dollars; inspection of  
1297 hot water supply boilers and hot water heaters, thirty dollars. Not  
1298 more than one fee shall be charged or collected for any and all such  
1299 inspections of any low pressure boiler in any two-year period.

1300 (3) An additional fee based on the scale of fees applicable to an  
1301 internal inspection of the boiler shall be charged in any instance where  
1302 it is necessary to make a special trip to witness a hydrostatic test.]

1303 The owner or user of a boiler required by this chapter to be  
1304 inspected by the Commissioner of Public Safety, state boiler inspectors  
1305 or special inspectors shall pay to the commissioner the sum of forty  
1306 dollars for each operating certificate issued. No fee shall be required of  
1307 the state or any agency of the state. All fees collected by the  
1308 commissioner under authority of this chapter shall be transferred by  
1309 the commissioner to the State Treasurer for deposit in the General  
1310 Fund. If the report of inspection by the Department of Public Safety  
1311 inspector or special inspector indicates that any boiler meets the  
1312 requirements of this chapter and the boiler regulations, an operating  
1313 certificate shall be issued by the commissioner to the owner or user.  
1314 Such certificate shall state the pressure and other conditions under  
1315 which such boiler may be lawfully operated. An operating certificate  
1316 shall be valid for a period of not more than twelve months from the  
1317 date of internal inspection, in the case of power boilers inspected  
1318 pursuant to subdivision (1) of section 29-237, except that the certificate  
1319 shall be valid for a period of not more than two months beyond the  
1320 period set by the Commissioner of Public Safety in accordance with  
1321 section 29-237. An operating certificate shall be valid for a period of  
1322 not more than eighteen months from the date of internal inspection in  
1323 the case of power boilers inspected pursuant to subdivision (2) of  
1324 section 29-237. Operating certificates shall be valid for twenty-four  
1325 months in the case of low pressure steam or vapor heating boilers, hot  
1326 water heating boilers, hot water supply boilers and hot water heaters  
1327 approved by a nationally recognized testing agency. If a boiler  
1328 inspected by a state boiler inspector or special inspector commissioned  
1329 by said commissioner is found to conform with the requirements of

1330 this chapter and the boiler regulations, an operating certificate shall be  
1331 issued by said commissioner to the owner or user upon the receipt of  
1332 the insuring company's report or the state boiler inspector's report.  
1333 [and such owner or user shall be exempt from the inspection fees  
1334 provided by this section, except that for each certificate so issued the  
1335 owner or user of the boiler shall pay to said commissioner the sum of  
1336 twenty dollars.] Said commissioner may order reinspection if  
1337 reasonable doubt exists regarding any inspection. Such certificate shall  
1338 state the pressure and other conditions under which such boiler may  
1339 be lawfully operated and shall be valid not more than the period  
1340 indicated in this section and shall be renewed each year in the case of  
1341 power boilers inspected pursuant to subdivision (1) of section 29-237,  
1342 every eighteen months in the case of power boilers inspected pursuant  
1343 to subdivision (2) of section 29-237, and biennially in the case of hot  
1344 water heating or hot water supply boilers and hot water heaters. An  
1345 operating certificate shall be immediately invalid if the boiler is  
1346 relocated or altered, unless such relocation or alteration has been  
1347 approved in accordance with this chapter or the boiler code and  
1348 regulations. No boiler shall be operated unless a valid operating  
1349 certificate is displayed under glass in a conspicuous place in the room  
1350 in which such boiler is located. If the boiler is not located within the  
1351 building, the certificate shall be posted in a location convenient to the  
1352 boiler inspected. In the case of a portable boiler such certificate shall be  
1353 kept in a metal container to be fastened to the boiler or kept in a tool  
1354 box accompanying the boiler.

1355 Sec. 33. Section 29-349 of the general statutes is repealed and the  
1356 following is substituted in lieu thereof (*Effective July 1, 2007*):

1357 (a) The Commissioner of Public Safety shall have exclusive  
1358 jurisdiction in the preparation of and may enforce reasonable  
1359 regulations for the safe and convenient storage, transportation and use  
1360 of explosives and blasting agents used in connection therewith, which  
1361 regulations shall deal in particular with the quantity and character of  
1362 explosives and blasting agents to be stored, transported and used, the  
1363 proximity of such storage to inhabited dwellings or other occupied

1364 buildings, public highways and railroad tracks, the character and  
1365 construction of suitable magazines for such storage, protective  
1366 measures to secure such stored explosives and blasting agents and the  
1367 abatement of any hazard that may arise incident to the storage,  
1368 transportation or use of such explosives and blasting agents.

1369 (b) No person, firm or corporation shall engage in any activity  
1370 concerning the storage, transportation or use of explosives unless such  
1371 person, firm or corporation has obtained a license therefor from the  
1372 Commissioner of Public Safety. Such license shall be issued upon  
1373 payment of a fee of [fifty] one hundred dollars and upon submission  
1374 by the applicant of evidence of good moral character and of  
1375 competence in the control and handling of explosives, provided, if  
1376 such license is for the use of explosives, it may be issued only to an  
1377 individual person after demonstration that such individual is  
1378 technically qualified to detonate explosives. Any such license to use  
1379 explosives shall bear both the fingerprints of the licensee obtained by  
1380 the Commissioner of Public Safety at the time of licensing, and the  
1381 licensee's photograph, furnished by the licensee, of a size specified by  
1382 the commissioner and taken not more than one year prior to the  
1383 issuance of the license. Each such license shall be valid for one year  
1384 from the date of its issuance, unless sooner revoked or suspended, and  
1385 may be renewed annually thereafter upon a payment of [thirty]  
1386 seventy-five dollars.

1387 (c) The Commissioner of Public Safety shall require any applicant  
1388 for a license under this section to submit to state and national criminal  
1389 history records checks. The criminal history records checks required  
1390 pursuant to this subsection shall be conducted in accordance with  
1391 section 29-17a.

1392 (d) No person shall manufacture, keep, store, sell or deal in any  
1393 explosives unless such person has a valid license under the provisions  
1394 of subsection (b) of this section and obtains from the Commissioner of  
1395 Public Safety or from the fire marshal of the town where such business  
1396 is conducted a written permit therefor, which permit shall not be valid

1397 for more than one year and for which such person shall pay a fee of  
1398 [twenty-five] fifty dollars. If the permit is issued by the Commissioner  
1399 of Public Safety, the commissioner shall forward a copy thereof to the  
1400 local fire marshal. Such permit so granted shall definitely state the  
1401 location of the building where such business is to be carried on or such  
1402 explosive deposited and shall state that such building or premises  
1403 complies with the regulations provided for in this section.

1404 (e) No person shall procure, transport or use any explosives unless  
1405 such person has a valid license under subsection (b) of this section and  
1406 has obtained a written permit therefor signed by the Commissioner of  
1407 Public Safety or by the fire marshal of the town where such explosive  
1408 is to be used, specifying the name of the purchaser, the amount to be  
1409 purchased and transported and the purpose for which it is to be used.  
1410 Any such permit to use explosives shall state the number of years the  
1411 permittee has been engaged in blasting activity. Such permit shall be  
1412 valid for such period, not longer than one year, as is required to  
1413 accomplish the purpose for which it was obtained. No carrier shall  
1414 transport any such explosive until the vehicle transporting the  
1415 explosive has been inspected and approved by the Department of  
1416 Public Safety and unless such written permit accompanies the same  
1417 and no person shall have in such person's possession any such  
1418 explosive unless such person has a license and permit therefor. The fee  
1419 for such inspection shall be [twenty-five] fifty dollars. The fee for such  
1420 permit shall be [twenty] thirty dollars. Each person who has in such  
1421 person's custody or possession any explosive or any detonating caps  
1422 for explosives shall keep the same either under personal observation or  
1423 securely locked up.

1424 (f) Any license or permit issued under the provisions of this section  
1425 may be suspended or revoked by the issuing authority for violation by  
1426 the licensee or permittee of any provision of law or regulation relating  
1427 to explosives or conviction of such licensee or permittee of any felony  
1428 or misdemeanor. Suspension or revocation of a license shall  
1429 automatically suspend or revoke the permit and the suspension or  
1430 revocation of a permit shall automatically suspend or revoke the

1431 license.

1432 (g) Any person who, by himself or herself or by such person's  
1433 employee or agent or as the employee or agent of another, violates any  
1434 provision of this section, or any regulation made by the Commissioner  
1435 of Public Safety pursuant to the provisions of this section, shall be  
1436 fined not more than ten thousand dollars or imprisoned not more than  
1437 ten years or both.

1438 (h) As used in this section, "blasting agent" means any material,  
1439 composition or mixture intended for blasting, consisting substantially  
1440 of a fuel and oxidizer, none of the ingredients of which is an explosive  
1441 as defined in section 29-343, and the finished product of which as  
1442 mixed and packaged for use or shipment cannot be detonated by the  
1443 test procedure established by regulations adopted by the  
1444 Commissioner of Public Safety in accordance with chapter 54.

1445 (i) Notwithstanding the provisions of this section, the Labor  
1446 Commissioner shall regulate the storage, transportation and use of  
1447 explosives and blasting agents in places of employment insofar as such  
1448 activities relate to employee health and safety, provided such  
1449 regulations shall be no less stringent than those prepared and enforced  
1450 by the Commissioner of Public Safety pursuant to this section.

1451 Sec. 34. Section 29-357 of the general statutes is repealed and the  
1452 following is substituted in lieu thereof (*Effective July 1, 2007*):

1453 (a) Except as provided in subsection (b) of this section, no person,  
1454 firm or corporation shall offer for sale, expose for sale, sell at retail or  
1455 use or explode or possess with intent to sell, use or explode any  
1456 fireworks. A person who is sixteen years of age or older may offer for  
1457 sale, expose for sale, sell at retail, purchase, use or possess with intent  
1458 to sell or use sparklers or fountains of not more than one hundred  
1459 grams of pyrotechnic mixture per item, which are nonexplosive and  
1460 nonaerial, provided (1) such sparklers and fountains do not contain  
1461 magnesium, except for magnalium or magnesium-aluminum alloy, (2)  
1462 such sparklers and fountains containing any chlorate or perchlorate

1463 salts do not exceed five grams of composition per item, and (3) when  
1464 more than one fountain is mounted on a common base, the total  
1465 pyrotechnic composition does not exceed two hundred grams.

1466 (b) The State Fire Marshal shall adopt reasonable regulations, in  
1467 accordance with chapter 54, for the granting of permits for supervised  
1468 displays of fireworks or for the indoor use of pyrotechnics, sparklers  
1469 and fountains for special effects by municipalities, fair associations,  
1470 amusement parks, other organizations or groups of individuals or  
1471 artisans in pursuit of their trade. Such permit may be issued upon  
1472 application to said State Fire Marshal and after (1) inspection of the site  
1473 of such display or use by the local fire marshal to determine  
1474 compliance with the requirements of such regulations, (2) approval of  
1475 the chiefs of the police and fire departments, or, if there is no police or  
1476 fire department, of the first selectman, of the municipality wherein the  
1477 display is to be held as is provided in this section, and (3) the filing of a  
1478 bond by the applicant as provided in section 29-358. No such display  
1479 shall be handled or fired by any person until such person has been  
1480 granted a certificate of competency by the State Fire Marshal, in  
1481 respect to which a fee of [fifty] one hundred dollars shall be payable to  
1482 the State Treasurer when issued and which may be renewed every  
1483 three years upon payment of a fee of [thirty] one hundred fifty dollars  
1484 to the State Treasurer, provided such certificate may be suspended or  
1485 revoked by said marshal at any time for cause. Such certificate of  
1486 competency shall attest to the fact that such operator is competent to  
1487 fire a display. Such display shall be of such a character and so located,  
1488 discharged or fired as in the opinion of the chiefs of the police and fire  
1489 departments or such selectman, after proper inspection, will not be  
1490 hazardous to property or endanger any person or persons. In an aerial  
1491 bomb, no salute, report or maroon may be used that is composed of a  
1492 formula of chlorate of potash, sulphur, black needle antimony and  
1493 dark aluminum. Formulas that may be used in a salute, report or  
1494 maroon are as follows: (A) Perchlorate of potash, black needle  
1495 antimony and dark aluminum, and (B) perchlorate of potash, dark  
1496 aluminum and sulphur. No high explosive such as dynamite,

1497 fulminate of mercury or other stimulator for detonating shall be used  
1498 in any aerial bomb or other pyrotechnics. Application for permits shall  
1499 be made in writing at least fifteen days prior to the date of display, on  
1500 such notice as the State Fire Marshal by regulation prescribes, on forms  
1501 furnished by him, and a fee of [thirty-five] fifty dollars shall be payable  
1502 to the State Treasurer with each such application. After such permit  
1503 has been granted, sales, possession, use and distribution of fireworks  
1504 for such display shall be lawful for that purpose only. No permit  
1505 granted hereunder shall be transferable. Any permit issued under the  
1506 provisions of this section may be suspended or revoked by the State  
1507 Fire Marshal or the local fire marshal for violation by the permittee of  
1508 any provision of the general statutes, any regulation or any ordinance  
1509 relating to fireworks.

1510 (c) The State Fire Marshal may grant variations or exemptions from,  
1511 or approve equivalent or alternate compliance with, particular  
1512 provisions of any regulation issued under the provisions of subsection  
1513 (b) of this section where strict compliance with such provisions would  
1514 entail practical difficulty or unnecessary hardship or is otherwise  
1515 adjudged unwarranted, provided any such variation, exemption,  
1516 approved equivalent or alternate compliance shall, in the opinion of  
1517 the State Fire Marshal, secure the public safety and shall be made in  
1518 writing.

1519 (d) Any person, firm or corporation violating the provisions of this  
1520 section shall be fined not more than one hundred dollars or  
1521 imprisoned not more than ninety days or be both fined and  
1522 imprisoned, except that (1) any person, firm or corporation violating  
1523 the provisions of subsection (a) of this section by offering for sale,  
1524 exposing for sale or selling at retail or possessing with intent to sell any  
1525 fireworks with a value exceeding ten thousand dollars shall be guilty  
1526 of a class A misdemeanor, and (2) any person, firm or corporation  
1527 violating any provision of subsection (b) of this section or any  
1528 regulation adopted thereunder shall be guilty of a class A  
1529 misdemeanor, except if death or injury results from any such violation,  
1530 such person, firm or corporation shall be fined not more than ten

1531 thousand dollars or imprisoned not more than ten years, or both.

1532 Sec. 35. Section 29-365 of the general statutes is repealed and the  
1533 following is substituted in lieu thereof (*Effective July 1, 2007*):

1534 The fee to be paid to the licensing authority upon each application  
1535 shall be as follows: For a fireworks manufacturing license, [one] two  
1536 hundred dollars; for a dealer, wholesaler and jobber, [fifty] two  
1537 hundred dollars. Fees collected by the State Fire Marshal shall be paid  
1538 to the State Treasurer.

1539 Sec. 36. Section 29-402 of the general statutes is repealed and the  
1540 following is substituted in lieu thereof (*Effective July 1, 2007*):

1541 (a) No person shall engage in the business of demolition of  
1542 buildings without a certificate of registration obtained from the  
1543 Department of Public Safety. An applicant for initial registration shall  
1544 file an application with the Department of Public Safety, furnish  
1545 evidence of expertise and financial responsibility and pay a fee of three  
1546 hundred fifty dollars for a class B certificate and seven hundred fifty  
1547 dollars for a class A certificate. Each certificate shall be valid for twelve  
1548 months from date of issuance and shall be renewable on application of  
1549 the registrant upon payment of an annual fee of two hundred dollars  
1550 for a class B certificate and six hundred dollars for a class A certificate.  
1551 The department may refuse to issue any such certificate for cause, and  
1552 may revoke or refuse to renew any such certificate for failure to carry  
1553 out and conform to the provisions of this part or to any regulations  
1554 adopted hereunder, or for any violation of title 22a. No person shall be  
1555 refused a certificate or a renewal thereof, and no certificate shall be  
1556 revoked, without an opportunity for a hearing conducted by the  
1557 Department of Public Safety.

1558 (b) As used in this part, the term "registration" includes the whole or  
1559 part of any permit which the Department of Public Safety issues under  
1560 authority of the general statutes and which (1) requires persons to  
1561 place their names on a list maintained by the department before they  
1562 can engage in the business of demolition of buildings, (2) does not

1563 require a person to demonstrate competence by examination or other  
 1564 means, and (3) may be revoked or suspended by the department for  
 1565 cause.

1566 (c) The provisions of this section shall not apply to (1) a person who  
 1567 is engaged in the disassembling, transportation and reconstruction of  
 1568 historic buildings for historical purposes or in the demolition of farm  
 1569 buildings or in the renovation, alteration or reconstruction of a single-  
 1570 family residence, (2) the removal of underground petroleum storage  
 1571 tanks, (3) the burning of a building or structure as part of an organized  
 1572 fire department training exercise, or (4) the demolition of a single-  
 1573 family residence or out building by an owner of such structure if it  
 1574 does not exceed a height of thirty feet, provided (A) the owner shall be  
 1575 present on site while such demolition work is in progress and shall be  
 1576 held personally liable for any injury to individuals or damage to public  
 1577 or private property caused by such demolition, and (B) such  
 1578 demolition shall be permitted only with respect to buildings which  
 1579 have clearance from other structures, roads or highways equal to or  
 1580 greater than the height of the structure subject to demolition. The local  
 1581 building official may require additional clearance when deemed  
 1582 necessary for safety."

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 taxable years commencing on or after January 1, 2007</i>	12-284b(b)
Sec. 3	<i>July 1, 2007, and applicable to estates of decedents dying on or after January 1, 2007</i>	12-391(g)

Sec. 4	<i>July 1, 2007, and applicable to estates of decedents dying on or after January 1, 2007</i>	12-391(d)(1)
Sec. 5	<i>July 1, 2007, and applicable to estates of decedents dying on or after January 1, 2007</i>	12-391(e)
Sec. 6	<i>July 1, 2007, and applicable to calendar years commencing on or after January 1, 2007</i>	12-642(a)
Sec. 7	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	12-412(3)
Sec. 8	<i>July 1, 2007</i>	12-412(115)
Sec. 9	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007, and prior to July 1, 2010</i>	12-412
Sec. 10	<i>July 1, 2007</i>	12-412k
Sec. 11	<i>from passage</i>	New section
Sec. 12	<i>from passage</i>	12-458(a)(3)
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>from passage</i>	14-332
Sec. 16	<i>from passage</i>	14-332a
Sec. 17	<i>from passage</i>	New section
Sec. 18	<i>October 1, 2007, and applicable to taxable years commencing on or after January 1, 2007</i>	12-701(a)(20)(B)
Sec. 19	<i>October 1, 2007, and applicable to taxable years commencing on or after January 1, 2008</i>	12-701(a)(20)(B)
Sec. 20	<i>July 1, 2007</i>	New section

Sec. 21	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	New section
Sec. 22	<i>July 1, 2007, and applicable to income and taxable years commencing on and after January 1, 2008</i>	New section
Sec. 23	<i>July 1, 2007</i>	29-112
Sec. 24	<i>July 1, 2007</i>	29-117
Sec. 25	<i>July 1, 2007</i>	29-130
Sec. 26	<i>July 1, 2007</i>	29-134
Sec. 27	<i>July 1, 2007</i>	29-193
Sec. 28	<i>July 1, 2007</i>	29-196
Sec. 29	<i>July 1, 2007</i>	29-204
Sec. 30	<i>July 1, 2007</i>	29-206
Sec. 31	<i>July 1, 2007</i>	29-237
Sec. 32	<i>July 1, 2007</i>	29-238
Sec. 33	<i>July 1, 2007</i>	29-349
Sec. 34	<i>July 1, 2007</i>	29-357
Sec. 35	<i>July 1, 2007</i>	29-365
Sec. 36	<i>July 1, 2007</i>	29-402