



General Assembly

January Session, 2007

**Amendment**

LCO No. 8337

**\*HB0740008337HRO\***

Offered by:

REP. CAFERO, 142<sup>nd</sup> Dist.

REP. HAMZY, 78<sup>th</sup> Dist.

REP. KLARIDES, 114<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 section 7 in its entirety and insert the following in lieu thereof:

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3 general statutes is repealed and the following is substituted in lieu  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

5 (37) "Services" for purposes of subdivision (2) of this subsection,  
6 means:

7 (A) Computer and data processing services, including, but not  
8 limited to, time, programming, code writing, modification of existing  
9 programs, feasibility studies and installation and implementation of  
10 software programs and systems even where such services are rendered  
11 in connection with the development, creation or production of canned

12 or custom software or the license of custom software, and exclusive of  
13 services rendered in connection with the creation, development  
14 hosting or maintenance of all or part of a web site which is part of the  
15 graphical, hypertext portion of the Internet, commonly referred to as  
16 the World Wide Web;

17 (B) Credit information and reporting services;

18 (C) Services by employment agencies and agencies providing  
19 personnel services;

20 (D) Private investigation, protection, patrol work, watchman and  
21 armored car services, exclusive of (i) services of off-duty police officers  
22 and off-duty firefighters, and (ii) coin and currency services provided  
23 to a financial services company by or through another financial  
24 services company. For purposes of this subparagraph, "financial  
25 services company" has the same meaning as provided under  
26 subparagraphs (A) to (H), inclusive, of subdivision (6) of subsection (a)  
27 of section 12-218b;

28 (E) Painting and lettering services;

29 (F) Photographic studio services;

30 (G) Telephone answering services;

31 (H) Stenographic services;

32 (I) Services to industrial, commercial or income-producing real  
33 property, including, but not limited to, such services as management,  
34 electrical, plumbing, painting and carpentry and excluding any such  
35 services rendered in the voluntary evaluation, prevention, treatment,  
36 containment or removal of hazardous waste, as defined in section  
37 22a-115, or other contaminants of air, water or soil, provided  
38 income-producing property shall not include property used  
39 exclusively for residential purposes in which the owner resides and  
40 which contains no more than three dwelling units, or a housing facility  
41 for low and moderate income families and persons owned or operated

42 by a nonprofit housing organization, as defined in subdivision (29) of  
43 section 12-412;

44 (J) Business analysis, management, management consulting and  
45 public relations services, excluding (i) any environmental consulting  
46 services, (ii) any training services provided by an institution of higher  
47 education licensed or accredited by the Board of Governors of Higher  
48 Education pursuant to section 10a-34, and (iii) on and after January 1,  
49 1994, any business analysis, management, management consulting and  
50 public relations services when such services are rendered in connection  
51 with an aircraft leased or owned by a certificated air carrier or in  
52 connection with an aircraft which has a maximum certificated take-off  
53 weight of six thousand pounds or more;

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

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

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

64 (N) Motor vehicle parking, including the provision of space, other  
65 than metered space, in a lot having thirty or more spaces, excluding (i)  
66 space in a seasonal parking lot provided by a person who is exempt  
67 from taxation under this chapter pursuant to subdivision (1), (5) or (8)  
68 of section 12-412, (ii) space in a parking lot owned or leased under the  
69 terms of a lease of not less than ten years' duration and operated by an  
70 employer for the exclusive use of its employees, (iii) valet parking  
71 provided at any airport, and (iv) space in municipally-operated  
72 railroad parking facilities in municipalities located within an area of  
73 the state designated as a severe nonattainment area for ozone under

74 the federal Clean Air Act or space in a railroad parking facility in a  
75 municipality located within an area of the state designated as a severe  
76 nonattainment area for ozone under the federal Clean Air Act owned  
77 or operated by the state on or after April 1, 2000;

78 (O) Radio or television repair services;

79 (P) Furniture reupholstering and repair services;

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

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

86 (S) Services of the agent of any person in relation to the sale of any  
87 item of tangible personal property for such person, exclusive of the  
88 services of a consignee selling works of art, as defined in subsection (b)  
89 of section 12-376c, or articles of clothing or footwear intended to be  
90 worn on or about the human body other than (i) any special clothing  
91 or footwear primarily designed for athletic activity or protective use  
92 and which is not normally worn except when used for the athletic  
93 activity or protective use for which it was designed, and (ii) jewelry,  
94 handbags, luggage, umbrellas, wallets, watches and similar items  
95 carried on or about the human body but not worn on the body in the  
96 manner characteristic of clothing intended for exemption under  
97 subdivision (47) of section 12-412, under consignment, exclusive of  
98 services provided by an auctioneer;

99 (T) Locksmith services;

100 (U) Advertising or public relations services, including layout, art  
101 direction, graphic design, mechanical preparation or production  
102 supervision, not related to the development of media advertising or  
103 cooperative direct mail advertising;

- 104 (V) Landscaping and horticulture services;
- 105 (W) Window cleaning services;
- 106 (X) Maintenance services;
- 107 (Y) Janitorial services;
- 108 (Z) Exterminating services;
- 109 (AA) Swimming pool cleaning and maintenance services;
- 110 (BB) Miscellaneous personal services included in industry group 729  
111 in the Standard Industrial Classification Manual, United States Office  
112 of Management and Budget, 1987 edition, or U.S. industry 532220,  
113 812191, 812199 or 812990 in the North American Industrial  
114 Classification System United States Manual, United States Office of  
115 Management and Budget, 1997 edition, exclusive of (i) services  
116 rendered by massage therapists licensed pursuant to chapter 384a, and  
117 (ii) services rendered by an electrologist licensed pursuant to chapter  
118 388;
- 119 (CC) Any repair or maintenance service to any item of tangible  
120 personal property including any contract of warranty or service related  
121 to any such item;
- 122 (DD) Business analysis, management or managing consulting  
123 services rendered by a general partner, or an affiliate thereof, to a  
124 limited partnership, provided (i) the general partner, or an affiliate  
125 thereof, is compensated for the rendition of such services other than  
126 through a distributive share of partnership profits or an annual  
127 percentage of partnership capital or assets established in the limited  
128 partnership's offering statement, and (ii) the general partner, or an  
129 affiliate thereof, offers such services to others, including any other  
130 partnership. As used in this subparagraph "an affiliate of a general  
131 partner" means an entity which is directly or indirectly owned fifty per  
132 cent or more in common with a general partner;

133 (EE) Notwithstanding the provisions of section 12-412, except  
134 subdivision (87) of said section 12-412, patient care services, as defined  
135 in subdivision (29) of this subsection by a hospital, except that "sale"  
136 and "selling" does not include such patient care services for which  
137 payment is received by the hospital during the period commencing  
138 July 1, 2001, and ending June 30, 2003.

139 [(FF) Health and athletic club services, exclusive of (i) any such  
140 services provided without any additional charge which are included in  
141 any dues or initiation fees paid to any such club, which dues or fees  
142 are subject to tax under section 12-543, (ii) any such services provided  
143 by a municipality or an organization that is described in Section 501(c)  
144 of the Internal Revenue Code of 1986, or any subsequent  
145 corresponding internal revenue code of the United States, as from time  
146 to time amended, and (iii) yoga instruction provided at a yoga  
147 studio.]"

148 Strike section 41 in its entirety and insert the following in lieu  
149 thereof:

150 "Sec. 41. Subparagraph (A) of subdivision (37) of subsection (a) of  
151 section 12-407 is repealed. (*Effective July 1, 2007, and applicable to sales*  
152 *occurring on or after July 1, 2007)*"