



General Assembly

**Amendment**

January Session, 2007

LCO No. 8177

**\*SB0148308177SD0\***

Offered by:

SEN. WILLIAMS, 29<sup>th</sup> Dist.

REP. AMANN, 118<sup>th</sup> Dist.

SEN. DAILY, 33<sup>rd</sup> Dist.

REP. STAPLES, 96<sup>th</sup> Dist.

To: Senate Bill No. **1483**

File No.

Cal. No.

**"AN ACT CONCERNING REVENUES FROM THE CIGARETTE TAX."**

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

3 "Section 1. Section 12-211a of the general statutes is repealed and the  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 Notwithstanding any provision of the general statutes, the amount  
7 of tax credit or credits otherwise allowable against the tax imposed  
8 under this chapter for any income year shall not exceed [seventy] sixty  
9 per cent of the amount of tax due from such taxpayer under this  
10 chapter with respect to such income year of the taxpayer prior to the  
11 application of such credit or credits.

12 Sec. 2. Section 12-217zz of the general statutes is repealed and the

13 following is substituted in lieu thereof (*Effective July 1, 2007, and*  
14 *applicable to income years commencing on or after January 1, 2007*):

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

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 Section 12-296 of the general statutes is repealed and the  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

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

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 Section 12-316 of the general statutes is repealed and the  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

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

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

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

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

79 (a) With respect to estates of decedents who die prior to January 1,  
80 2005, and except as otherwise provided in section 59 of public act 03-1  
81 of the June 30 special session\*, a tax is imposed upon the transfer of the  
82 estate of each person who at the time of death was a resident of this  
83 state. The amount of the tax shall be the amount of the federal credit  
84 allowable for estate, inheritance, legacy and succession taxes paid to  
85 any state or the District of Columbia under the provisions of the  
86 federal internal revenue code in force at the date of such decedent's  
87 death in respect to any property owned by such decedent or subject to  
88 such taxes as part of or in connection with the estate of such decedent.  
89 If real or tangible personal property of such decedent is located outside  
90 of this state and is subject to estate, inheritance, legacy, or succession  
91 taxes by any state or states, other than the state of Connecticut, or by  
92 the District of Columbia for which such federal credit is allowable, the  
93 amount of tax due under this section shall be reduced by the lesser of:  
94 (1) The amount of any such taxes paid to such other state or states or  
95 said district and allowed as a credit against the federal estate tax; or (2)  
96 an amount computed by multiplying such federal credit by a fraction,  
97 (A) the numerator of which is the value of that part of the decedent's  
98 gross estate over which such other state or states or said district have  
99 jurisdiction for estate tax purposes to the same extent to which this  
100 state would assert jurisdiction for estate tax purposes under this  
101 chapter with respect to the residents of such other state or states or  
102 said district, and (B) the denominator of which is the value of the  
103 decedent's gross estate. Property of a resident estate over which this  
104 state has jurisdiction for estate tax purposes includes real property  
105 situated in this state, tangible personal property having an actual situs  
106 in this state, and intangible personal property owned by the decedent,  
107 regardless of where it is located. The amount of any estate tax imposed  
108 under this subsection shall also be reduced, but not below zero, by the  
109 amount of any tax that is imposed under chapter 216 and that is  
110 actually paid to this state.

111 (b) With respect to the estates of decedents who die prior to January  
112 1, 2005, and except as otherwise provided in section 59 of public act 03-

113 1 of the June 30 special session\*, a tax is imposed upon the transfer of  
114 the estate of each person who at the time of death was a nonresident of  
115 this state, the amount of which shall be computed by multiplying (1)  
116 the federal credit allowable for estate, inheritance, legacy, and  
117 succession taxes paid to any state or states or the District of Columbia  
118 under the provisions of the federal internal revenue code in force at the  
119 date of such decedent's death in respect to any property owned by  
120 such decedent or subject to such taxes as a part of or in connection  
121 with the estate of such decedent by (2) a fraction, (A) the numerator of  
122 which is the value of that part of the decedent's gross estate over which  
123 this state has jurisdiction for estate tax purposes and (B) the  
124 denominator of which is the value of the decedent's gross estate.  
125 Property of a nonresident estate over which this state has jurisdiction  
126 for estate tax purposes includes real property situated in this state and  
127 tangible personal property having an actual situs in this state. The  
128 amount of any estate tax imposed under this subsection shall also be  
129 reduced, but not below zero, by the amount of any tax that is imposed  
130 under chapter 216 and that is actually paid to this state.

131 (c) For purposes of this section:

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

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

146 (3) "Gross estate" means the gross estate, for federal estate tax  
147 purposes.

148 (d) (1) With respect to the estates of decedents who die on or after  
149 January 1, 2005, a tax is imposed upon the transfer of the estate of each  
150 person who at the time of death was a resident of this state. The  
151 amount of the tax shall be determined using the schedule in subsection  
152 (g) of this section. A credit shall be allowed against such tax for any  
153 taxes paid to this state pursuant to section 12-642 for Connecticut  
154 taxable gifts made on or after January 1, 2005.

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

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

176 (e) (1) With respect to the estates of decedents who die on or after  
177 January 1, 2005, a tax is imposed upon the transfer of the estate of each

178 person who at the time of death was a nonresident of this state. The  
179 amount of such tax shall be computed by multiplying (A) the amount  
180 of tax determined using the appropriate schedule in subsection (g) of  
181 this section by (B) a fraction, (i) the numerator of which is the value of  
182 that part of the decedent's gross estate over which this state has  
183 jurisdiction for estate tax purposes, and (ii) the denominator of which  
184 is the value of the decedent's gross estate. A credit shall be allowed  
185 against such tax for any taxes paid to this state pursuant to section 12-  
186 642, on or after January 1, 2005.

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

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

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

203 (g) (1) With respect to the estates of decedents dying on or after  
204 January 1, 2005, but prior to January 1, 2007, the tax based on the  
205 Connecticut taxable estate shall be as provided in the following  
206 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

207 (2) With respect to the estates of decedents dying on or after January  
 208 1, 2007, the tax based on the Connecticut taxable estate shall be as  
 209 provided in the following schedule:

	<u>Amount of Connecticut</u>		<u>Rate of Tax</u>
T28	<u>Amount of Connecticut</u>		
T29	<u>Taxable Estate</u>		
T30	<u>Not over \$2,000,000</u>		<u>None</u>
T31	<u>Over \$2,000,000</u>		<u>5.085% of the excess over</u>
T32	<u>but not over \$2,100,000</u>		<u>\$2,000,000</u>
T33	<u>Over \$2,100,000</u>		<u>\$5,100 plus 10.0% of the excess</u>
T34	<u>but not over \$2,600,000</u>		<u>over \$2,100,000</u>
T35	<u>Over \$2,600,000</u>		<u>\$55,100 plus 11.0% of the excess</u>
T36	<u>but not over \$3,100,000</u>		<u>over \$2,600,000</u>
T37	<u>Over \$3,100,000</u>		<u>\$110,100 plus 12.0% of the excess</u>
T38	<u>but not over \$3,600,000</u>		<u>over \$3,100,000</u>
T39	<u>Over \$3,600,000</u>		<u>\$170,100 plus 13.0% of the excess</u>
T40	<u>but not over \$4,100,000</u>		<u>over \$3,600,000</u>
T41	<u>Over \$4,100,000</u>		<u>\$235,100 plus 14.0% of the excess</u>
T42	<u>but not over \$5,100,000</u>		<u>over \$4,100,000</u>
T43	<u>Over \$5,100,000</u>		<u>\$375,100 plus 15% of the excess</u>
T44	<u>but not over \$6,100,000</u>		<u>over \$5,100,000</u>
T45	<u>Over \$6,100,000</u>		<u>\$525,100 plus 16.0% of the excess</u>
T46	<u>but not over \$7,100,000</u>		<u>over \$6,100,000</u>
T47	<u>Over \$7,100,000</u>		<u>\$685,100 plus 17.0% of the excess</u>
T48	<u>but not over \$8,100,000</u>		<u>over \$7,100,000</u>
T49	<u>Over \$8,100,000</u>		<u>\$855,100 plus 18.0% of the excess</u>
T50	<u>but not over \$9,100,000</u>		<u>over \$8,100,000</u>
T51	<u>Over \$9,100,000</u>		<u>\$1,035,000 plus 19.0% of the</u>
T52	<u>but not over \$10,100,000</u>		<u>excess over \$9,100,000</u>
T53	<u>Over \$10,100,000</u>		<u>\$1,225,100 plus 20.0% of the</u>
T54			<u>excess over \$10,100,000</u>

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

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

244 basis of such proposed determination. Sixty days after the date on  
245 which it is mailed, a notice of proposed determination shall constitute  
246 a final determination unless the person required to make and file a tax  
247 return under this chapter has filed, as provided in subdivision (3) of  
248 this subsection, a written protest with the Commissioner of Revenue  
249 Services.

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

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

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

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

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

276 (37) "Services" for purposes of subdivision (2) of this subsection,  
277 means:

278 (A) Computer and data processing services, including, but not  
279 limited to, time, programming, code writing, modification of existing  
280 programs, feasibility studies and installation and implementation of  
281 software programs and systems even where such services are rendered  
282 in connection with the development, creation or production of canned  
283 or custom software or the license of custom software, and exclusive of  
284 services rendered in connection with the creation, development  
285 hosting or maintenance of all or part of a web site which is part of the  
286 graphical, hypertext portion of the Internet, commonly referred to as  
287 the World Wide Web;

288 (B) Credit information and reporting services;

289 (C) Services by employment agencies and agencies providing  
290 personnel services;

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

299 (E) Painting and lettering services;

300 (F) Photographic studio services;

301 (G) Telephone answering services;

302 (H) Stenographic services;

303 (I) Services to industrial, commercial or income-producing real  
304 property, including, but not limited to, such services as management,

305 electrical, plumbing, painting and carpentry and excluding any such  
306 services rendered in the voluntary evaluation, prevention, treatment,  
307 containment or removal of hazardous waste, as defined in section  
308 22a-115, or other contaminants of air, water or soil, provided  
309 income-producing property shall not include property used  
310 exclusively for residential purposes in which the owner resides and  
311 which contains no more than three dwelling units, or a housing facility  
312 for low and moderate income families and persons owned or operated  
313 by a nonprofit housing organization, as defined in subdivision (29) of  
314 section 12-412;

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

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

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

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

335 (N) Motor vehicle parking, including the provision of space, other  
336 than metered space, in a lot having thirty or more spaces, excluding (i)

337 space in a seasonal parking lot provided by a person who is exempt  
338 from taxation under this chapter pursuant to subdivision (1), (5) or (8)  
339 of section 12-412, (ii) space in a parking lot owned or leased under the  
340 terms of a lease of not less than ten years' duration and operated by an  
341 employer for the exclusive use of its employees, (iii) valet parking  
342 provided at any airport, and (iv) space in municipally-operated  
343 railroad parking facilities in municipalities located within an area of  
344 the state designated as a severe nonattainment area for ozone under  
345 the federal Clean Air Act or space in a railroad parking facility in a  
346 municipality located within an area of the state designated as a severe  
347 nonattainment area for ozone under the federal Clean Air Act owned  
348 or operated by the state on or after April 1, 2000;

349 (O) Radio or television repair services;

350 (P) Furniture reupholstering and repair services;

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

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

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

- 369 services provided by an auctioneer;
- 370 (T) Locksmith services;
- 371 (U) Advertising or public relations services, including layout, art  
372 direction, graphic design, mechanical preparation or production  
373 supervision, not related to the development of media advertising or  
374 cooperative direct mail advertising;
- 375 (V) Landscaping and horticulture services;
- 376 (W) Window cleaning services;
- 377 (X) Maintenance services;
- 378 (Y) Janitorial services;
- 379 (Z) Exterminating services;
- 380 (AA) Swimming pool cleaning and maintenance services;
- 381 (BB) Miscellaneous personal services included in industry group 729  
382 in the Standard Industrial Classification Manual, United States Office  
383 of Management and Budget, 1987 edition, or U.S. industry 532220,  
384 812191, 812199 or 812990 in the North American Industrial  
385 Classification System United States Manual, United States Office of  
386 Management and Budget, 1997 edition, exclusive of (i) services  
387 rendered by massage therapists licensed pursuant to chapter 384a, and  
388 (ii) services rendered by an electrologist licensed pursuant to chapter  
389 388;
- 390 (CC) Any repair or maintenance service to any item of tangible  
391 personal property including any contract of warranty or service related  
392 to any such item;
- 393 (DD) Business analysis, management or managing consulting  
394 services rendered by a general partner, or an affiliate thereof, to a  
395 limited partnership, provided (i) the general partner, or an affiliate  
396 thereof, is compensated for the rendition of such services other than

397 through a distributive share of partnership profits or an annual  
398 percentage of partnership capital or assets established in the limited  
399 partnership's offering statement, and (ii) the general partner, or an  
400 affiliate thereof, offers such services to others, including any other  
401 partnership. As used in this subparagraph "an affiliate of a general  
402 partner" means an entity which is directly or indirectly owned fifty per  
403 cent or more in common with a general partner;

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

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

418 Sec. 8. Subdivision (1) of section 12-408 of the general statutes is  
419 repealed and the following is substituted in lieu thereof (*Effective July*  
420 *1, 2007*):

421 (1) For the privilege of making any sales, as defined in subdivision  
422 (2) of subsection (a) of section 12-407, at retail, in this state for a  
423 consideration, a tax is hereby imposed on all retailers at the rate of six  
424 per cent of the gross receipts of any retailer from the sale of all tangible  
425 personal property sold at retail or from the rendering of any services  
426 constituting a sale in accordance with subdivision (2) of subsection (a)  
427 of section 12-407, except, in lieu of said rate of six per cent, (A) at a rate  
428 of twelve per cent with respect to each transfer of occupancy, from the

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

464 the new rate and delivery is made within ninety days after the effective  
465 date of the new rate. For the purposes of payment of the tax imposed  
466 under this section, any retailer of services taxable under subparagraph  
467 (I) of subdivision (2) of subsection (a) of section 12-407, who computes  
468 taxable income, for purposes of taxation under the Internal Revenue  
469 Code of 1986, or any subsequent corresponding internal revenue code  
470 of the United States, as from time to time amended, on an accounting  
471 basis which recognizes only cash or other valuable consideration  
472 actually received as income and who is liable for such tax only due to  
473 the rendering of such services may make payments related to such tax  
474 for the period during which such income is received, without penalty  
475 or interest, without regard to when such service is rendered.

476 Sec. 9. Subdivision (55) of section 12-412 of the general statutes is  
477 repealed and the following is substituted in lieu thereof (*Effective July*  
478 *1, 2007, and applicable to sales occurring on and after July 1, 2007*):

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

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

493 Sec. 11. Subdivision (27) of section 12-412 of the general statutes is  
494 repealed and the following is substituted in lieu thereof (*Effective July*  
495 *1, 2007, and applicable to sales occurring on or after July 1, 2007*):

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

501 Sec. 12. Subsection (b) of section 12-412k of the general statutes is  
502 repealed and the following is substituted in lieu thereof (*Effective July*  
503 *1, 2007, and applicable to sales occurring on or after July 1, 2007*):

504 (b) Notwithstanding the provisions of the general statutes, from  
505 November 25, 2005, to April 1, 2006, and from June 1, 2006, to June 30,  
506 [2007] 2010, the provisions of this chapter shall not apply to sales of  
507 any residential weatherization products.

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

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

522 (b) [With] Notwithstanding the provisions of section 13b-61, with  
523 respect to fiscal years ending on or after June 30, 2004, but prior to June  
524 30, 2008, the Commissioner of Revenue Services shall deposit into the  
525 Conservation Fund established under section 22a-27h<sub>2</sub>, three million  
526 dollars of the amount of the funds received by the state from the tax  
527 imposed under this chapter attributable to sales of fuel from

528 distributors to any boat yard, public or private marina or other entity  
529 renting or leasing slips, dry storage, mooring or other space for marine  
530 vessels, provided (1) two hundred fifty thousand dollars shall be  
531 credited to the boating account, and (2) two million dollars shall be  
532 credited to the fisheries account, of which not less than seventy-five  
533 thousand dollars shall be allocated to The University of Connecticut  
534 for the Long Island Sound councils.

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

548 Sec. 14. Subsection (a) of section 12-494 of the general statutes is  
549 repealed and the following is substituted in lieu thereof (*Effective July*  
550 *1, 2007*):

551 (a) There is imposed a tax on each deed, instrument or writing,  
552 whereby any lands, tenements or other realty is granted, assigned,  
553 transferred or otherwise conveyed to, or vested in, the purchaser, or  
554 any other person by his direction, when the consideration for the  
555 interest or property conveyed equals or exceeds two thousand dollars,  
556 (1) subject to the provisions of subsection (b) of this section, at the rate  
557 of five-tenths of one per cent of the consideration for the interest in real  
558 property conveyed by such deed, instrument or writing, the revenue  
559 from which shall be remitted by the town clerk of the municipality in  
560 which such tax is paid, not later than ten days following receipt

561 thereof, to the Commissioner of Revenue Services for deposit to the  
562 credit of the state General Fund, and (2) at the rate of one-fourth of one  
563 per cent of the consideration for the interest in real property conveyed  
564 by such deed, instrument or writing, [and on and after July 1, 2007, at  
565 the rate of eleven one-hundredths of one per cent of the consideration  
566 for the interest in real property conveyed by such deed, instrument or  
567 writing,] provided the amount imposed under this subdivision shall  
568 become part of the general revenue of the municipality in accordance  
569 with section 12-499.

570 Sec. 15. Section 12-587 of the general statutes is repealed and the  
571 following is substituted in lieu thereof (*Effective July 1, 2007*):

572 (a) As used in this chapter: (1) "Company" includes a corporation,  
573 partnership, limited partnership, limited liability company, limited  
574 liability partnership, association, individual or any fiduciary thereof;  
575 (2) "quarterly period" means a period of three calendar months  
576 commencing on the first day of January, April, July or October and  
577 ending on the last day of March, June, September or December,  
578 respectively; (3) "gross earnings" means all consideration received  
579 from the first sale within this state of a petroleum product; (4)  
580 "petroleum products" means those products which contain or are  
581 made from petroleum or a petroleum derivative; (5) "first sale of  
582 petroleum products within this state" means the initial sale of a  
583 petroleum product delivered to a location in this state; (6) "export" or  
584 "exportation" means the conveyance of petroleum products from  
585 within this state to a location outside this state for the purpose of sale  
586 or use outside this state; and (7) "sale for exportation" means a sale of  
587 petroleum products to a purchaser which itself exports such products.

588 (b) (1) Except as otherwise provided in subdivision (2) of this  
589 subsection, any company which is engaged in the refining or  
590 distribution, or both, of petroleum products and which distributes  
591 such products in this state shall pay a quarterly tax on its gross  
592 earnings derived from the first sale of petroleum products within this  
593 state. Each company shall on or before the last day of the month next

594 succeeding each quarterly period render to the commissioner a return  
595 on forms prescribed or furnished by the commissioner and signed by  
596 the person performing the duties of treasurer or an authorized agent or  
597 officer, including the amount of gross earnings derived from the first  
598 sale of petroleum products within this state for the quarterly period  
599 and such other facts as the commissioner may require for the purpose  
600 of making any computation required by this chapter. Except as  
601 otherwise provided in subdivision (3) of this subsection, the rate of tax  
602 shall be (A) five per cent with respect to calendar quarters prior to July  
603 1, 2005; (B) five and eight-tenths per cent with respect to calendar  
604 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;  
605 (C) six and three-tenths per cent with respect to calendar quarters  
606 commencing on or after July 1, 2006, and prior to July 1, [2007] 2008;  
607 (D) seven per cent with respect to calendar quarters commencing on or  
608 after July 1, [2007] 2008, and prior to July 1, [2008] 2009; (E) seven and  
609 one-half per cent with respect to calendar quarters commencing on or  
610 after July 1, [2008] 2009, and prior to July 1, [2013] 2014; and (F) eight  
611 and one-tenth per cent with respect to calendar quarters commencing  
612 on or after July 1, [2013] 2014.

613 (2) Gross earnings derived from the first sale of the following  
614 petroleum products within this state shall be exempt from tax: (A) Any  
615 petroleum products sold for exportation from this state for sale or use  
616 outside this state; (B) the product designated by the American Society  
617 for Testing and Materials as "Specification for Heating Oil D396-69",  
618 commonly known as number 2 heating oil, to be used exclusively for  
619 heating purposes or to be used in a commercial fishing vessel, which  
620 vessel qualifies for an exemption pursuant to section 12-412; (C)  
621 kerosene, commonly known as number 1 oil, to be used exclusively for  
622 heating purposes, provided delivery is of both number 1 and number 2  
623 oil, and via a truck with a metered delivery ticket to a residential  
624 dwelling or to a centrally metered system serving a group of  
625 residential dwellings; (D) the product identified as propane gas, to be  
626 used exclusively for heating purposes; (E) bunker fuel oil, intermediate  
627 fuel, marine diesel oil and marine gas oil to be used in any vessel

628 having a displacement exceeding four thousand dead weight tons; (F)  
629 for any first sale occurring prior to July 1, 2008, propane gas to be used  
630 as a fuel for a motor vehicle; (G) for any first sale occurring on or after  
631 July 1, 2002, grade number 6 fuel oil, as defined in regulations adopted  
632 pursuant to section 16a-22c, to be used exclusively by a company  
633 which, in accordance with census data contained in the Standard  
634 Industrial Classification Manual, United States Office of Management  
635 and Budget, 1987 edition, is included in code classifications 2000 to  
636 3999, inclusive, or in Sector 31, 32 or 33 in the North American  
637 Industrial Classification System United States Manual, United States  
638 Office of Management and Budget, 1997 edition; (H) for any first sale  
639 occurring on or after July 1, 2002, number 2 heating oil to be used  
640 exclusively in a vessel primarily engaged in interstate commerce,  
641 which vessel qualifies for an exemption under section 12-412; (I) for  
642 any first sale occurring on or after July 1, 2000, paraffin or  
643 microcrystalline waxes; (J) for any first sale occurring prior to July 1,  
644 2008, petroleum products to be used as a fuel for a fuel cell, as defined  
645 in subdivision (113) of section 12-412; or (K) a commercial heating oil  
646 blend containing not less than ten per cent of alternative fuels derived  
647 from agricultural produce, food waste, waste vegetable oil or  
648 municipal solid waste, including, but not limited to, biodiesel or low  
649 sulfur dyed diesel fuel.

650 (3) The rate of tax on gross earnings derived from the first sale of  
651 grade number 6 fuel oil, as defined in regulations adopted pursuant to  
652 section 16a-22c, to be used exclusively by a company which, in  
653 accordance with census data contained in the Standard Industrial  
654 Classification Manual, United States Office of Management and  
655 Budget, 1987 edition, is included in code classifications 2000 to 3999,  
656 inclusive, or in Sector 31, 32 or 33 in the North American Industrial  
657 Classification System United States Manual, United States Office of  
658 Management and Budget, 1997 edition, or number 2 heating oil used  
659 exclusively in a vessel primarily engaged in interstate commerce,  
660 which vessel qualifies for an exemption under section 12-412 shall be:  
661 (A) Four per cent with respect to calendar quarters commencing on or

662 after July 1, 1998, and prior to July 1, 1999; (B) three per cent with  
663 respect to calendar quarters commencing on or after July 1, 1999, and  
664 prior to July 1, 2000; (C) two per cent with respect to calendar quarters  
665 commencing on or after July 1, 2000, and prior to July 1, 2001; and (D)  
666 one per cent with respect to calendar quarters commencing on or after  
667 July 1, 2001, and prior to July 1, 2002.

668 (c) (1) Any company which imports or causes to be imported into  
669 this state petroleum products for sale, use or consumption in this state,  
670 other than a company subject to and having paid the tax on such  
671 company's gross earnings from first sales of petroleum products  
672 within this state, which earnings include gross earnings attributable to  
673 such imported or caused to be imported petroleum products, in  
674 accordance with subsection (b) of this section, shall pay a quarterly tax  
675 on the consideration given or contracted to be given for such  
676 petroleum product if the consideration given or contracted to be given  
677 for all such deliveries during the quarterly period for which such tax is  
678 to be paid exceeds three thousand dollars. Except as otherwise  
679 provided in subdivision (3) of this subsection, the rate of tax shall be  
680 (A) five per cent with respect to calendar quarters commencing prior to  
681 July 1, 2005; (B) five and eight-tenths per cent with respect to calendar  
682 quarters commencing on or after July 1, 2005, and prior to July 1, 2006;  
683 (C) six and three-tenths per cent with respect to calendar quarters  
684 commencing on or after July 1, 2006, and prior to July 1, [2007] 2008;  
685 (D) seven per cent with respect to calendar quarters commencing on or  
686 after July 1, [2007] 2008, and prior to July 1, [2008] 2009; (E) seven and  
687 one-half per cent with respect to calendar quarters commencing on or  
688 after July 1, [2008] 2009, and prior to July 1, [2013] 2014; and (F) eight  
689 and one-tenth per cent with respect to calendar quarters commencing  
690 on or after July 1, [2013] 2014. Fuel in the fuel supply tanks of a motor  
691 vehicle, which fuel tanks are directly connected to the engine, shall not  
692 be considered a delivery for the purposes of this subsection.

693 (2) Consideration given or contracted to be given for petroleum  
694 products, gross earnings from the first sale of which are exempt from  
695 tax under subdivision (2) of subsection (b) of this section, shall be

696 exempt from tax.

697 (3) The rate of tax on consideration given or contracted to be given  
698 for grade number 6 fuel oil, as defined in regulations adopted  
699 pursuant to section 16a-22c, to be used exclusively by a company  
700 which, in accordance with census data contained in the Standard  
701 Industrial Classification Manual, United States Office of Management  
702 and Budget, 1987 edition, is included in code classifications 2000 to  
703 3999, inclusive, or in Sector 31, 32 or 33 in the North American  
704 Industrial Classification System United States Manual, United States  
705 Office of Management and Budget, 1997 edition, or number 2 heating  
706 oil used exclusively in a vessel primarily engaged in interstate  
707 commerce, which vessel qualifies for an exemption under section 12-  
708 412 shall be: (A) Four per cent with respect to calendar quarters  
709 commencing on or after July 1, 1998, and prior to July 1, 1999; (B) three  
710 per cent with respect to calendar quarters commencing on or after July  
711 1, 1999, and prior to July 1, 2000; (C) two per cent with respect to  
712 calendar quarters commencing on or after July 1, 2000, and prior to  
713 July 1, 2001; and (D) one per cent with respect to calendar quarters  
714 commencing on or after July 1, 2001, and prior to July 1, 2002.

715 (d) The amount of tax reported to be due on such return shall be  
716 due and payable on or before the last day of the month next  
717 succeeding the quarterly period. The tax imposed under the provisions  
718 of this chapter shall be in addition to any other tax imposed by this  
719 state on such company.

720 (e) For the purposes of this chapter, the gross earnings of any  
721 producer or refiner of petroleum products operating a service station  
722 along the highways or interstate highways within the state pursuant to  
723 a contract with the Department of Transportation or operating a  
724 service station which is used as a training or test marketing center  
725 under the provisions of subsection (b) of section 14-344d, shall be  
726 calculated by multiplying the volume of petroleum products delivered  
727 by any producer or refiner to any such station by such producer's or  
728 refiner's dealer tank wagon price or dealer wholesale price in the area

729 of the service station.

730 Sec. 16. Subsection (a) of section 12-642 of the general statutes is  
731 repealed and the following is substituted in lieu thereof (*Effective July*  
732 *1, 2007, and applicable to calendar years commencing on or after January 1,*  
733 *2007*):

734 (a) (1) With respect to calendar years commencing prior to January  
735 1, 2001, the tax imposed by section 12-640 for the calendar year shall be  
736 at a rate of the taxable gifts made by the donor during the calendar  
737 year set forth in the following schedule:

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

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

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

743 (3) With respect to Connecticut taxable gifts, as defined in section  
 744 12-643, made by a donor during a calendar year commencing on or  
 745 after January 1, 2005, but prior to January 1, 2007, including the  
 746 aggregate amount of all Connecticut taxable gifts made by the donor  
 747 during all calendar years commencing on or after January 1, 2005, but  
 748 prior to January 1, 2007, the tax imposed by section 12-640 for the  
 749 calendar year shall be at the rate set forth in the following schedule,  
 750 with a credit allowed against such tax for any tax previously paid to  
 751 this state pursuant to this subdivision:

T78	Amount of Taxable Gifts	Rate of Tax
T79	Not over \$2,000,000	None
T80	Over \$2,000,000	
T81	but not over \$2,100,000	5.085% of the excess over \$0
T82	Over \$2,100,000	\$106,800 plus 8% of the excess
T83	but not over \$2,600,000	over \$2,100,000
T84	Over \$2,600,000	\$146,800 plus 8.8% of the excess
T85	but not over \$3,100,000	over \$2,600,000
T86	Over \$3,100,000	\$190,800 plus 9.6% of the excess

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

752 (4) With respect to Connecticut taxable gifts, as defined in section  
 753 12-643, made by a donor during a calendar year commencing on or  
 754 after January 1, 2007, including the aggregate amount of all  
 755 Connecticut taxable gifts made by the donor during all calendar years  
 756 commencing on or after January 1, 2007, the tax imposed by section 12-  
 757 640 for the calendar year shall be at the rate set forth in the following  
 758 schedule, with a credit allowed against such tax for any tax previously  
 759 paid to this state pursuant to this subdivision:

T104	<u>Amount of Taxable Gifts</u>	<u>Rate of Tax</u>
T105	<u>Not over \$2,000,000</u>	<u>None</u>

T106	<u>Over \$2,000,000</u>	<u>5.085% of the excess over</u>
T107	<u>but not over \$2,100,000</u>	<u>\$2,000,000</u>
T108	<u>Over \$2,100,000</u>	<u>\$5,100 plus 10.0% of the excess</u>
T109	<u>but not over \$2,600,000</u>	<u>over \$2,100,000</u>
T110	<u>Over \$2,600,000</u>	<u>\$55,100 plus 11.0% of the excess</u>
T111	<u>but not over \$3,100,000</u>	<u>over \$2,600,000</u>
T112	<u>Over \$3,100,000</u>	<u>\$110,100 plus 12.0% of the excess</u>
T113	<u>but not over \$3,600,000</u>	<u>over \$3,100,000</u>
T114	<u>Over \$3,600,000</u>	<u>\$170,100 plus 13.0% of the excess</u>
T115	<u>but not over \$4,100,000</u>	<u>over \$3,600,000</u>
T116	<u>Over \$4,100,000</u>	<u>\$235,100 plus 14.0% of the excess</u>
T117	<u>but not over \$5,100,000</u>	<u>over \$4,100,000</u>
T118	<u>Over \$5,100,000</u>	<u>\$375,100 plus 15.0% of the excess</u>
T119	<u>but not over \$6,100,000</u>	<u>over \$5,100,000</u>
T120	<u>Over \$6,100,000</u>	<u>\$525,100 plus 16.0% of the excess</u>
T121	<u>but not over \$7,100,000</u>	<u>over \$6,100,000</u>
T122	<u>Over \$7,100,000</u>	<u>\$685,100 plus 17.0% of the excess</u>
T123	<u>but not over \$8,100,000</u>	<u>over \$7,100,000</u>
T124	<u>Over \$8,100,000</u>	<u>\$855,100 plus 18.0% of the excess</u>
T125	<u>but not over \$9,100,000</u>	<u>over \$8,100,000</u>
T126	<u>Over \$9,100,000</u>	<u>\$1,035,000 plus 19.0% of the excess</u>
T127	<u>but not over \$10,100,000</u>	<u>over \$9,100,000</u>
T128	<u>Over \$10,100,000</u>	<u>\$1,225,100 plus 20.0% of the excess</u>
T129		<u>over \$10,100,000</u>

760 Sec. 17. Subsection (a) of section 12-700 of the general statutes is  
 761 repealed and the following is substituted in lieu thereof (*Effective July*  
 762 *1, 2007, and applicable to taxable years commencing on or after January 1,*  
 763 *2007*):

764 (a) There is hereby imposed on the Connecticut taxable income of

765 each resident of this state a tax:

766 (1) At the rate of four and one-half per cent of such Connecticut  
767 taxable income for taxable years commencing on or after January 1,  
768 1992, and prior to January 1, 1996.

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

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

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

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

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

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

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

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

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

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

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

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

T146	Connecticut Taxable Income	Rate of Tax
T147	Not over \$10,000	3.0%
T148	Over \$10,000	\$300.00, plus 4.5% of the
T149		excess over \$10,000

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

T190	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T191	<u>Not over \$10,000</u>	<u>3.0%</u>
T192	<u>Over \$10,000</u>	<u>\$300.00, plus 4.875% of the excess</u>
T193	<u>but not over \$53,125</u>	<u>over \$10,000</u>
T194	<u>Over \$53,125</u>	<u>\$2,402.34, plus 5.00% of the excess</u>
T195	<u>but not over \$132,800</u>	<u>over \$53,125</u>
T196	<u>Over \$132,800</u>	<u>\$6,386.09, plus 5.7% of the excess</u>
T197	<u>but not over \$163,000</u>	<u>over \$132,800</u>
T198	<u>Over \$163,000</u>	<u>\$8,107.49, plus 5.95% of the excess</u>
T199		<u>over \$163,000</u>

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

T200	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T201	<u>Not over \$16,000</u>	<u>3.0%</u>
T202	<u>Over \$16,000</u>	<u>\$480.00, plus 4.875% of the excess</u>
T203	<u>but not over \$80,000</u>	<u>over \$16,000</u>
T204	<u>Over \$80,000</u>	<u>\$3,600.00, plus 5.00% of the excess</u>
T205	<u>but not over \$200,000</u>	<u>over \$80,000</u>
T206	<u>Over \$200,000</u>	<u>\$9,600.00, plus 5.7% of the excess</u>
T207	<u>but not over \$400,000</u>	<u>over \$200,000</u>
T208	<u>Over \$400,000</u>	<u>\$21,000.00, plus 5.95% of the excess</u>
T209		<u>over \$400,000</u>

850 (C) For any husband and wife who file a return under the federal

851 income tax for such taxable year as married individuals filing jointly or  
 852 any person who files a return under the federal income tax for such  
 853 taxable year as a surviving spouse, as defined in Section 2(a) of the  
 854 Internal Revenue Code:

T210	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T211	<u>Not over \$20,000</u>	<u>3.0%</u>
T212	<u>Over \$20,000</u>	<u>\$600.00, plus 4.875% of the excess</u>
T213	<u>but not over \$100,000</u>	<u>over \$20,000</u>
T214	<u>Over \$100,000</u>	<u>\$4,500.00, plus 5.00% of the excess</u>
T215	<u>but not over \$250,000</u>	<u>over \$100,000</u>
T216	<u>Over \$250,000</u>	<u>\$12,000.00, plus 5.7% of the excess</u>
T217	<u>but not over \$500,000</u>	<u>over \$250,000</u>
T218	<u>Over \$500,000</u>	<u>\$26,250.00, plus 5.95% of the excess</u>
T219		<u>over \$500,000</u>

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

T220	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T221	<u>Not over \$10,000</u>	<u>3.0%</u>
T222	<u>Over \$10,000</u>	<u>\$300.00, plus 4.875% of the excess</u>
T223	<u>but not over \$50,000</u>	<u>over \$10,000</u>
T224	<u>Over \$50,000</u>	<u>\$2,250.00, plus 5.00% of the excess</u>
T225	<u>but not over \$125,000</u>	<u>over \$50,000</u>
T226	<u>Over \$125,000</u>	<u>\$6,000.00, plus 5.7% of the excess</u>
T227	<u>but not over \$250,000</u>	<u>over \$125,000</u>
T228	<u>Over \$250,000</u>	<u>\$13,125.00, plus 5.95% of the excess</u>
T229		<u>over \$250,000</u>

857

858 (E) For trusts or estates, the rate of tax shall be 5.95% of the  
 859 Connecticut taxable income.

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

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

T230	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T231	<u>Not over \$10,000</u>	<u>3.0%</u>
T232	<u>Over \$10,000</u>	<u>\$300.00, plus 4.75% of the excess</u>
T233	<u>but not over \$53,125</u>	<u>over \$10,000</u>
T234	<u>Over \$53,125</u>	<u>\$2,348.44, plus 5.00% of the excess</u>
T235	<u>but not over \$132,800</u>	<u>over \$53,125</u>
T236	<u>Over \$132,800</u>	<u>\$6,332.19, plus 5.875% of the excess</u>
T237	<u>but not over \$163,000</u>	<u>over \$132,800</u>
T238	<u>Over \$163,000</u>	<u>\$8,106.44, plus 6.5% of the excess</u>
T239		<u>over \$163,000</u>

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

T240	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T241	<u>Not over \$16,000</u>	<u>3.0%</u>
T242	<u>Over \$16,000</u>	<u>\$480.00, plus 4.75% of the excess</u>
T243	<u>but not over \$80,000</u>	<u>over \$16,000</u>
T244	<u>Over \$80,000</u>	<u>\$3,520.00, plus 5.00% of the excess</u>
T245	<u>but not over \$200,000</u>	<u>over \$80,000</u>
T246	<u>Over \$200,000</u>	<u>\$9,520.00, plus 5.875% of the excess</u>
T247	<u>but not over \$400,000</u>	<u>over \$200,000</u>
T248	<u>Over \$400,000</u>	<u>\$21,270.00, plus 6.5% of the excess</u>
T249		<u>over \$400,000</u>

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

T250	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T251	<u>Not over \$20,000</u>	<u>3.0%</u>
T252	<u>Over \$20,000</u>	<u>\$600.00, plus 4.75% of the excess</u>
T253	<u>but not over \$100,000</u>	<u>over \$20,000</u>
T254	<u>Over \$100,000</u>	<u>\$4,400.00, plus 5.00% of the excess</u>
T255	<u>but not over \$250,000</u>	<u>over \$100,000</u>
T256	<u>Over \$250,000</u>	<u>\$11,900.00, plus 5.875% of the</u>
		<u>excess</u>
T257	<u>but not over \$500,000</u>	<u>over \$250,000</u>
T258	<u>Over \$500,000</u>	<u>\$26,587.50, plus 6.5% of the excess</u>
T259		<u>over \$500,000</u>

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

T260	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T261	<u>Not over \$10,000</u>	<u>3.0%</u>
T262	<u>Over \$10,000</u>	<u>\$300.00, plus 4.75% of the excess</u>
T263	<u>but not over \$50,000</u>	<u>over \$10,000</u>
T264	<u>Over \$50,000</u>	<u>\$2,200.00, plus 5.00% of the excess</u>
T265	<u>but not over \$125,000</u>	<u>over \$50,000</u>
T266	<u>Over \$125,000</u>	<u>\$5,950.00, plus 5.875% of the excess</u>
T267	<u>but not over \$250,000</u>	<u>over \$125,000</u>
T268	<u>Over \$250,000</u>	<u>\$13,293.75, plus 6.5% of the excess</u>
T269		<u>over \$250,000</u>

874 (E) For trusts or estates, the rate of tax shall be 6.5% of the  
875 Connecticut taxable income.

876 [(7)] (9) The provisions of this subsection shall apply to resident  
877 trusts and estates and, wherever reference is made in this subsection to  
878 residents of this state, such reference shall be construed to include  
879 resident trusts and estates, provided any reference to a resident's  
880 Connecticut adjusted gross income derived from sources without this  
881 state or to a resident's Connecticut adjusted gross income shall be  
882 construed, in the case of a resident trust or estate, to mean the resident  
883 trust or estate's Connecticut taxable income derived from sources  
884 without this state and the resident trust or estate's Connecticut taxable  
885 income, respectively.

886 Sec. 18. (*Effective July 1, 2007*) The Commissioner of Revenue  
887 Services shall, pursuant to chapter 229 of the general statutes, issue  
888 new withholding tax tables effective July 1, 2007.

889 Sec. 19. Subsections (b) and (c) of section 12-704c of the general  
890 statutes are repealed and the following is substituted in lieu thereof  
891 (*Effective July 1, 2007, and applicable to taxable years commencing on or after*  
892 *January 1, 2007*):

893 (b) The credit allowed under this section shall not exceed two  
894 hundred fifteen dollars for the taxable year commencing on or after  
895 January 1, 1997, and prior to January 1, 1998; for taxable years  
896 commencing on or after January 1, 1998, but prior to January 1, 1999,  
897 three hundred fifty dollars; for taxable years commencing on or after  
898 January 1, 1999, but prior to January 1, 2000, four hundred twenty-five  
899 dollars; for taxable years commencing on or after January 1, 2000, but  
900 prior to January 1, 2003, five hundred dollars; for taxable years  
901 commencing on or after January 1, 2003, three hundred fifty dollars;  
902 for taxable years commencing on or after January 1, 2005, but prior to  
903 January 1, 2006, three hundred fifty dollars; [and] for taxable years  
904 commencing on or after January 1, 2006, but prior to January 1, 2007,

905 five hundred dollars; and for taxable years commencing on or after  
906 January 1, 2007, one thousand dollars. In the case of any husband and  
907 wife who file a return under the federal income tax for such taxable  
908 year as married individuals filing a joint return, the credit allowed, in  
909 the aggregate, shall not exceed such amounts for each such taxable  
910 year.

911 (c) (1) (A) For taxable years commencing prior to January 1, 2000, in  
912 the case of any such taxpayer who files under the federal income tax  
913 for such taxable year as an unmarried individual whose Connecticut  
914 adjusted gross income exceeds fifty-two thousand five hundred  
915 dollars, the amount of the credit that exceeds one hundred dollars shall  
916 be reduced by ten per cent for each ten thousand dollars, or fraction  
917 thereof, by which the taxpayer's Connecticut adjusted gross income  
918 exceeds said amount.

919 (B) For taxable years commencing on or after January 1, 2000, but  
920 prior to January 1, 2001, in the case of any such taxpayer who files  
921 under the federal income tax for such taxable year as an unmarried  
922 individual whose Connecticut adjusted gross income exceeds fifty-  
923 three thousand five hundred dollars, the amount of the credit that  
924 exceeds one hundred dollars shall be reduced by ten per cent for each  
925 ten thousand dollars, or fraction thereof, by which the taxpayer's  
926 Connecticut adjusted gross income exceeds said amount.

927 (C) For taxable years commencing on or after January 1, 2001, but  
928 prior to January 1, 2004, in the case of any such taxpayer who files  
929 under the federal income tax for such taxable year as an unmarried  
930 individual whose Connecticut adjusted gross income exceeds fifty-four  
931 thousand five hundred dollars, the amount of the credit shall be  
932 reduced by ten per cent for each ten thousand dollars, or fraction  
933 thereof, by which the taxpayer's Connecticut adjusted gross income  
934 exceeds said amount.

935 (D) For taxable years commencing on or after January 1, 2004, but  
936 prior to January 1, 2007, in the case of any such taxpayer who files

937 under the federal income tax for such taxable year as an unmarried  
938 individual whose Connecticut adjusted gross income exceeds fifty-five  
939 thousand dollars, the amount of the credit shall be reduced by ten per  
940 cent for each ten thousand dollars, or fraction thereof, by which the  
941 taxpayer's Connecticut adjusted gross income exceeds said amount.

942 (E) For taxable years commencing on or after January 1, 2007, but  
943 prior to January 1, 2008, in the case of any such taxpayer who files  
944 under the federal income tax for such taxable year as an unmarried  
945 individual whose Connecticut adjusted gross income exceeds  
946 [fifty-five] eighty-two thousand five hundred dollars, the amount of  
947 the credit shall be reduced by ten per cent for each ten thousand  
948 dollars, or fraction thereof, by which the taxpayer's Connecticut  
949 adjusted gross income exceeds said amount.

950 (F) For taxable years commencing on or after January 1, 2008, but  
951 prior to January 1, 2009, in the case of any such taxpayer who files  
952 under the federal income tax for such taxable year as an unmarried  
953 individual whose Connecticut adjusted gross income exceeds [fifty-six  
954 thousand five hundred] eighty-four thousand three hundred dollars,  
955 the amount of the credit shall be reduced by ten per cent for each ten  
956 thousand dollars, or fraction thereof, by which the taxpayer's  
957 Connecticut adjusted gross income exceeds said amount.

958 (G) For taxable years commencing on or after January 1, 2009, but  
959 prior to January 1, 2010, in the case of any such taxpayer who files  
960 under the federal income tax for such taxable year as an unmarried  
961 individual whose Connecticut adjusted gross income exceeds [fifty-  
962 eight thousand five hundred] eighty-seven thousand three hundred  
963 dollars, the amount of the credit shall be reduced by ten per cent for  
964 each ten thousand dollars, or fraction thereof, by which the taxpayer's  
965 Connecticut adjusted gross income exceeds said amount.

966 (H) For taxable years commencing on or after January 1, 2010, but  
967 prior to January 1, 2011, in the case of any such taxpayer who files  
968 under the federal income tax for such taxable year as an unmarried

969 individual whose Connecticut adjusted gross income exceeds [sixty  
970 thousand five hundred] ninety thousand three hundred dollars, the  
971 amount of the credit shall be reduced by ten per cent for each ten  
972 thousand dollars, or fraction thereof, by which the taxpayer's  
973 Connecticut adjusted gross income exceeds said amount.

974 (I) For taxable years commencing on or after January 1, 2011, but  
975 prior to January 1, 2012, in the case of any such taxpayer who files  
976 under the federal income tax for such taxable year as an unmarried  
977 individual whose Connecticut adjusted gross income exceeds  
978 [sixty-two thousand five hundred] ninety-three thousand three  
979 hundred dollars, the amount of the credit shall be reduced by ten per  
980 cent for each ten thousand dollars, or fraction thereof, by which the  
981 taxpayer's Connecticut adjusted gross income exceeds said amount.

982 (J) For taxable years commencing on or after January 1, 2012, in the  
983 case of any such taxpayer who files under the federal income tax for  
984 such taxable year as an unmarried individual whose Connecticut  
985 adjusted gross income exceeds [sixty-four thousand five hundred]  
986 ninety-six thousand three hundred dollars, the amount of the credit  
987 shall be reduced by ten per cent for each ten thousand dollars, or  
988 fraction thereof, by which the taxpayer's Connecticut adjusted gross  
989 income exceeds said amount.

990 (2) In the case of any such taxpayer who files under the federal  
991 income tax for such taxable year as a married individual filing  
992 separately whose Connecticut adjusted gross income exceeds [fifty  
993 thousand two hundred fifty] seventy-five thousand dollars, the  
994 amount of the credit shall be reduced by ten per cent for each five  
995 thousand dollars, or fraction thereof, by which the taxpayer's  
996 Connecticut adjusted gross income exceeds said amount.

997 (3) In the case of a taxpayer who files under the federal income tax  
998 for such taxable year as a head of household whose Connecticut  
999 adjusted gross income exceeds [seventy-eight thousand five hundred]  
1000 one hundred seventeen thousand dollars, the amount of the credit

1001 shall be reduced by ten per cent for each ten thousand dollars or  
1002 fraction thereof, by which the taxpayer's Connecticut adjusted gross  
1003 income exceeds said amount.

1004 (4) In the case of a taxpayer who files under federal income tax for  
1005 such taxable year as married individuals filing jointly whose  
1006 Connecticut adjusted gross income exceeds [one hundred thousand  
1007 five hundred] one hundred fifty thousand dollars, the amount of the  
1008 credit shall be reduced by ten per cent for each ten thousand dollars, or  
1009 fraction thereof, by which the taxpayer's Connecticut adjusted gross  
1010 income exceeds said amount.

1011 Sec. 20. (NEW) (*Effective July 1, 2007, and applicable to taxable years*  
1012 *commencing on or after January 1, 2007*) Any person who qualifies for and  
1013 claims the earned income credit allowable under Section 32 of the  
1014 Internal Revenue Code of 1986, or any subsequent corresponding  
1015 internal revenue code of the United States, as from time to time  
1016 amended, for any taxable year shall be entitled to a credit in determining  
1017 the amount of tax liability under chapter 229 of the general statutes for  
1018 such taxable year. The credit allowed under this section shall equal  
1019 twenty per cent of the credit allowed under Section 32 of said Internal  
1020 Revenue Code for the taxable year. If the amount of the credit allowed  
1021 under this section exceeds the taxpayer's liability, the Commissioner of  
1022 Revenue Services shall treat such excess as an overpayment and shall  
1023 pay the taxpayer the amount of such excess, without interest.

1024 Sec. 21. Section 29-112 of the general statutes is repealed and the  
1025 following is substituted in lieu thereof (*Effective July 1, 2007*):

1026 The following fees shall be collected by the commissioner and by  
1027 him paid to the State Treasurer: For inspection and annual approval of  
1028 any premises or place where moving picture films are used or  
1029 exhibited, [thirty-five] fifty dollars; for inspection and approval of any  
1030 projection room or area as defined in regulations adopted under  
1031 section 29-109, [ten] twenty-five dollars; for inspection of any other  
1032 building or plan of building, incident to the administration of section

1033 29-109, [ten] twenty-five dollars. Permits and approvals issued under  
1034 the provisions of said sections may be for definite dates only, but,  
1035 unless otherwise specified, shall cover the premises described from  
1036 date of issue until the first day of February next following.

1037 Sec. 22. Section 29-117 of the general statutes is repealed and the  
1038 following is substituted in lieu thereof (*Effective July 1, 2007*):

1039 No person shall exhibit, show or use any moving picture film, reel  
1040 or view in any place to which an admission fee is charged, except in a  
1041 church, parish house, school or other building of a religious,  
1042 ecclesiastical or educational organization in furtherance of its  
1043 purposes, without a license for such purpose issued by the  
1044 Commissioner of Public Safety. The commissioner, after investigation,  
1045 shall issue the license required herein to any person found by him to  
1046 be a suitable person, provided he shall have received a written  
1047 application therefor, which application shall describe the location of  
1048 the place and shall give its seating capacity and such other information  
1049 as the commissioner requires. Such license shall be effective until  
1050 September first next following its issuance, unless suspended or  
1051 revoked for cause, and the applicant shall pay for the same and for  
1052 each renewal thereof the sum of [thirty-five] fifty dollars. When any  
1053 person so licensed exhibits, shows or uses or permits to be exhibited,  
1054 shown or used in any place described in such license any moving  
1055 picture film, title, subtitle or part thereof, reel or view of an immoral,  
1056 degrading or criminal character, or which is unlawful under the  
1057 provisions of section 53a-194 or 53a-196, the commissioner may, upon  
1058 complaint or upon his own motion, suspend or revoke the license of  
1059 such person. No license shall be granted to any person to whom two of  
1060 the licenses issued have been either suspended or revoked. Any  
1061 person, or the officer of any corporation, violating any provision of this  
1062 section shall be fined not more than one thousand dollars or  
1063 imprisoned not more than one year or both.

1064 Sec. 23. Section 29-130 of the general statutes is repealed and the  
1065 following is substituted in lieu thereof (*Effective July 1, 2007*):

1066 The Commissioner of Public Safety shall prescribe a form of  
1067 application to be signed by each applicant and may require such  
1068 information respecting the business in which the applicant proposes to  
1069 engage as he finds necessary to safeguard the public from all forms of  
1070 lascivious conduct, immoral practices, vice or violations of the law.  
1071 Said commissioner or any employee of the Department of Public  
1072 Safety authorized by him for said purpose may enter into any place so  
1073 licensed or upon the premises where such business is being conducted  
1074 for the purpose of observing the conduct of the same. Said  
1075 commissioner shall issue to each applicant so licensed a certificate to  
1076 be designated "amusement park license", and each certificate shall state  
1077 the name of the applicant, the location of the place where such  
1078 amusement, entertainment, diversion or recreation may be conducted  
1079 and the hours each day during which the same may be conducted.  
1080 Each certificate shall be displayed conspicuously for public view by  
1081 the licensee at the place where the business so licensed is conducted.  
1082 Any such license may be suspended or revoked by said commissioner  
1083 whenever it appears that any of the conditions required to be stated in  
1084 such license have been violated. Such applications and license  
1085 certificates shall be printed at the expense of the state. The annual  
1086 license fee shall be [~~thirty-five~~] fifty dollars to be paid by the applicant  
1087 to the Commissioner of Public Safety with each application for such  
1088 license. Such licenses shall not be transferable and, if any licensee  
1089 voluntarily discontinues operations thereunder, all rights secured  
1090 thereby shall terminate. On and after January 1, 1986, the license year  
1091 shall be from January first until December thirty-first following,  
1092 inclusive. Each such license shall be for a period of one license year.

1093 Sec. 24. Section 29-134 of the general statutes is repealed and the  
1094 following is substituted in lieu thereof (*Effective July 1, 2007*):

1095 No owner shall exhibit or provide any amusement, as defined in  
1096 section 29-133, in this state unless he has obtained a license therefor as  
1097 hereinafter provided and otherwise complies with the provisions of  
1098 sections 29-133 to 29-142, inclusive. An annual license fee of [~~fifty~~] one  
1099 hundred dollars shall be paid by the applicant to the Commissioner of

1100 Public Safety with each application for such amusement license.

1101 Sec. 25. Section 29-193 of the general statutes is repealed and the  
1102 following is substituted in lieu thereof (*Effective July 1, 2007*):

1103 No new elevator or escalator shall be erected or installed and no  
1104 elevator or escalator shall be relocated or altered until detailed plans  
1105 and specifications of the proposed construction or other work have  
1106 been submitted in triplicate to the department for approval. A fee of  
1107 [one hundred fifty] two hundred dollars for each elevator or escalator  
1108 payable to the department shall accompany each such proposal. Notice  
1109 that such plans are approved or disapproved shall be given within a  
1110 reasonable time and final inspection of the elevator or escalator, when  
1111 installed, relocated or altered, shall be made before final approval for  
1112 operation is given by the department. The department may issue a  
1113 temporary operating permit, if necessary, pending final inspection and  
1114 approval. The provisions of this chapter shall not prevent the  
1115 operation of any elevator installed for temporary use in connection  
1116 with building operations or the operation of any elevator for purposes  
1117 connected with the installation or the testing of the same.

1118 Sec. 26. Section 29-196 of the general statutes is repealed and the  
1119 following is substituted in lieu thereof (*Effective July 1, 2007*):

1120 As soon as the department approves any new, relocated or altered  
1121 elevator or escalator as being fit for operation, it shall issue to the  
1122 owner a certificate of operation for a capacity and speed specified in  
1123 the inspector's report. The fee for the certificate first issued shall be  
1124 [one hundred fifty] two hundred dollars. Such certificate shall be  
1125 posted conspicuously in the car or cage or on the platform of the  
1126 elevator or escalator and shall be valid for twelve months. Thereafter,  
1127 the certificate shall be renewed [each year] every two years upon  
1128 receipt of the renewal fee of [forty] one hundred twenty dollars, except  
1129 that private residence elevators, as defined in the regulations adopted  
1130 pursuant to section 29-192, shall not be subject to said renewal  
1131 requirement. No fee shall be required of the state or any agency of the

1132 state. No elevator or escalator may be lawfully operated without such  
1133 certificate.

1134 Sec. 27. Section 29-204 of the general statutes is repealed and the  
1135 following is substituted in lieu thereof (*Effective July 1, 2007*):

1136 No new passenger tramway shall be erected or installed and no  
1137 passenger tramway shall be relocated or altered until detailed plans  
1138 and specifications of the proposed construction or other work have  
1139 been submitted in duplicate to the department for approval. A fee of  
1140 [one] two hundred dollars payable to the Department of Public Safety  
1141 shall accompany each such proposal. Notice that such plans are  
1142 approved or disapproved shall be given within a reasonable time, and  
1143 final inspection of the passenger tramway, when installed, relocated or  
1144 altered, shall be made before final approval for operating is given by  
1145 the department.

1146 Sec. 28. Section 29-206 of the general statutes is repealed and the  
1147 following is substituted in lieu thereof (*Effective July 1, 2007*):

1148 The department shall enforce the regulations adopted pursuant to  
1149 section 29-203, and shall inspect the construction, operation and  
1150 maintenance of passenger tramways to determine whether such  
1151 regulations have been complied with by the operators. Each passenger  
1152 tramway shall be thoroughly inspected by a qualified inspector  
1153 approved by the department at least once every twelve months. More  
1154 frequent inspections of any passenger tramway may be made if the  
1155 condition thereof indicates that additional inspections are necessary or  
1156 desirable. As soon as the department inspects and approves any  
1157 passenger tramway as being fit for operation, it shall issue to the  
1158 operator, upon receipt of a fee of [one hundred fifty] two hundred  
1159 dollars, a certificate of operation with such conditions and limitations  
1160 as the commissioner shall prescribe. Such certificate shall be valid for  
1161 twelve months and shall be renewed yearly, if the department  
1162 approves the passenger tramway, upon payment of a renewal fee of  
1163 [eighty] one hundred dollars. No passenger tramway may be operated

1164 without such operating certificate.

1165 Sec. 29. Section 29-237 of the general statutes is repealed and the  
1166 following is substituted in lieu thereof (*Effective July 1, 2007*):

1167 All boilers included under this chapter shall be inspected by a state  
1168 boiler inspector or by a special inspector employed by an insurance  
1169 company licensed to insure boilers in this state as follows:

1170 (1) Power boilers, meaning boilers operating at steam or vapor  
1171 pressures in excess of fifteen pounds per square inch gauge, except  
1172 power boilers that operate with internal water treatment under the  
1173 direct supervision of a qualified engineer, shall be inspected each year.  
1174 Such boiler inspection shall consist of (A) a thorough internal and  
1175 external inspection while not under pressure, and (B) an external  
1176 inspection under operating conditions not more than six months after  
1177 the internal and external inspection. No more than fourteen months  
1178 shall elapse between internal inspections and between external  
1179 inspections while under pressure.

1180 (2) Power boilers that operate with internal water treatment under  
1181 the direct supervision of a qualified engineer shall be inspected every  
1182 eighteen months. Such boiler inspection shall consist of (A) a thorough  
1183 internal and external inspection while not under pressure, and (B) an  
1184 external inspection under operating conditions not more than nine  
1185 months after the internal and external inspection.

1186 (3) Where construction will permit, low pressure steam or vapor  
1187 heating boilers, hot water heating boilers, hot water supply boilers and  
1188 hot water heaters shall be inspected externally biennially and  
1189 internally at the discretion of the boiler inspector. If a boiler inspector  
1190 decides a hydrostatic test is necessary to determine the safety of a  
1191 boiler or heater, such test shall be made under the inspector's direction.  
1192 The Commissioner of Public Safety may order inspections by the  
1193 Department of Public Safety or the insurance carrier in addition to the  
1194 regular annual or biennial inspections to clear up any doubts as to the  
1195 safety of continuing the operation of any boiler or heater included in

1196 this chapter. [, but no additional fee shall be charged or allowed for  
1197 such additional inspections, unless the owner or user is found to have  
1198 operated or ordered or permitted the operation of such boiler or  
1199 heater, intentionally or negligently, in violation of this chapter or the  
1200 boiler regulations.] Each boiler insurance carrier shall forward to the  
1201 commissioner, [within] not later than thirty days [following] after each  
1202 inspection as required by this chapter, a report of such inspection upon  
1203 appropriate forms as promulgated by the commissioner, who may use  
1204 the form suggested by the American Society of Mechanical Engineers.

1205 Sec. 30. Section 29-238 of the general statutes is repealed and the  
1206 following is substituted in lieu thereof (*Effective July 1, 2007*):

1207 [The owner or user of a boiler required by this chapter to be  
1208 inspected by the Commissioner of Public Safety or by state boiler  
1209 inspectors shall pay to the commissioner at the time of inspection a fee  
1210 as follows:

1211 (1) Boilers of fifty square feet or less of heating surface, thirty  
1212 dollars; boilers of over fifty square feet of heating surface and less than  
1213 one thousand square feet, forty dollars; boilers of over one thousand  
1214 square feet of heating surface and less than four thousand square feet,  
1215 sixty dollars; boilers of at least four thousand square feet of heating  
1216 surface and less than ten thousand square feet of heating surface,  
1217 eighty dollars; boilers of at least ten thousand square feet of heating  
1218 surface, one hundred dollars. External inspection: Boilers having fifty  
1219 square feet or less of heating surface, twenty dollars; boilers having  
1220 over fifty square feet of heating surface, twenty-five dollars. Not more  
1221 than the equivalent of the internal and external inspection fees shall be  
1222 charged or collected for any and all such inspections of any boiler in  
1223 any one year.

1224 (2) Inspection of heating boilers without a manhole, thirty dollars;  
1225 inspection of heating boilers with a manhole, fifty dollars; inspection of  
1226 hot water supply boilers and hot water heaters, thirty dollars. Not  
1227 more than one fee shall be charged or collected for any and all such

1228 inspections of any low pressure boiler in any two-year period.

1229 (3) An additional fee based on the scale of fees applicable to an  
1230 internal inspection of the boiler shall be charged in any instance where  
1231 it is necessary to make a special trip to witness a hydrostatic test.]

1232 The owner or user of a boiler required by this chapter to be  
1233 inspected by the Commissioner of Public Safety, state boiler inspectors  
1234 or special inspectors shall pay to the commissioner the sum of forty  
1235 dollars for each operating certificate issued. No fee shall be required of  
1236 the state or any agency of the state. All fees collected by the  
1237 commissioner under authority of this chapter shall be transferred by  
1238 the commissioner to the State Treasurer for deposit in the General  
1239 Fund. If the report of inspection by the Department of Public Safety  
1240 inspector or special inspector indicates that any boiler meets the  
1241 requirements of this chapter and the boiler regulations, an operating  
1242 certificate shall be issued by the commissioner to the owner or user.  
1243 Such certificate shall state the pressure and other conditions under  
1244 which such boiler may be lawfully operated. An operating certificate  
1245 shall be valid for a period of not more than twelve months from the  
1246 date of internal inspection, in the case of power boilers inspected  
1247 pursuant to subdivision (1) of section 29-237, except that the certificate  
1248 shall be valid for a period of not more than two months beyond the  
1249 period set by the Commissioner of Public Safety in accordance with  
1250 section 29-237. An operating certificate shall be valid for a period of  
1251 not more than eighteen months from the date of internal inspection in  
1252 the case of power boilers inspected pursuant to subdivision (2) of  
1253 section 29-237. Operating certificates shall be valid for twenty-four  
1254 months in the case of low pressure steam or vapor heating boilers, hot  
1255 water heating boilers, hot water supply boilers and hot water heaters  
1256 approved by a nationally recognized testing agency. If a boiler  
1257 inspected by a state boiler inspector or special inspector commissioned  
1258 by said commissioner is found to conform with the requirements of  
1259 this chapter and the boiler regulations, an operating certificate shall be  
1260 issued by said commissioner to the owner or user upon the receipt of  
1261 the insuring company's report or the state boiler inspector's report.

1262 [and such owner or user shall be exempt from the inspection fees  
1263 provided by this section, except that for each certificate so issued the  
1264 owner or user of the boiler shall pay to said commissioner the sum of  
1265 twenty dollars.] Said commissioner may order reinspection if  
1266 reasonable doubt exists regarding any inspection. Such certificate shall  
1267 state the pressure and other conditions under which such boiler may  
1268 be lawfully operated and shall be valid not more than the period  
1269 indicated in this section and shall be renewed each year in the case of  
1270 power boilers inspected pursuant to subdivision (1) of section 29-237,  
1271 every eighteen months in the case of power boilers inspected pursuant  
1272 to subdivision (2) of section 29-237, and biennially in the case of hot  
1273 water heating or hot water supply boilers and hot water heaters. An  
1274 operating certificate shall be immediately invalid if the boiler is  
1275 relocated or altered, unless such relocation or alteration has been  
1276 approved in accordance with this chapter or the boiler code and  
1277 regulations. No boiler shall be operated unless a valid operating  
1278 certificate is displayed under glass in a conspicuous place in the room  
1279 in which such boiler is located. If the boiler is not located within the  
1280 building, the certificate shall be posted in a location convenient to the  
1281 boiler inspected. In the case of a portable boiler such certificate shall be  
1282 kept in a metal container to be fastened to the boiler or kept in a tool  
1283 box accompanying the boiler.

1284 Sec. 31. Section 29-349 of the general statutes is repealed and the  
1285 following is substituted in lieu thereof (*Effective July 1, 2007*):

1286 (a) The Commissioner of Public Safety shall have exclusive  
1287 jurisdiction in the preparation of and may enforce reasonable  
1288 regulations for the safe and convenient storage, transportation and use  
1289 of explosives and blasting agents used in connection therewith, which  
1290 regulations shall deal in particular with the quantity and character of  
1291 explosives and blasting agents to be stored, transported and used, the  
1292 proximity of such storage to inhabited dwellings or other occupied  
1293 buildings, public highways and railroad tracks, the character and  
1294 construction of suitable magazines for such storage, protective  
1295 measures to secure such stored explosives and blasting agents and the

1296 abatement of any hazard that may arise incident to the storage,  
1297 transportation or use of such explosives and blasting agents.

1298 (b) No person, firm or corporation shall engage in any activity  
1299 concerning the storage, transportation or use of explosives unless such  
1300 person, firm or corporation has obtained a license therefor from the  
1301 Commissioner of Public Safety. Such license shall be issued upon  
1302 payment of a fee of [fifty] one hundred dollars and upon submission  
1303 by the applicant of evidence of good moral character and of  
1304 competence in the control and handling of explosives, provided, if  
1305 such license is for the use of explosives, it may be issued only to an  
1306 individual person after demonstration that such individual is  
1307 technically qualified to detonate explosives. Any such license to use  
1308 explosives shall bear both the fingerprints of the licensee obtained by  
1309 the Commissioner of Public Safety at the time of licensing, and the  
1310 licensee's photograph, furnished by the licensee, of a size specified by  
1311 the commissioner and taken not more than one year prior to the  
1312 issuance of the license. Each such license shall be valid for one year  
1313 from the date of its issuance, unless sooner revoked or suspended, and  
1314 may be renewed annually thereafter upon a payment of [thirty]  
1315 seventy-five dollars.

1316 (c) The Commissioner of Public Safety shall require any applicant  
1317 for a license under this section to submit to state and national criminal  
1318 history records checks. The criminal history records checks required  
1319 pursuant to this subsection shall be conducted in accordance with  
1320 section 29-17a.

1321 (d) No person shall manufacture, keep, store, sell or deal in any  
1322 explosives unless such person has a valid license under the provisions  
1323 of subsection (b) of this section and obtains from the Commissioner of  
1324 Public Safety or from the fire marshal of the town where such business  
1325 is conducted a written permit therefor, which permit shall not be valid  
1326 for more than one year and for which such person shall pay a fee of  
1327 [twenty-five] fifty dollars. If the permit is issued by the Commissioner  
1328 of Public Safety, the commissioner shall forward a copy thereof to the

1329 local fire marshal. Such permit so granted shall definitely state the  
1330 location of the building where such business is to be carried on or such  
1331 explosive deposited and shall state that such building or premises  
1332 complies with the regulations provided for in this section.

1333 (e) No person shall procure, transport or use any explosives unless  
1334 such person has a valid license under subsection (b) of this section and  
1335 has obtained a written permit therefor signed by the Commissioner of  
1336 Public Safety or by the fire marshal of the town where such explosive  
1337 is to be used, specifying the name of the purchaser, the amount to be  
1338 purchased and transported and the purpose for which it is to be used.  
1339 Any such permit to use explosives shall state the number of years the  
1340 permittee has been engaged in blasting activity. Such permit shall be  
1341 valid for such period, not longer than one year, as is required to  
1342 accomplish the purpose for which it was obtained. No carrier shall  
1343 transport any such explosive until the vehicle transporting the  
1344 explosive has been inspected and approved by the Department of  
1345 Public Safety and unless such written permit accompanies the same  
1346 and no person shall have in such person's possession any such  
1347 explosive unless such person has a license and permit therefor. The fee  
1348 for such inspection shall be [twenty-five] fifty dollars. The fee for such  
1349 permit shall be [twenty] thirty dollars. Each person who has in such  
1350 person's custody or possession any explosive or any detonating caps  
1351 for explosives shall keep the same either under personal observation or  
1352 securely locked up.

1353 (f) Any license or permit issued under the provisions of this section  
1354 may be suspended or revoked by the issuing authority for violation by  
1355 the licensee or permittee of any provision of law or regulation relating  
1356 to explosives or conviction of such licensee or permittee of any felony  
1357 or misdemeanor. Suspension or revocation of a license shall  
1358 automatically suspend or revoke the permit and the suspension or  
1359 revocation of a permit shall automatically suspend or revoke the  
1360 license.

1361 (g) Any person who, by himself or herself or by such person's

1362 employee or agent or as the employee or agent of another, violates any  
1363 provision of this section, or any regulation made by the Commissioner  
1364 of Public Safety pursuant to the provisions of this section, shall be  
1365 fined not more than ten thousand dollars or imprisoned not more than  
1366 ten years or both.

1367 (h) As used in this section, "blasting agent" means any material,  
1368 composition or mixture intended for blasting, consisting substantially  
1369 of a fuel and oxidizer, none of the ingredients of which is an explosive  
1370 as defined in section 29-343, and the finished product of which as  
1371 mixed and packaged for use or shipment cannot be detonated by the  
1372 test procedure established by regulations adopted by the  
1373 Commissioner of Public Safety in accordance with chapter 54.

1374 (i) Notwithstanding the provisions of this section, the Labor  
1375 Commissioner shall regulate the storage, transportation and use of  
1376 explosives and blasting agents in places of employment insofar as such  
1377 activities relate to employee health and safety, provided such  
1378 regulations shall be no less stringent than those prepared and enforced  
1379 by the Commissioner of Public Safety pursuant to this section.

1380 Sec. 32. Section 29-357 of the general statutes is repealed and the  
1381 following is substituted in lieu thereof (*Effective July 1, 2007*):

1382 (a) Except as provided in subsection (b) of this section, no person,  
1383 firm or corporation shall offer for sale, expose for sale, sell at retail or  
1384 use or explode or possess with intent to sell, use or explode any  
1385 fireworks. A person who is sixteen years of age or older may offer for  
1386 sale, expose for sale, sell at retail, purchase, use or possess with intent  
1387 to sell or use sparklers or fountains of not more than one hundred  
1388 grams of pyrotechnic mixture per item, which are nonexplosive and  
1389 nonaerial, provided (1) such sparklers and fountains do not contain  
1390 magnesium, except for magnalium or magnesium-aluminum alloy, (2)  
1391 such sparklers and fountains containing any chlorate or perchlorate  
1392 salts do not exceed five grams of composition per item, and (3) when  
1393 more than one fountain is mounted on a common base, the total

1394 pyrotechnic composition does not exceed two hundred grams.

1395 (b) The State Fire Marshal shall adopt reasonable regulations, in  
1396 accordance with chapter 54, for the granting of permits for supervised  
1397 displays of fireworks or for the indoor use of pyrotechnics, sparklers  
1398 and fountains for special effects by municipalities, fair associations,  
1399 amusement parks, other organizations or groups of individuals or  
1400 artisans in pursuit of their trade. Such permit may be issued upon  
1401 application to said State Fire Marshal and after (1) inspection of the site  
1402 of such display or use by the local fire marshal to determine  
1403 compliance with the requirements of such regulations, (2) approval of  
1404 the chiefs of the police and fire departments, or, if there is no police or  
1405 fire department, of the first selectman, of the municipality wherein the  
1406 display is to be held as is provided in this section, and (3) the filing of a  
1407 bond by the applicant as provided in section 29-358. No such display  
1408 shall be handled or fired by any person until such person has been  
1409 granted a certificate of competency by the State Fire Marshal, in  
1410 respect to which a fee of [fifty] one hundred dollars shall be payable to  
1411 the State Treasurer when issued and which may be renewed every  
1412 three years upon payment of a fee of [thirty] one hundred fifty dollars  
1413 to the State Treasurer, provided such certificate may be suspended or  
1414 revoked by said marshal at any time for cause. Such certificate of  
1415 competency shall attest to the fact that such operator is competent to  
1416 fire a display. Such display shall be of such a character and so located,  
1417 discharged or fired as in the opinion of the chiefs of the police and fire  
1418 departments or such selectman, after proper inspection, will not be  
1419 hazardous to property or endanger any person or persons. In an aerial  
1420 bomb, no salute, report or maroon may be used that is composed of a  
1421 formula of chlorate of potash, sulphur, black needle antimony and  
1422 dark aluminum. Formulas that may be used in a salute, report or  
1423 maroon are as follows: (A) Perchlorate of potash, black needle  
1424 antimony and dark aluminum, and (B) perchlorate of potash, dark  
1425 aluminum and sulphur. No high explosive such as dynamite,  
1426 fulminate of mercury or other stimulator for detonating shall be used  
1427 in any aerial bomb or other pyrotechnics. Application for permits shall

1428 be made in writing at least fifteen days prior to the date of display, on  
1429 such notice as the State Fire Marshal by regulation prescribes, on forms  
1430 furnished by him, and a fee of [thirty-five] fifty dollars shall be payable  
1431 to the State Treasurer with each such application. After such permit  
1432 has been granted, sales, possession, use and distribution of fireworks  
1433 for such display shall be lawful for that purpose only. No permit  
1434 granted hereunder shall be transferable. Any permit issued under the  
1435 provisions of this section may be suspended or revoked by the State  
1436 Fire Marshal or the local fire marshal for violation by the permittee of  
1437 any provision of the general statutes, any regulation or any ordinance  
1438 relating to fireworks.

1439 (c) The State Fire Marshal may grant variations or exemptions from,  
1440 or approve equivalent or alternate compliance with, particular  
1441 provisions of any regulation issued under the provisions of subsection  
1442 (b) of this section where strict compliance with such provisions would  
1443 entail practical difficulty or unnecessary hardship or is otherwise  
1444 adjudged unwarranted, provided any such variation, exemption,  
1445 approved equivalent or alternate compliance shall, in the opinion of  
1446 the State Fire Marshal, secure the public safety and shall be made in  
1447 writing.

1448 (d) Any person, firm or corporation violating the provisions of this  
1449 section shall be fined not more than one hundred dollars or  
1450 imprisoned not more than ninety days or be both fined and  
1451 imprisoned, except that (1) any person, firm or corporation violating  
1452 the provisions of subsection (a) of this section by offering for sale,  
1453 exposing for sale or selling at retail or possessing with intent to sell any  
1454 fireworks with a value exceeding ten thousand dollars shall be guilty  
1455 of a class A misdemeanor, and (2) any person, firm or corporation  
1456 violating any provision of subsection (b) of this section or any  
1457 regulation adopted thereunder shall be guilty of a class A  
1458 misdemeanor, except if death or injury results from any such violation,  
1459 such person, firm or corporation shall be fined not more than ten  
1460 thousand dollars or imprisoned not more than ten years, or both.

1461 Sec. 33. Section 29-365 of the general statutes is repealed and the  
1462 following is substituted in lieu thereof (*Effective July 1, 2007*):

1463 The fee to be paid to the licensing authority upon each application  
1464 shall be as follows: For a fireworks manufacturing license, [one] two  
1465 hundred dollars; for a dealer, wholesaler and jobber, [fifty] two  
1466 hundred dollars. Fees collected by the State Fire Marshal shall be paid  
1467 to the State Treasurer.

1468 Sec. 34. Section 29-402 of the general statutes is repealed and the  
1469 following is substituted in lieu thereof (*Effective July 1, 2007*):

1470 (a) No person shall engage in the business of demolition of  
1471 buildings without a certificate of registration obtained from the  
1472 Department of Public Safety. An applicant for initial registration shall  
1473 file an application with the Department of Public Safety, furnish  
1474 evidence of expertise and financial responsibility and pay a fee of three  
1475 hundred fifty dollars for a class B certificate and seven hundred fifty  
1476 dollars for a class A certificate. Each certificate shall be valid for twelve  
1477 months from date of issuance and shall be renewable on application of  
1478 the registrant upon payment of an annual fee of two hundred dollars  
1479 for a class B certificate and six hundred dollars for a class A certificate.  
1480 The department may refuse to issue any such certificate for cause, and  
1481 may revoke or refuse to renew any such certificate for failure to carry  
1482 out and conform to the provisions of this part or to any regulations  
1483 adopted hereunder, or for any violation of title 22a. No person shall be  
1484 refused a certificate or a renewal thereof, and no certificate shall be  
1485 revoked, without an opportunity for a hearing conducted by the  
1486 Department of Public Safety.

1487 (b) As used in this part, the term "registration" includes the whole or  
1488 part of any permit which the Department of Public Safety issues under  
1489 authority of the general statutes and which (1) requires persons to  
1490 place their names on a list maintained by the department before they  
1491 can engage in the business of demolition of buildings, (2) does not  
1492 require a person to demonstrate competence by examination or other

1493 means, and (3) may be revoked or suspended by the department for  
 1494 cause.

1495 (c) The provisions of this section shall not apply to (1) a person who  
 1496 is engaged in the disassembling, transportation and reconstruction of  
 1497 historic buildings for historical purposes or in the demolition of farm  
 1498 buildings or in the renovation, alteration or reconstruction of a single-  
 1499 family residence, (2) the removal of underground petroleum storage  
 1500 tanks, (3) the burning of a building or structure as part of an organized  
 1501 fire department training exercise, or (4) the demolition of a single-  
 1502 family residence or out building by an owner of such structure if it  
 1503 does not exceed a height of thirty feet, provided (A) the owner shall be  
 1504 present on site while such demolition work is in progress and shall be  
 1505 held personally liable for any injury to individuals or damage to public  
 1506 or private property caused by such demolition, and (B) such  
 1507 demolition shall be permitted only with respect to buildings which  
 1508 have clearance from other structures, roads or highways equal to or  
 1509 greater than the height of the structure subject to demolition. The local  
 1510 building official may require additional clearance when deemed  
 1511 necessary for safety.

1512 Sec. 35. Subparagraph (A) of subdivision (37) of subsection (a) of  
 1513 section 12-407, subdivision (47) of section 12-412 and section 12-412b of  
 1514 the general statutes are repealed. (*Effective July 1, 2007, and applicable to*  
 1515 *sales occurring on or after July 1, 2007*)"

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	12-211a
Sec. 2	<i>July 1, 2007, and applicable to income years commencing on or after January 1, 2007</i>	12-217zz

Sec. 3	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	12-296
Sec. 4	<i>July 1, 2007, and applicable to the storage or use of unstamped cigarettes occurring on or after July 1, 2007</i>	12-316
Sec. 5	<i>July 1, 2007</i>	New section
Sec. 6	<i>July 1, 2007, and applicable to the estates of decedents who die on or after January 1, 2007</i>	12-391
Sec. 7	<i>July 1, 2007</i>	12-407(a)(37)
Sec. 8	<i>July 1, 2007</i>	12-408(1)
Sec. 9	<i>July 1, 2007, and applicable to sales occurring on and after July 1, 2007</i>	12-412(55)
Sec. 10	<i>from passage</i>	New section
Sec. 11	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	12-412(27)
Sec. 12	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	12-412k(b)
Sec. 13	<i>July 1, 2007</i>	12-460a
Sec. 14	<i>July 1, 2007</i>	12-494(a)
Sec. 15	<i>July 1, 2007</i>	12-587
Sec. 16	<i>July 1, 2007, and applicable to calendar years commencing on or after January 1, 2007</i>	12-642(a)
Sec. 17	<i>July 1, 2007, and applicable to taxable years commencing on or after January 1, 2007</i>	12-700(a)
Sec. 18	<i>July 1, 2007</i>	New section

Sec. 19	<i>July 1, 2007, and applicable to taxable years commencing on or after January 1, 2007</i>	12-704c(b) and (c)
Sec. 20	<i>July 1, 2007, and applicable to taxable years commencing on or after January 1, 2007</i>	New section
Sec. 21	<i>July 1, 2007</i>	29-112
Sec. 22	<i>July 1, 2007</i>	29-117
Sec. 23	<i>July 1, 2007</i>	29-130
Sec. 24	<i>July 1, 2007</i>	29-134
Sec. 25	<i>July 1, 2007</i>	29-193
Sec. 26	<i>July 1, 2007</i>	29-196
Sec. 27	<i>July 1, 2007</i>	29-204
Sec. 28	<i>July 1, 2007</i>	29-206
Sec. 29	<i>July 1, 2007</i>	29-237
Sec. 30	<i>July 1, 2007</i>	29-238
Sec. 31	<i>July 1, 2007</i>	29-349
Sec. 32	<i>July 1, 2007</i>	29-357
Sec. 33	<i>July 1, 2007</i>	29-365
Sec. 34	<i>July 1, 2007</i>	29-402
Sec. 35	<i>July 1, 2007, and applicable to sales occurring on or after July 1, 2007</i>	Repealer section