



Senate

General Assembly

File No. 422

February Session, 2008

Senate Bill No. 401

Senate, April 3, 2008

The Committee on Commerce reported through SEN. LEBEAU of the 3rd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

AN ACT CONCERNING A STUDY OF A NEXT GENERATION INDUSTRIES TAX CREDIT PROGRAM.

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

1 Section 1. (*Effective July 1, 2008*) (a) The Commissioner of Economic
2 and Community Development shall conduct a study of the concept of
3 a next generation industries tax credit. Such study shall consist of the
4 following components: (1) The commissioner shall identify those
5 emerging industries most likely to benefit from the credit and most
6 likely to produce jobs and economic growth in Connecticut as a result
7 of the credit. Such industries may include alternative energy,
8 environmental sciences and remediation, life science devices, optics
9 and photonics, or nanotechnology. (2) The commissioner shall identify
10 expenses that would qualify for a tax credit under a next generation
11 tax credit program. Said commissioner shall work with emerging
12 industries to identify the development and start-up costs that pose an
13 impediment to growth, including, but not limited to, (A) investments
14 in infrastructure for the purchase, lease or retrofitting of buildings and

15 facilities, (B) the purchase, lease or development of scientific or
 16 research equipment and fixtures, or (C) the recruitment, relocation,
 17 training and employment costs associated with any new positions
 18 created. (3) The commissioner shall consider the film and digital
 19 media production tax credit program, and recommend whether a next
 20 generation industries tax credit program should be (A) a transferable
 21 credit, (B) a credit against the corporation and insurance premium
 22 taxes, (C) equal to thirty per cent of all qualified expenses incurred in
 23 Connecticut, and (D) allowed to be carried forward for at least three
 24 income years.

25 (b) On or before January 1, 2009, the commissioner shall, in
 26 accordance with the provisions of section 11-4a of the general statutes,
 27 report to the joint standing committee of the General Assembly having
 28 cognizance of matters relating to commerce as to the results of the
 29 study undertaken pursuant to subsection (a) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	New section

CE *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 09 \$
Department of Economic & Community Development	GF - Cost	75,000

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill will result in a cost of approximately \$75,000 to the Department of Economic and Community Development (DECD) associated with conducting a study on the concept of a next generation industries tax credit. Research costs include interviews, focus groups, and surveys to identify such industries and determine the guidelines of a beneficial tax credit program.

The Out Years

The bill requires DECD to report to the Commerce Committee regarding the results of the study on or before January 1, 2009.

OLR Bill Analysis

SB 401

***AN ACT CONCERNING A STUDY OF A NEXT GENERATION
INDUSTRIES TAX CREDIT PROGRAM.***

SUMMARY:

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 22 Nay 0 (03/18/2008)