



General Assembly

February Session, 2008

Raised Bill No. 5884

LCO No. 2977

02977_____FIN

Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING A STUDY OF A BUSINESS ACTIVITY TAX FOR CORPORATIONS.

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

1 Section 1. (*Effective July 1, 2008*) (a) The Business Tax Credit and Tax
2 Policy Committee, established pursuant to section 12-217z of the
3 general statutes, shall conduct a study of replacing the current
4 corporation business tax structure with a business activity tax. Such
5 study shall include a review of the Ohio Commercial Activity Tax and
6 the Texas margin tax. The committee shall also consider the following:
7 (1) The business entities to which such business activity tax shall
8 apply; (2) which exclusions or credits shall be allowed; (3) which
9 particular economic sectors of the state economy may benefit and
10 which may be negatively affected; (4) the impact of such tax on the
11 revenues of the state; (5) the impact on other state and local taxes paid
12 by businesses; (6) the impact upon the state's other taxpayers; and (7)
13 the effect on tax rates paid by businesses.

14 (b) Not later than January 1, 2009, the committee shall submit the
15 results of such study, in accordance with the provisions of section 11-
16 4a of the general statutes, to the joint standing committee of the

- 17 General Assembly having cognizance of matters relating to finance,
18 revenue and bonding.

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

Statement of Purpose:

To require the Business Tax Credit and Tax Policy Review Committee to conduct a study of the business activity tax.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]