



General Assembly

Substitute Bill No. 5937

February Session, 2008

* HB05937APP 042308 *

AN ACT CONCERNING THE NEIGHBORHOOD ASSISTANCE ACT.

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

1 Section 1. Subsection (a) of section 12-631 of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective July*
3 *1, 2008*):

4 (a) "Business firm" means (1) any business entity authorized to do
5 business in the state and subject to the corporation business tax
6 imposed under chapter 208 or to the unincorporated business tax
7 imposed under chapter 228, [or] (2) any insurance company, hospital
8 or medical services corporation subject to the insurance companies,
9 hospital and medical services corporations tax imposed under chapter
10 207, [or] (3) any air carrier subject to the air carriers tax imposed under
11 chapter 209, [or] (4) any railroad company subject to the railroad
12 companies tax imposed under chapter 210, [or] (5) any express,
13 telegraph, telephone, cable, car or community antenna television
14 company subject to the express, telegraph, telephone, cable, car and
15 community antenna television companies tax imposed under chapter
16 211, [or] (6) any utility company subject to the utility companies tax
17 imposed under chapter 212, [or] (7) any public service company
18 subject to the public service companies tax imposed under chapter
19 212a, or (8) any limited liability company, limited liability partnership
20 or S corporation, as defined in section 12-284b, that is authorized to do

21 business in the state and derives less than twenty per cent of its gross
22 income in a taxable year from dividends, interest, annuities and
23 royalties, where "gross income" means gross income as determined for
24 purposes of section 61 of the Internal Revenue Code of 1986, or any
25 subsequent corresponding internal revenue code of the United States,
26 as from time to time amended.

27 Sec. 2. Section 12-633 of the 2008 supplement to the general statutes
28 is repealed and the following is substituted in lieu thereof (*Effective July*
29 *1, 2008, and applicable to taxable years commencing on or after January 1,*
30 *2008*):

31 (a) The Commissioner of Revenue Services shall grant a credit
32 against any tax due under the provisions of chapter 207, 208, 209, 210,
33 211 or 212 in an amount not to exceed sixty per cent of the total cash
34 amount invested during the [taxable] income year by the business firm
35 in programs operated or created pursuant to proposals approved
36 pursuant to section 12-632, provided a tax credit not to exceed one
37 hundred per cent of the total cash amount invested during the
38 [taxable] income year by the business firm may be allowed for
39 investment in certain energy conservation projects as provided in
40 subdivisions (1) and (2) of section 12-635 of the 2008 supplement to the
41 general statutes, as amended by this act.

42 (b) Said commissioner may grant a credit against any tax due under
43 the provisions of chapter 229 in an amount not to exceed twenty-five
44 per cent of the total cash amount invested during the taxable year by a
45 business firm that is a limited liability company, limited liability
46 partnership or S corporation in programs operated or created pursuant
47 to proposals approved pursuant to section 12-632. Any such credit
48 granted to a business firm that is a limited liability company, limited
49 liability partnership or S corporation shall pass through to the
50 members of such company, partners of such partnership or
51 shareholders of such corporation, as provided in section 6 of this act.

52 Sec. 3. Section 12-634 of the general statutes is repealed and the

53 following is substituted in lieu thereof (*Effective July 1, 2008, and*
54 *applicable to taxable years commencing on or after January 1, 2008*):

55 The Commissioner of Revenue Services shall grant a credit against
56 any tax due under the provisions of chapter 207, 208, 209, 210, 211 or
57 212 in an amount not to exceed sixty per cent of the total cash amount
58 invested during the [taxable] income year, or against any tax due
59 under the provisions of chapter 229 in an amount not to exceed
60 twenty-five per cent of the total cash amount invested during the
61 taxable year, where such investment by the business firm is in
62 programs operated or created pursuant to proposals approved
63 pursuant to section 12-632 for planning, site preparation, construction,
64 renovation or acquisition of facilities for purposes of establishing a
65 child day care facility to be used primarily by the children of such
66 business firm's employees and equipment installed for such facility,
67 including kitchen appliances, to the extent that such equipment or
68 appliances are necessary in the use of such facility for purposes of
69 child day care, provided: (1) Such facility is operated under the
70 authority of a license issued by the Commissioner of Public Health in
71 accordance with sections 19a-77 to 19a-87, inclusive, (2) such facility is
72 operated without profit by such business firm related to any charges
73 imposed for the use of such facility for purposes of child day care, and
74 (3) the amount of tax credit allowed any business firm under the
75 provisions of this section for any income year may not exceed fifty
76 thousand dollars. If two or more business firms share in the cost of
77 establishing such a facility for the children of their employees, each
78 such taxpayer shall be allowed such credit in relation to the respective
79 share, paid or incurred by such taxpayer, of the total expenditures for
80 the facility in such income year. The commissioner shall not grant a
81 credit pursuant to this section to any taxpayer claiming a credit for the
82 same year pursuant to section 12-217x. Any such credit granted to a
83 business firm that is a limited liability company, limited liability
84 partnership or S corporation shall pass through to the members of such
85 company, partners of such partnership or shareholders of such
86 corporation, as provided in section 12-635a, as amended by this act.

87 Sec. 4. Section 12-635 of the 2008 supplement to the general statutes
88 is repealed and the following is substituted in lieu thereof (*Effective*
89 *from passage and applicable to taxable years commencing on or after January*
90 *1, 2008*):

91 (a) The Commissioner of Revenue Services shall grant a credit
92 against any tax due under the provisions of chapter 207, 208, 209, 210,
93 211 or 212: (1) In an amount not to exceed one hundred per cent of the
94 total cash amount invested during the [taxable] income year by the
95 business firm in programs operated or created pursuant to proposals
96 approved pursuant to section 12-632 for energy conservation projects
97 directed toward properties occupied by persons, at least seventy-five
98 per cent of whom are at an income level not exceeding one hundred
99 fifty per cent of the poverty level for the year next preceding the year
100 during which such tax credit is to be granted; (2) in an amount equal to
101 one hundred per cent of the total cash amount invested during the
102 [taxable] income year by the business firm in programs operated or
103 created pursuant to proposals approved pursuant to section 12-632 for
104 energy conservation projects at properties owned or occupied by
105 charitable corporations, foundations, trusts or other entities as
106 determined under regulations adopted pursuant to this chapter; or (3)
107 in an amount not to exceed sixty per cent of the total cash amount
108 invested during the [taxable] income year by the business firm (A) in
109 employment and training programs directed at youths, at least
110 seventy-five per cent of whom are at an income level not exceeding
111 one hundred fifty per cent of the poverty level for the year next
112 preceding the year during which such tax credit is to be granted; (B) in
113 employment and training programs directed at handicapped persons
114 as determined under regulations adopted pursuant to this chapter; (C)
115 in employment and training programs for unemployed workers who
116 are fifty years of age or older; (D) in education and employment
117 training programs for recipients in the temporary family assistance
118 program; or (E) in child care services. Any other program which serves
119 persons at least seventy-five per cent of whom are at an income level
120 not exceeding one hundred fifty per cent of the poverty level for the

121 year next preceding the year during which such tax credit is to be
122 granted and which meets the standards for eligibility under this
123 chapter shall be eligible for a tax credit under this section in an amount
124 equal to sixty per cent of the total cash invested by the business firm in
125 such program.

126 (b) Said commissioner shall grant a credit against any tax due under
127 the provisions of chapter 229 in an amount not to exceed twenty-five
128 per cent of the total cash amount invested during the taxable year by a
129 business firm that is a limited liability company, limited liability
130 partnership or S corporation in programs described in subsection (a) of
131 this section. Any such credit granted to a business firm that is a limited
132 liability company, limited liability partnership or S corporation shall
133 pass through to the members of such company, partners of such
134 partnership or shareholders of such corporation, as provided in section
135 6 of this act.

136 Sec. 5. Section 12-635a of the general statutes is repealed and the
137 following is substituted in lieu thereof (*Effective July 1, 2008, and*
138 *applicable to taxable years commencing on or after January 1, 2008*):

139 (a) The Commissioner of Revenue Services shall grant a credit
140 against any tax due under the provisions of chapter 207, 208, 209, 210,
141 211 or 212 in an amount not to exceed forty per cent of the total cash
142 amount invested during the [taxable] income year by the business firm
143 in community-based alcoholism prevention or treatment programs
144 operated or created pursuant to proposals approved pursuant to
145 section 12-632.

146 (b) Said commissioner shall grant a credit under any tax due under
147 the provisions of chapter 229 in an amount not to exceed twenty-five
148 per cent of the total cash amount invested during the taxable year by a
149 business firm that is a limited liability company, limited liability
150 partnership or S corporation in programs described in subsection (a) of
151 this section. Any such credit granted to a business firm that is a limited
152 liability company, limited liability partnership or S corporation shall

153 pass through to the members of such company, partners of such
 154 partnership or shareholders of such corporation, as provided in section
 155 6 of this act.

156 Sec. 6. (NEW) (*Effective July 1, 2008, and applicable to taxable years*
 157 *commencing on or after January 1, 2008*) For purposes of determining tax
 158 liability pursuant to chapter 229 of the general statutes, each member
 159 of a limited liability company, each partner of a limited liability
 160 partnership or each shareholder in an S corporation, as applicable,
 161 shall receive any credit granted pursuant to sections 12-630aa to 12-
 162 638, inclusive, of the general statutes or the 2008 supplement to the
 163 general statutes, as amended by this act, in an amount equal to such
 164 member's, partner's or shareholder's pro rata portion of the credit
 165 which such company, partnership or corporation is granted.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2008</i>	12-631(a)
Sec. 2	<i>July 1, 2008, and applicable to taxable years commencing on or after January 1, 2008</i>	12-633
Sec. 3	<i>July 1, 2008, and applicable to taxable years commencing on or after January 1, 2008</i>	12-634
Sec. 4	<i>from passage and applicable to taxable years commencing on or after January 1, 2008</i>	12-635
Sec. 5	<i>July 1, 2008, and applicable to taxable years commencing on or after January 1, 2008</i>	12-635a
Sec. 6	<i>July 1, 2008, and applicable to taxable years commencing on or after January 1, 2008</i>	New section

FIN *Joint Favorable Subst.*

APP *Joint Favorable*