



General Assembly

February Session, 2008

**Raised Bill No. 594**

LCO No. 2804

\*02804\_\_\_\_\_FIN\*

Referred to Committee on Finance, Revenue and Bonding

Introduced by:  
(FIN)

**AN ACT CONCERNING NEW MARKET TAX CREDITS.**

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

1 Section 1. Section 3-20 of the general statutes is amended by adding  
2 subsection (y) as follows (*Effective from passage*):

3 (NEW) (y) Notwithstanding the provisions of any general statute,  
4 public act or special act, upon the request of any proposed recipient for  
5 a grant for a project to be financed by bonds issued under this section,  
6 and subject to the approval of the State Bond Commission and the  
7 Treasurer, such grant may be made to a qualified community  
8 development entity, or to a partnership, limited partnership, limited  
9 liability company or other business entity investing exclusively in a  
10 qualified community development entity, provided substantially all of  
11 the proceeds of such grant are made available to such proposed  
12 recipient to finance such project. For purposes of this subsection,  
13 "qualified community development entity" means an entity certified as  
14 a qualified community development entity pursuant to Section  
15 45D(c)(1) of the Internal Revenue Code of 1986, or any subsequent  
16 corresponding internal revenue code of the United States, as from time  
17 to time amended, that has received an allocation of New Market Tax

- 18 Credits available for qualified low-income community investment in
- 19 the state under Section 45D(f)(2) of said Internal Revenue Code.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	3-20

**Statement of Purpose:**

To permit qualified community development entities to serve as conduits for general obligation bond fund grants in order to qualify for federal New Market Tax Credits.

*[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.]*