



General Assembly

January Session, 2009

Raised Bill No. 6348

LCO No. 2930

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Referred to Committee on Finance, Revenue and Bonding

Introduced by:
(FIN)

AN ACT CONCERNING CORPORATION BUSINESS TAX CREDITS.

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

1 Section 1. (NEW) (*Effective July 1, 2009, and applicable to income years*
2 *commencing on or after January 1, 2009*) (a) The Commissioner of
3 Revenue Services shall limit the total amount of all tax credits claimed
4 pursuant to chapters 184b, 207 and 208 of the general statutes,
5 inclusive, and sections 8-395, 10-228b, 32-9t and 38a-88a of the general
6 statutes, in a single income year to not more than one hundred million
7 dollars.

8 (b) (1) Notwithstanding any provision of the general statutes or of
9 the Regulations of Connecticut State Agencies, each tax credit allowed
10 to be claimed against taxes due pursuant to said chapters and said
11 sections, shall be subject to preapproval. The Commissioner of
12 Revenue Services shall not allow any credits to be taken unless the
13 taxpayer has received a voucher in accordance with this subsection.

14 (2) During the first quarter of each taxpayer's income year, the
15 taxpayer shall apply to the appropriate commissioner or director, as
16 provided in subdivision (3) of this subsection, for a voucher in an

17 amount calculated to equal the expected credit amount. The voucher
18 application shall contain such information as such commissioner or
19 executive director, in consultation with the Commissioner of Revenue
20 Services, determines is necessary for the accurate computation of the
21 amount of each taxpayer's credit voucher and of the amount of the
22 total credits to be allowed pursuant to the limitation in subsection (a)
23 of this section. Each applicant taxpayer shall be notified not later than
24 the end of the second quarter of such taxpayer's income year of the
25 availability and amount, if any, of the voucher such taxpayer will be
26 allocated. Prior to final allocation of any voucher, such commissioner
27 or executive director shall require complete documentation of the
28 taxpayer's compliance with the requirements for receipt of the tax
29 credit.

30 (3) The following commissioners and executive directors shall
31 provide vouchers for the following credits: For any credits provided
32 pursuant to section 8-395 of the general statutes, the executive director
33 of the Connecticut Housing Finance Authority; for any credits
34 provided pursuant to section 10-228b of the general statutes, the
35 Commissioner of Education; for any credits provided pursuant to
36 chapter 184b of the general statutes and for the credits provided
37 pursuant to sections 12-217jj to 12-217ll, inclusive, of the general
38 statutes, the executive director of the Commission on Culture and
39 Tourism; for any credits provided pursuant to chapter 207 of the
40 general statutes, or section 38a-88a of the general statutes, the
41 Insurance Commissioner; for any credits provided pursuant to chapter
42 208 of the general statutes, except sections 12-217jj to 12-217ll,
43 inclusive, of the general statutes, and for the credit provided pursuant
44 to section 32-9t of the general statutes, the Commissioner of Economic
45 and Community Development.

46 (c) Notwithstanding any provision of the general statutes, for
47 income years commencing on or after January 1, 2009, tax credits may
48 be applied toward a single-year tax return only. No carryforwards
49 shall be allowed.

50 (d) The Commissioner of Revenue Services may adopt regulations,
51 in accordance with the provisions of chapter 54 of the general statutes,
52 to implement the provisions of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	New section

Statement of Purpose:

To provide for an application process for tax credits that will limit the state's exposure for such credits to one hundred million dollars.

[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.]