



General Assembly

Substitute Bill No. 932

January Session, 2009

* SB00932FIN 040209 *

AN ACT CONCERNING VARIOUS REVENUE MEASURES.

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

1 Section 1. Section 12-211a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2009, and*
3 *applicable to income years commencing on or after January 1, 2009*):

4 Notwithstanding any provision of the general statutes, the amount
5 of tax credit or credits otherwise allowable against the tax imposed
6 under this chapter (1) for any income year commencing prior to
7 January 1, 2009, shall not exceed seventy per cent of the amount of tax
8 due from such taxpayer under this chapter with respect to such income
9 year of the taxpayer prior to the application of such credit or credits,
10 (2) for any income year commencing on or after January 1, 2009, but
11 prior to January 1, 2010, shall not exceed sixty-five per cent of the
12 amount of tax due from such taxpayer under this chapter with respect
13 to such income year of the taxpayer prior to the application of such
14 credit or credits, and (3) for any income year commencing on or after
15 January 1, 2010, shall not exceed fifty per cent of the amount of tax due
16 from such taxpayer under this chapter with respect to such income
17 year of the taxpayer prior to the application of such credit or credits.

18 Sec. 2. Subdivision (2) of subsection (a) of section 12-214 of the
19 general statutes is repealed and the following is substituted in lieu
20 thereof (*Effective July 1, 2009, and applicable to income years commencing*

21 *on or after January 1, 2009):*

22 (2) The following companies shall be exempt from the tax imposed
23 under this chapter: (A) Insurance companies incorporated or
24 organized under the laws of any other state or foreign government and
25 for income years commencing on or after January 1, 1999, domestic
26 insurance companies; (B) companies exempt by the federal corporation
27 net income tax law; [, and any company which qualifies as a domestic
28 international sales corporation (DISC), as defined in Section 992 of the
29 Internal Revenue Code and as to which a valid election under
30 subsection (b) of said Section 992 to be treated as a DISC is effective,
31 but excluding companies, other than any company which so qualifies
32 as, and so elects to be treated as, a DISC, which elect not to be subject
33 to such tax under any provision of said Internal Revenue Code other
34 than said subsection (b) of Section 992;] (C) companies subject to gross
35 earnings taxes under chapter 210; (D) companies all of whose
36 properties in this state are operated by companies subject to gross
37 earnings taxes under chapter 210; (E) cooperative housing
38 corporations, as defined for federal income tax purposes; (F) any
39 organization or association of two or more persons established and
40 operated for the exclusive purpose of promoting the success or defeat
41 of any candidate for public office or of any political party or question
42 or constitutional amendment to be voted upon at any state or national
43 election or for any other political purpose; (G) any company which is
44 not owned or controlled, directly or indirectly, by any other company,
45 the gross annual revenues of which in the most recently completed
46 year did not exceed one hundred million dollars and which engaged in
47 the research, design, manufacture, sale or installation of alternative
48 energy systems or motor vehicles powered in whole or in part by
49 electricity, natural gas or solar energy including their parts and
50 components, provided at least seventy-five per cent of the gross annual
51 revenues of such company are derived from such research, design,
52 manufacture, sale or installation; (H) any company which engages in
53 the research, design, manufacture or sale in Connecticut of aero-
54 derived gas turbine systems in advanced industrial applications,

55 which applications are developed after October 1, 1992, which are
56 limited to simple-cycle systems, humid air, steam or water injection,
57 recuperation or intercooling technologies, including their parts and
58 components, to the extent that such company's net income is directly
59 attributable to such purposes; (I) any non-United States corporation,
60 which shall be any foreign corporation, as defined in Section 7701(a)(5)
61 of the Internal Revenue Code, whose sole activity in this state during
62 the income year consists of the trading in stocks, securities or
63 commodities for such corporation's own account, as defined in Section
64 864(b)(2)(A)(ii) of said Internal Revenue Code; and (J) for income years
65 commencing on or after January 1, 2001, S corporations.

66 Sec. 3. Subsection (b) of section 12-214 of the general statutes is
67 repealed and the following is substituted in lieu thereof (*Effective July*
68 *1, 2009, and applicable to income years commencing on or after January 1,*
69 *2009*):

70 (b) (1) With respect to income years commencing on or after January
71 1, 1989, and prior to January 1, 1992, any company subject to the tax
72 imposed in accordance with subsection (a) of this section shall pay, for
73 each such income year, an additional tax in an amount equal to twenty
74 per cent of the tax calculated under said subsection (a) for such income
75 year, without reduction of the tax so calculated by the amount of any
76 credit against such tax. The additional amount of tax determined
77 under this subsection for any income year shall constitute a part of the
78 tax imposed by the provisions of said subsection (a) and shall become
79 due and be paid, collected and enforced as provided in this chapter.

80 (2) With respect to income years commencing on or after January 1,
81 1992, and prior to January 1, 1993, any company subject to the tax
82 imposed in accordance with subsection (a) of this section shall pay, for
83 each such income year, an additional tax in an amount equal to ten per
84 cent of the tax calculated under said subsection (a) for such income
85 year, without reduction of the tax so calculated by the amount of any
86 credit against such tax. The additional amount of tax determined
87 under this subsection for any income year shall constitute a part of the

88 tax imposed by the provisions of said subsection (a) and shall become
89 due and be paid, collected and enforced as provided in this chapter.

90 (3) With respect to income years commencing on or after January 1,
91 2003, and prior to January 1, 2004, any company subject to the tax
92 imposed in accordance with subsection (a) of this section shall pay, for
93 each such income year, an additional tax in an amount equal to twenty
94 per cent of the tax calculated under said subsection (a) for such income
95 year, without reduction of the tax so calculated by the amount of any
96 credit against such tax. The additional amount of tax determined
97 under this subsection for any income year shall constitute a part of the
98 tax imposed by the provisions of said subsection (a) and shall become
99 due and be paid, collected and enforced as provided in this chapter.

100 (4) With respect to income years commencing on or after January 1,
101 2004, and prior to January 1, 2005, any company subject to the tax
102 imposed in accordance with subsection (a) of this section shall pay, for
103 each such income year, an additional tax in an amount equal to
104 twenty-five per cent of the tax calculated under said subsection (a) for
105 such income year, without reduction of the tax so calculated by the
106 amount of any credit against such tax, except that any company that
107 pays the minimum tax of two hundred fifty dollars under section 12-
108 219 or 12-223c for such income year shall not be subject to the
109 additional tax imposed by this subdivision. The additional amount of
110 tax determined under this subdivision for any income year shall
111 constitute a part of the tax imposed by the provisions of said
112 subsection (a) and shall become due and be paid, collected and
113 enforced as provided in this chapter.

114 (5) With respect to income years commencing on or after January 1,
115 2006, and prior to January 1, 2007, any company subject to the tax
116 imposed in accordance with subsection (a) of this section shall pay,
117 except when the tax so calculated is equal to two hundred fifty dollars,
118 for each such income year, an additional tax in an amount equal to
119 twenty per cent of the tax calculated under said subsection (a) for such
120 income year, without reduction of the tax so calculated by the amount

121 of any credit against such tax. The additional amount of tax
122 determined under this subsection for any income year shall constitute
123 a part of the tax imposed by the provisions of said subsection (a) and
124 shall become due and be paid, collected and enforced as provided in
125 this chapter.

126 (6) With respect to income years commencing on or after January 1,
127 2009, and prior to January 1, 2012, any company subject to the tax
128 imposed in accordance with subsection (a) of this section shall pay, for
129 each such income year, except when the tax so calculated is equal to
130 two hundred fifty dollars, an additional tax in an amount equal to
131 thirty per cent of the tax calculated under said subsection (a) for such
132 income year, without reduction of the tax so calculated by the amount
133 of any credit against such tax. The additional amount of tax
134 determined under this subsection for any income year shall constitute
135 a part of the tax imposed by the provisions of said subsection (a) and
136 shall become due and be paid, collected and enforced as provided in
137 this chapter.

138 Sec. 4. Subdivision (1) of subsection (a) of section 12-217 of the
139 general statutes is repealed and the following is substituted in lieu
140 thereof (*Effective July 1, 2009, and applicable to income years commencing*
141 *on or after January 1, 2009*):

142 (a) (1) In arriving at net income as defined in section 12-213, whether
143 or not the taxpayer is taxable under the federal corporation net income
144 tax, there shall be deducted from gross income, (A) all items deductible
145 under the Internal Revenue Code effective and in force on the last day
146 of the income year except (i) any taxes imposed under the provisions
147 of this chapter which are paid or accrued in the income year and in the
148 income year commencing January 1, 1989, and thereafter, any taxes in
149 any state of the United States or any political subdivision of such state,
150 or the District of Columbia, imposed on or measured by the income or
151 profits of a corporation which are paid or accrued in the income year,
152 [and] (ii) deductions for depreciation, which shall be allowed as
153 provided in subsection (b) of this section, and (iii) deductions for

154 domestic production, as provided in Section 199 of the Internal
155 Revenue Code, and (B) additionally, in the case of a regulated
156 investment company, the sum of (i) the exempt-interest dividends, as
157 defined in the Internal Revenue Code, and (ii) expenses, bond
158 premium, and interest related to tax-exempt income that are
159 disallowed as deductions under the Internal Revenue Code, and (C) in
160 the case of a taxpayer maintaining an international banking facility as
161 defined in the laws of the United States or the regulations of the Board
162 of Governors of the Federal Reserve System, as either may be amended
163 from time to time, the gross income attributable to the international
164 banking facility, provided, no expense or loss attributable to the
165 international banking facility shall be a deduction under any provision
166 of this section, and (D) additionally, in the case of all taxpayers, all
167 dividends as defined in the Internal Revenue Code effective and in
168 force on the last day of the income year not otherwise deducted from
169 gross income, [including dividends received from a DISC or former
170 DISC as defined in Section 992 of the Internal Revenue Code and
171 dividends deemed to have been distributed by a DISC or former DISC
172 as provided in Section 995 of said Internal Revenue Code,] other than
173 thirty per cent of dividends received from a domestic corporation in
174 which the taxpayer owns less than twenty per cent of the total voting
175 power and value of the stock of such corporation, and (E) additionally,
176 in the case of all taxpayers, the value of any capital gain realized from
177 the sale of any land, or interest in land, to the state, any political
178 subdivision of the state, or to any nonprofit land conservation
179 organization where such land is to be permanently preserved as
180 protected open space or to a water company, as defined in section 25-
181 32a, where such land is to be permanently preserved as protected open
182 space or as Class I or Class II water company land.

183 Sec. 5. Section 12-217zz of the general statutes is repealed and the
184 following is substituted in lieu thereof (*Effective July 1, 2009, and*
185 *applicable to income years commencing on or after January 1, 2009*):

186 Notwithstanding any other provision of law, the amount of tax
187 credit or credits otherwise allowable against the tax imposed under

188 this chapter (1) for any income year commencing prior to January 1,
189 2009, shall not exceed seventy per cent of the amount of tax due from
190 such taxpayer under this chapter with respect to such income year of
191 the taxpayer prior to the application of such credit or credits, (2) for
192 any income year commencing on or after January 1, 2009, but prior to
193 January 1, 2010, shall not exceed sixty-five per cent of the amount of
194 tax due from such taxpayer under this chapter with respect to such
195 income year of the taxpayer prior to the application of such credit or
196 credits, and (3) for any income year commencing on or after January 1,
197 2010, shall not exceed fifty per cent of the amount of tax due from such
198 taxpayer under this chapter with respect to such income year of the
199 taxpayer prior to the application of such credit or credits.

200 Sec. 6. Subsection (c) of section 12-218 of the general statutes is
201 repealed and the following is substituted in lieu thereof (*Effective July*
202 *1, 2009, and applicable to income years commencing on or after January 1,*
203 *2009*):

204 (c) Except as otherwise provided in subsection (k) or (l) of this
205 section, the net income of the taxpayer when derived from the
206 manufacture, sale or use of tangible personal or real property, shall be
207 apportioned within and without the state by means of an
208 apportionment fraction, to be computed as the sum of the property
209 factor, the payroll factor and twice the receipts factor, divided by four.
210 (1) The first of these fractions, the property factor, shall represent that
211 part of the average monthly net book value of the total tangible
212 property held and owned by the taxpayer during the income year
213 which is held within the state, without deduction on account of any
214 encumbrance thereon, and the value of tangible property rented to the
215 taxpayer computed by multiplying the gross rents payable during the
216 income year or period by eight. For the purpose of this section, gross
217 rents shall be the actual sum of money or other consideration payable,
218 directly or indirectly, by the taxpayer or for its benefit for the use or
219 possession of the property, excluding royalties, but including interest,
220 taxes, insurance, repairs or any other amount required to be paid by
221 the terms of a lease or other arrangement and a proportionate part of

222 the cost of any improvement to the real property made by or on behalf
223 of the taxpayer which reverts to the owner or lessor upon termination
224 of a lease or other arrangement, based on the unexpired term of the
225 lease commencing with the date the improvement is completed,
226 provided, where a building is erected on leased land by or on behalf of
227 the taxpayer, the value of the land is determined by multiplying the
228 gross rent by eight, and the value of the building is determined in the
229 same manner as if owned by the taxpayer. (2) The second fraction, the
230 payroll factor, shall represent the part of the total wages, salaries and
231 other compensation to employees paid by the taxpayer during the
232 income year which was paid in this state, excluding any such wages,
233 salaries or other compensation attributable to the production of gross
234 income of an international banking facility as defined in section 12-217.
235 Compensation is paid in this state if (A) the individual's service is
236 performed entirely within the state; or (B) the individual's service is
237 performed both within and without the state, but the service
238 performed without the state is incidental to the individual's service
239 within the state; or (C) some of the service is performed in the state
240 and (i) the base of operations or, if there is no base of operations, the
241 place from which the service is directed or controlled is in the state, or
242 (ii) the base of operations or the place from which the service is
243 directed or controlled is not in any state in which some part of the
244 service is performed, but the individual's residence is in this state. (3)
245 The third fraction, the receipts factor, shall represent the part of the
246 taxpayer's gross receipts from sales or other sources during the income
247 year, computed according to the method of accounting used in the
248 computation of its entire net income, which is assignable to the state,
249 and excluding any gross receipts attributable to an international
250 banking facility as defined in section 12-217, but including receipts
251 from sales of tangible property if the property is delivered or shipped
252 to a purchaser within this state, [other than a company which qualifies
253 as a Domestic International Sales Corporation (DISC) as defined in
254 Section 992 of the Internal Revenue Code of 1986, or any subsequent
255 corresponding internal revenue code of the United States, as from time
256 to time amended, and as to which a valid election under Subsection (b)

257 of said Section 992 to be treated as a DISC is effective, regardless of the
258 f.o.b. point or other conditions of the sale,] receipts from services
259 performed within the state, rentals and royalties from properties
260 situated within the state, royalties from the use of patents or
261 copyrights within the state, interest managed or controlled within the
262 state, net gains from the sale or other disposition of intangible assets
263 managed or controlled within the state, net gains from the sale or other
264 disposition of tangible assets situated within the state and all other
265 receipts earned within the state.

266 Sec. 7. Subsection (b) of section 12-219 of the general statutes is
267 repealed and the following is substituted in lieu thereof (*Effective July*
268 *1, 2009, and applicable to income years commencing on or after January 1,*
269 *2009*):

270 (b) (1) With respect to income years commencing on or after January
271 1, 1989, and prior to January 1, 1992, the additional tax imposed on any
272 company and calculated in accordance with subsection (a) of this
273 section shall, for each such income year, except when the tax so
274 calculated is equal to two hundred fifty dollars, be increased by adding
275 thereto an amount equal to twenty per cent of the additional tax so
276 calculated for such income year, without reduction of the additional
277 tax so calculated by the amount of any credit against such tax. The
278 increased amount of tax payable by any company under this section,
279 as determined in accordance with this subsection, shall become due
280 and be paid, collected and enforced as provided in this chapter.

281 (2) With respect to income years commencing on or after January 1,
282 1992, and prior to January 1, 1993, the additional tax imposed on any
283 company and calculated in accordance with subsection (a) of this
284 section shall, for each such income year, except when the tax so
285 calculated is equal to two hundred fifty dollars, be increased by adding
286 thereto an amount equal to ten per cent of the additional tax so
287 calculated for such income year, without reduction of the tax so
288 calculated by the amount of any credit against such tax. The increased
289 amount of tax payable by any company under this section, as

290 determined in accordance with this subsection, shall become due and
291 be paid, collected and enforced as provided in this chapter.

292 (3) With respect to income years commencing on or after January 1,
293 2003, and prior to January 1, 2004, the additional tax imposed on any
294 company and calculated in accordance with subsection (a) of this
295 section shall, for each such income year, be increased by adding
296 thereto an amount equal to twenty per cent of the additional tax so
297 calculated for such income year, without reduction of the tax so
298 calculated by the amount of any credit against such tax. The increased
299 amount of tax payable by any company under this section, as
300 determined in accordance with this subsection, shall become due and
301 be paid, collected and enforced as provided in this chapter.

302 (4) With respect to income years commencing on or after January 1,
303 2004, and prior to January 1, 2005, the additional tax imposed on any
304 company and calculated in accordance with subsection (a) of this
305 section shall, for each such income year, be increased by adding
306 thereto an amount equal to twenty-five per cent of the additional tax so
307 calculated for such income year, without reduction of the tax so
308 calculated by the amount of any credit against such tax, except that
309 any company that pays the minimum tax of two hundred fifty dollars
310 under this section or section 12-223c for such income year shall not be
311 subject to such additional tax. The increased amount of tax payable by
312 any company under this subdivision, as determined in accordance
313 with this subsection, shall become due and be paid, collected and
314 enforced as provided in this chapter.

315 (5) With respect to income years commencing on or after January 1,
316 2006, and prior to January 1, 2007, the additional tax imposed on any
317 company and calculated in accordance with subsection (a) of this
318 section shall, for each such income year, except when the tax so
319 calculated is equal to two hundred fifty dollars, be increased by adding
320 thereto an amount equal to twenty per cent of the additional tax so
321 calculated for such income year, without reduction of the tax so
322 calculated by the amount of any credit against such tax. The increased

323 amount of tax payable by any company under this section, as
324 determined in accordance with this subsection, shall become due and
325 be paid, collected and enforced as provided in this chapter.

326 (6) With respect to income years commencing on or after January 1,
327 2009, and prior to January 1, 2012, the additional tax imposed on any
328 company and calculated in accordance with subsection (a) of this
329 section shall, for each such income year, except when the tax so
330 calculated is equal to two hundred fifty dollars, be increased by adding
331 thereto an amount equal to thirty per cent of the additional tax so
332 calculated for such income year, without reduction of the tax so
333 calculated by the amount of any credit against such tax. The increased
334 amount of tax payable by any company under this section, as
335 determined in accordance with this subsection, shall become due and
336 be paid, collected and enforced as provided in this chapter.

337 Sec. 8. Section 12-296 of the general statutes is repealed and the
338 following is substituted in lieu thereof (*Effective January 1, 2010, and*
339 *applicable to sales occurring on or after January 1, 2010*):

340 A tax is imposed on all cigarettes held in this state by any person for
341 sale, said tax to be at the rate of one hundred twenty-five mills for each
342 cigarette and the payment thereof shall be for the account of the
343 purchaser or consumer of such cigarettes and shall be evidenced by the
344 affixing of stamps to the packages containing the cigarettes as
345 provided in this chapter.

346 Sec. 9. Section 12-316 of the general statutes is repealed and the
347 following is substituted in lieu thereof (*Effective January 1, 2010, and*
348 *applicable to sales occurring on or after January 1, 2010*):

349 A tax is hereby imposed at the rate of one hundred twenty-five mills
350 for each cigarette upon the storage or use within this state of any
351 unstamped cigarettes in the possession of any person other than a
352 licensed distributor or dealer, or a carrier for transit from without this
353 state to a licensed distributor or dealer within this state. Any person,
354 including distributors, dealers, carriers, warehousemen and

355 consumers, last having possession of unstamped cigarettes in this state
356 shall be liable for the tax on such cigarettes if such cigarettes are
357 unaccounted for in transit, storage or otherwise, and in such event a
358 presumption shall exist for the purpose of taxation that such cigarettes
359 were used and consumed in Connecticut.

360 Sec. 10. (*Effective January 1, 2010*) (a) An excise tax is hereby imposed
361 upon each distributor and each dealer, as each are defined in section
362 12-285 of the general statutes and licensed pursuant to chapter 214 of
363 the general statutes, in the amount of twenty-five mills per cigarette, as
364 defined in said section 12-285, in such distributor's or such dealer's
365 inventory as of the close of business on December 31, 2009, or, if the
366 business closes after eleven fifty-nine o'clock p.m. on such date, at
367 eleven fifty-nine o'clock p.m. on such date.

368 (b) Each such licensed distributor or dealer shall, not later than
369 March 15, 2010, file with the Commissioner of Revenue Services, on
370 forms prescribed by said commissioner, a report that shows the
371 number of cigarettes in inventory as of the close of business on
372 December 31, 2009, or, if the business closes after eleven fifty-nine
373 o'clock p.m. on such date, at eleven fifty-nine o'clock p.m. on such
374 date, upon which inventory the tax under subsection (a) of this section
375 shall be imposed. The tax shall be due and payable on the due date of
376 such report. If any distributor or dealer required to file a report
377 pursuant to this section fails to file such report on or before March 15,
378 2010, the commissioner shall make an estimate of the number of
379 cigarettes in such distributor's or dealer's inventory as of the close of
380 business on December 31, 2009, based upon any information that is in
381 the commissioner's possession or that may come into the
382 commissioner's possession. The provisions of chapter 214 of the
383 general statutes pertaining to failure to file returns, examination of
384 returns by the commissioner, the issuance of deficiency assessments or
385 assessments where no return has been filed, the collection of tax, the
386 imposition of penalties and the accrual of interest shall apply to the
387 distributors and dealers required to pay the tax imposed under this
388 section. Failure of any distributor or dealer to file such report when

389 due shall be sufficient reason to revoke such distributor's or dealer's
390 license under the provisions of said chapter 214 and to revoke any
391 other state license or permit held by such distributor or dealer.

392 Sec. 11. (NEW) (*Effective July 1, 2009, and applicable to estates of*
393 *decedents who die on or after January 1, 2009*) With respect to estates of
394 decedents who die on or after January 1, 2009, and on or before
395 December 31, 2011, any estate subject to the tax imposed in accordance
396 with section 12-391 of the general statutes shall pay an additional tax
397 in an amount equal to thirty per cent of the tax calculated under said
398 section 12-391 for such estate. The additional amount of tax
399 determined under this subsection shall constitute a part of the tax
400 imposed by the provisions of said section 12-391 and shall become due
401 and be paid, collected and enforced as provided in chapter 217 of the
402 general statutes.

403 Sec. 12. Section 12-407 of the general statutes is repealed and the
404 following is substituted in lieu thereof (*Effective July 1, 2010, and*
405 *applicable to sales occurring on and after July 1, 2010*):

406 (a) Whenever used in this chapter:

407 (1) "Person" means and includes any individual, firm,
408 copartnership, joint venture, association, association of persons
409 however formed, social club, fraternal organization, corporation,
410 limited liability company, foreign municipal electric utility as defined
411 in section 12-59, estate, trust, fiduciary, receiver, trustee, syndicate, the
412 United States, this state or any political subdivision thereof or any
413 group or combination acting as a unit, and any other individual or
414 officer acting under the authority of any court in this state.

415 (2) "Sale" and "selling" mean and include:

416 (A) Any transfer of title, exchange or barter, conditional or
417 otherwise, in any manner or by any means whatsoever, of tangible
418 personal property for a consideration;

419 (B) Any withdrawal, except a withdrawal pursuant to a transaction
420 in foreign or interstate commerce, of tangible personal property from
421 the place where it is located for delivery to a point in this state for the
422 purpose of the transfer of title, exchange or barter, conditional or
423 otherwise, in any manner or by any means whatsoever, of the property
424 for a consideration;

425 (C) The producing, fabricating, processing, printing or imprinting of
426 tangible personal property for a consideration for consumers who
427 furnish either directly or indirectly the materials used in the
428 producing, fabricating, processing, printing or imprinting, including,
429 but not limited to, sign construction, photofinishing, duplicating and
430 photocopying;

431 (D) The furnishing and distributing of tangible personal property
432 for a consideration by social clubs and fraternal organizations to their
433 members or others;

434 (E) The furnishing, preparing, or serving for a consideration of food,
435 meals or drinks;

436 (F) A transaction whereby the possession of property is transferred
437 but the seller retains the title as security for the payment of the price;

438 (G) A transfer for a consideration of the title of tangible personal
439 property which has been produced, fabricated or printed to the special
440 order of the customer, or of any publication, including, but not limited
441 to, sign construction, photofinishing, duplicating and photocopying;

442 (H) A transfer for a consideration of the occupancy of any room or
443 rooms in a hotel or lodging house for a period of thirty consecutive
444 calendar days or less;

445 (I) The rendering of certain services, as defined in subdivision [(37)]
446 (34) of this subsection, for a consideration, exclusive of such services
447 rendered by an employee for the employer;

448 (J) The leasing or rental of tangible personal property of any kind

449 whatsoever, including, but not limited to, motor vehicles, linen or
450 towels, machinery or apparatus, office equipment and data processing
451 equipment; [provided for purposes of this subdivision and the
452 application of sales and use tax to contracts of lease or rental of
453 tangible personal property, the leasing or rental of any motion picture
454 film by the owner or operator of a motion picture theater for purposes
455 of display at such theater shall not constitute a sale within the meaning
456 of this subsection;]

457 (K) The rendering of telecommunications service, as defined in
458 subdivision (26) of this subsection, for a consideration on or after
459 January 1, 1990, exclusive of any such service rendered by an employee
460 for the employer of such employee, subject to the provisions related to
461 telecommunications service in accordance with section 12-407a;

462 (L) (i) The rendering of community antenna television service, as
463 defined in subdivision (27) of this subsection, for a consideration on or
464 after January 1, 1990, exclusive of any such service rendered by an
465 employee for the employer of such employee. For purposes of this
466 chapter, "community antenna television service" includes service
467 provided by a holder of a certificate of cable franchise authority
468 pursuant to section 16-331p, and service provided by a community
469 antenna television company issued a certificate of video franchise
470 authority pursuant to section 16-331e for any service area in which it
471 was not certified to provide community antenna television service
472 pursuant to section 16-331 on or before October 1, 2007;

473 (ii) The rendering of certified competitive video service, as defined
474 in subdivision [(38)] (35) of this subsection, for consideration on or
475 after October 1, 2007, exclusive of any such service rendered by an
476 employee for the employer of such employee;

477 (M) The transfer for consideration of space or the right to use any
478 space for the purpose of storage or mooring of any noncommercial
479 vessel, exclusive of dry or wet storage or mooring of such vessel
480 during the period commencing on the first day of November in any

481 year to and including the thirtieth day of April of the next succeeding
482 year;

483 (N) The sale for consideration of naming rights to any place of
484 amusement, entertainment or recreation within the meaning of
485 subdivision (3) of section 12-540;

486 (O) The transfer for consideration of a prepaid telephone calling
487 service, as defined in subdivision [(34)] (31) of this subsection, and the
488 recharge of a prepaid telephone calling service, provided, if the sale or
489 recharge of a prepaid telephone calling service does not take place at
490 the retailer's place of business and an item is shipped by the retailer to
491 the customer, the sale or recharge shall be deemed to take place at the
492 customer's shipping address, but, if such sale or recharge does not take
493 place at the retailer's place of business and no item is shipped by the
494 retailer to the customer, the sale or recharge shall be deemed to take
495 place at the customer's billing address or the location associated with
496 the customer's mobile telephone number; and

497 (P) The furnishing by any person, for a consideration, of space for
498 storage of tangible personal property when such person is engaged in
499 the business of furnishing such space, but "sale" and "selling" do not
500 mean or include the furnishing of space which is used by a person for
501 residential purposes. As used in this subparagraph, "space for storage"
502 means secure areas, such as rooms, units, compartments or containers,
503 whether accessible from outside or from within a building, that are
504 designated for the use of a customer, where the customer can store and
505 retrieve property, including self-storage units, mini-storage units and
506 areas by any other name to which the customer has either unlimited
507 free access or free access within reasonable business hours or upon
508 reasonable notice to the service provider to add or remove property,
509 but does not mean the rental of an entire building, such as a
510 warehouse. For purposes of this subparagraph, furnishing space for
511 storage shall not include general warehousing and storage, where the
512 warehouse typically handles, stores and retrieves a customer's
513 property using the warehouse's staff and equipment and does not

514 allow the customer free access to the storage space and shall not
515 include accepting specific items of property for storage, such as
516 clothing at a dry cleaning establishment or golf bags at a golf club.

517 (3) (A) "Retail sale" or "sale at retail" means and includes a sale for
518 any purpose other than resale in the regular course of business of
519 tangible personal property or a transfer for a consideration of the
520 occupancy of any room or rooms in a hotel or lodging house for a
521 period of thirty consecutive calendar days or less, or the rendering of
522 any service described in subdivision (2) of this subsection. The delivery
523 in this state of tangible personal property by an owner or former
524 owner thereof or by a factor, if the delivery is to a consumer pursuant
525 to a retail sale made by a retailer not engaged in business in this state,
526 is a retail sale in this state by the person making the delivery. Such
527 person shall include the retail selling price of the property in such
528 person's gross receipts.

529 (B) "Retail sale" or "sale at retail" does not include any sale of any
530 tangible personal property, where, no later than one hundred twenty
531 days after the original sale, the original purchaser sells or becomes
532 contractually obligated to sell such property to a retailer who is
533 contractually obligated to lease such property back to such original
534 purchaser in a lease that is taxable under this chapter or the sale of
535 such property by the original purchaser to the retailer who is
536 contractually obligated to lease such property back to such original
537 purchaser in a lease that is taxable under this chapter. If the original
538 purchaser has paid sales or use tax on the original sale of such
539 property to the original purchaser, such original purchaser may (i)
540 claim a refund of such tax under the provisions of section 12-425, upon
541 presentation of proof satisfactory to the commissioner that the mutual
542 contractual obligations described in this subparagraph were
543 undertaken no later than one hundred twenty days after the original
544 sale and that such tax was paid to the original retailer on the original
545 sale and was remitted to the commissioner by such original retailer or
546 by such original purchaser, or (ii) issue at the time of such original sale
547 or no later than one hundred twenty days thereafter a certificate, in the

548 form prescribed by the commissioner, to the original retailer certifying
549 that the mutual contractual obligations described in this subparagraph
550 have been undertaken. If such certificate is issued to the original
551 retailer at the time of the original sale, no tax on the original sale shall
552 be collected by the original retailer from the original purchaser. If the
553 certificate is issued after the time of the original sale but no later than
554 one hundred twenty days thereafter, the original retailer shall refund
555 to the original purchaser the tax collected on the original sale and, if
556 the original retailer has previously remitted the tax to the
557 commissioner, the original retailer may either treat the amount so
558 refunded as a credit against the tax due on the return next filed under
559 this chapter, or claim a refund under section 12-425. If such certificate
560 is issued no later than one hundred twenty days after the time of the
561 original sale but the tangible personal property originally purchased is
562 not, in fact, subsequently leased by the original purchaser, such
563 original purchaser shall be liable for and be required to pay the tax due
564 on the original sale.

565 (4) "Storage" includes any keeping or retention in this state for any
566 purpose except sale in the regular course of business or subsequent use
567 solely outside this state of tangible personal property purchased from
568 a retailer.

569 (5) "Use" includes the exercise of any right or power over tangible
570 personal property incident to the ownership of that property, except
571 that it does not include the sale of that property in the regular course
572 of business.

573 (6) "Storage" and "use" do not include (A) keeping, retaining or
574 exercising any right or power over tangible personal property shipped
575 or brought into this state for the purpose of subsequently transporting
576 it outside the state for use thereafter solely outside the state, or for the
577 purpose of being processed, fabricated or manufactured into, attached
578 to or incorporated into, other tangible personal property to be
579 transported outside the state and thereafter used solely outside the
580 state, or (B) keeping, retaining or exercising any right or power over

581 tangible personal property acquired by the customer of a commercial
582 printer while such property is located at the premises of the
583 commercial printer in this state pursuant to a contract with such
584 printer for printing and distribution of printed material if the
585 commercial printer could have acquired such property without
586 application of tax under this chapter.

587 (7) "Purchase" and "purchasing" means and includes: (A) Any
588 transfer, exchange or barter, conditional or otherwise, in any manner
589 or by any means whatsoever, of tangible personal property or of the
590 occupancy of any room or rooms in a hotel or lodging house for a
591 period of thirty consecutive calendar days or less for a consideration;
592 (B) a transaction whereby the possession of property is transferred but
593 the seller retains the title as security for the payment of the price; (C) a
594 transfer for a consideration of tangible personal property which has
595 been produced, fabricated or printed to the special order of the
596 customer, or of any publication; (D) when performed outside this state
597 or when the customer gives a resale certificate pursuant to section 12-
598 410, the producing, fabricating, processing, printing or imprinting of
599 tangible personal property for a consideration for consumers who
600 furnish either directly or indirectly the materials used in the
601 producing, fabricating, processing, printing or imprinting; (E) the
602 acceptance or receipt of any service described in any of the
603 subparagraphs of subdivision (2) of this subsection; (F) any leasing or
604 rental of tangible personal property. Wherever in this chapter
605 reference is made to the purchase or purchasing of tangible personal
606 property, it shall be construed to include purchases as described in this
607 subsection.

608 (8) (A) "Sales price" means the total amount for which tangible
609 personal property is sold by a retailer, the total amount of rent for
610 which occupancy of a room is transferred by an operator, the total
611 amount for which any service described in subdivision (2) of this
612 subsection is rendered by a retailer or the total amount of payment or
613 periodic payments for which tangible personal property is leased by a
614 retailer, valued in money, whether paid in money or otherwise, which

615 amount is due and owing to the retailer or operator and, subject to the
616 provisions of subdivision (1) of section 12-408, whether or not actually
617 received by the retailer or operator, without any deduction on account
618 of any of the following: (i) The cost of the property sold; (ii) the cost of
619 materials used, labor or service cost, interest charged, losses or any
620 other expenses; (iii) for any sale occurring on or after July 1, 1993, any
621 charges by the retailer to the purchaser for shipping or delivery,
622 notwithstanding whether such charges are separately stated in a
623 written contract, or on a bill or invoice rendered to such purchaser or
624 whether such shipping or delivery is provided by the retailer or a third
625 party. The provisions of subparagraph (A) (iii) of this subdivision shall
626 not apply to any item exempt from taxation pursuant to section 12-412,
627 as amended by this act. Such total amount includes any services that
628 are a part of the sale; except as otherwise provided in subparagraph
629 (B)(v) or (B)(vi) of this subdivision, any amount for which credit is
630 given to the purchaser by the retailer, and all compensation and all
631 employment-related expenses, whether or not separately stated, paid
632 to or on behalf of employees of a retailer of any service described in
633 subdivision (2) of this subsection.

634 (B) "Sales price" does not include any of the following: (i) Cash
635 discounts allowed and taken on sales; (ii) any portion of the amount
636 charged for property returned by purchasers, which upon rescission of
637 the contract of sale is refunded either in cash or credit, provided the
638 property is returned within ninety days from the date of purchase; (iii)
639 the amount of any tax, not including any manufacturers' or importers'
640 excise tax, imposed by the United States upon or with respect to retail
641 sales whether imposed upon the retailer or the purchaser; (iv) the
642 amount charged for labor rendered in installing or applying the
643 property sold, provided such charge is separately stated and exclusive
644 of such charge for any service rendered within the purview of
645 subparagraph (I) of subdivision [(37)] (34) of this subsection; (v) unless
646 the provisions of subdivision (4) of section 12-430 [or of section 12-
647 430a] are applicable, any amount for which credit is given to the
648 purchaser by the retailer, provided such credit is given solely for

649 property of the same kind accepted in part payment by the retailer and
650 intended by the retailer to be resold; (vi) the full face value of any
651 coupon used by a purchaser to reduce the price paid to a retailer for an
652 item of tangible personal property, whether or not the retailer will be
653 reimbursed for such coupon, in whole or in part, by the manufacturer
654 of the item of tangible personal property or by a third party; (vii) the
655 amount charged for separately stated compensation, fringe benefits,
656 workers' compensation and payroll taxes or assessments paid to or on
657 behalf of employees of a retailer who has contracted to manage a
658 service recipient's property or business premises and renders
659 management services described in subparagraph (I) or (J) of
660 subdivision [(37)] (34) of this subsection, provided, the employees
661 perform such services solely for the service recipient at its property or
662 business premises and "sales price" shall include the separately stated
663 compensation, fringe benefits, workers' compensation and payroll
664 taxes or assessments paid to or on behalf of any employee of the
665 retailer who is an officer, director or owner of more than five per cent
666 of the outstanding capital stock of the retailer. Determination whether
667 an employee performs services solely for a service recipient at its
668 property or business premises for purposes of this subdivision shall be
669 made by reference to such employee's activities during the time period
670 beginning on the later of the commencement of the management
671 contract, the date of the employee's first employment by the retailer or
672 the date which is six months immediately preceding the date of such
673 determination; [(viii)] the amount charged for separately stated
674 compensation, fringe benefits, workers' compensation and payroll
675 taxes or assessments paid to or on behalf of (I) a leased employee, or
676 (II) a worksite employee by a professional employer organization
677 pursuant to a professional employer agreement. For purposes of this
678 subparagraph, an employee shall be treated as a leased employee if the
679 employee is provided to the client at the commencement of an
680 agreement with an employee leasing organization under which at least
681 seventy-five per cent of the employees provided to the client at the
682 commencement of such initial agreement qualify as leased employees
683 pursuant to Section 414(n) of the Internal Revenue Code of 1986, or

684 any subsequent corresponding internal revenue code of the United
685 States, as from time to time amended, or the employee is added to the
686 client's workforce by the employee leasing organization subsequent to
687 the commencement of such initial agreement and qualifies as a leased
688 employee pursuant to Section 414(n) of said Internal Revenue Code of
689 1986 without regard to subparagraph (B) of paragraph (2) thereof. A
690 leased employee, or a worksite employee subject to a professional
691 employer agreement, shall not include any employee who is hired by a
692 temporary help service and assigned to support or supplement the
693 workforce of a temporary help service's client; (ix)] and (viii) any
694 amount received by a retailer from a purchaser as the battery deposit
695 that is required to be paid under subsection (a) of section 22a-245h; the
696 refund value of a beverage container that is required to be paid under
697 subsection (a) of section 22a-244; or a deposit that is required by law to
698 be paid by the purchaser to the retailer and that is required by law to
699 be refunded to the purchaser by the retailer when the same or similar
700 tangible personal property is delivered as required by law to the
701 retailer by the purchaser, if such amount is separately stated on the bill
702 or invoice rendered by the retailer to the purchaser. [; and (x) the
703 amount charged for separately stated compensation, fringe benefits,
704 workers' compensation and payroll taxes or assessments paid to a
705 media payroll services company, as defined in this subsection.]

706 (9) (A) "Gross receipts" means the total amount of the sales price
707 from retail sales of tangible personal property by a retailer, the total
708 amount of the rent from transfers of occupancy of rooms by an
709 operator, the total amount of the sales price from retail sales of any
710 service described in subdivision (2) of this subsection by a retailer of
711 services, or the total amount of payment or periodic payments from
712 leases or rentals of tangible personal property by a retailer, valued in
713 money, whether received in money or otherwise, which amount is due
714 and owing to the retailer or operator and, subject to the provisions of
715 subdivision (1) of section 12-408, whether or not actually received by
716 the retailer or operator, without any deduction on account of any of
717 the following: (i) The cost of the property sold; however, in accordance

718 with such regulations as the Commissioner of Revenue Services may
719 prescribe, a deduction may be taken if the retailer has purchased
720 property for some other purpose than resale, has reimbursed the
721 retailer's vendor for tax which the vendor is required to pay to the
722 state or has paid the use tax with respect to the property, and has
723 resold the property prior to making any use of the property other than
724 retention, demonstration or display while holding it for sale in the
725 regular course of business. If such a deduction is taken by the retailer,
726 no refund or credit will be allowed to the retailer's vendor with respect
727 to the sale of the property; (ii) the cost of the materials used, labor or
728 service cost, interest paid, losses or any other expense; (iii) for any sale
729 occurring on or after July 1, 1993, except for any item exempt from
730 taxation pursuant to section 12-412, as amended by this act, any
731 charges by the retailer to the purchaser for shipping or delivery,
732 notwithstanding whether such charges are separately stated in the
733 written contract, or on a bill or invoice rendered to such purchaser or
734 whether such shipping or delivery is provided by the retailer or a third
735 party. The total amount of the sales price includes any services that are
736 a part of the sale; all receipts, cash, credits and property of any kind;
737 except as otherwise provided in subparagraph (B)(v) or (B)(vi) of this
738 subdivision, any amount for which credit is allowed by the retailer to
739 the purchaser; and all compensation and all employment-related
740 expenses, whether or not separately stated, paid to or on behalf of
741 employees of a retailer of any service described in subdivision (2) of
742 this subsection.

743 (B) "Gross receipts" do not include any of the following: (i) Cash
744 discounts allowed and taken on sales; (ii) any portion of the sales price
745 of property returned by purchasers, which upon rescission of the
746 contract of sale is refunded either in cash or credit, provided the
747 property is returned within ninety days from the date of sale; (iii) the
748 amount of any tax, not including any manufacturers' or importers'
749 excise tax, imposed by the United States upon or with respect to retail
750 sales whether imposed upon the retailer or the purchaser; (iv) the
751 amount charged for labor rendered in installing or applying the

752 property sold, provided such charge is separately stated and exclusive
753 of such charge for any service rendered within the purview of
754 subparagraph (I) of subdivision [(37)] (34) of this subsection; (v) unless
755 the provisions of subdivision (4) of section 12-430 [or of section 12-
756 430a] are applicable, any amount for which credit is given to the
757 purchaser by the retailer, provided such credit is given solely for
758 property of the same kind accepted in part payment by the retailer and
759 intended by the retailer to be resold; (vi) the full face value of any
760 coupon used by a purchaser to reduce the price paid to the retailer for
761 an item of tangible personal property, whether or not the retailer will
762 be reimbursed for such coupon, in whole or in part, by the
763 manufacturer of the item of tangible personal property or by a third
764 party; (vii) the amount charged for separately stated compensation,
765 fringe benefits, workers' compensation and payroll taxes or
766 assessments paid to or on behalf of employees of a retailer who has
767 contracted to manage a service recipient's property or business
768 premises and renders management services described in subparagraph
769 (I) or (J) of subdivision [(37)] (34) of this subsection, provided the
770 employees perform such services solely for the service recipient at its
771 property or business premises and "gross receipts" shall include the
772 separately stated compensation, fringe benefits, workers'
773 compensation and payroll taxes or assessments paid to or on behalf of
774 any employee of the retailer who is an officer, director or owner of
775 more than five per cent of the outstanding capital stock of the retailer.
776 Determination whether an employee performs services solely for a
777 service recipient at its property or business premises for purposes of
778 this subdivision shall be made by reference to such employee's
779 activities during the time period beginning on the later of the
780 commencement of the management contract, the date of the
781 employee's first employment by the retailer or the date which is six
782 months immediately preceding the date of such determination; [(viii)
783 the amount charged for separately stated compensation, fringe
784 benefits, workers' compensation and payroll taxes or assessments paid
785 to or on behalf of (I) a leased employee, or (II) a worksite employee by
786 a professional employer organization pursuant to a professional

787 employer agreement. For purposes of this subparagraph, an employee
788 shall be treated as a leased employee if the employee is provided to the
789 client at the commencement of an agreement with an employee leasing
790 organization under which at least seventy-five per cent of the
791 employees provided to the client at the commencement of such initial
792 agreement qualify as leased employees pursuant to Section 414(n) of
793 the Internal Revenue Code of 1986, or any subsequent corresponding
794 internal revenue code of the United States, as from time to time
795 amended, or the employee is added to the client's workforce by the
796 employee leasing organization subsequent to the commencement of
797 such initial agreement and qualifies as a leased employee pursuant to
798 Section 414(n) of said Internal Revenue Code of 1986 without regard to
799 subparagraph (B) of paragraph (2) thereof. A leased employee, or a
800 worksite employee subject to a professional employer agreement, shall
801 not include any employee who is hired by a temporary help service
802 and assigned to support or supplement the workforce of a temporary
803 help service's client; (ix)] and (viii) the amount received by a retailer
804 from a purchaser as the battery deposit that is required to be paid
805 under subsection (a) of section 22a-256h; the refund value of a
806 beverage container that is required to be paid under subsection (a) of
807 section 22a-244 or a deposit that is required by law to be paid by the
808 purchaser to the retailer and that is required by law to be refunded to
809 the purchaser by the retailer when the same or similar tangible
810 personal property is delivered as required by law to the retailer by the
811 purchaser, if such amount is separately stated on the bill or invoice
812 rendered by the retailer to the purchaser.]; and (x) the amount charged
813 for separately stated compensation, fringe benefits, workers'
814 compensation and payroll taxes or assessments paid to a media payroll
815 services company, as defined in this subsection.]

816 (10) "Business" includes any activity engaged in by any person or
817 caused to be engaged in by any person with the object of gain, benefit
818 or advantage, either direct or indirect.

819 (11) "Seller" includes every person engaged in the business of selling
820 tangible personal property or rendering any service described in any of

821 the subparagraphs of subdivision (2) of this subsection, the gross
822 receipts from the retail sale of which are required to be included in the
823 measure of the sales tax and every operator as defined in subdivision
824 (18) of this subsection.

825 (12) "Retailer" includes: (A) Every person engaged in the business of
826 making sales at retail or in the business of making retail sales at
827 auction of tangible personal property owned by the person or others;
828 (B) every person engaged in the business of making sales for storage,
829 use or other consumption or in the business of making sales at auction
830 of tangible personal property owned by the person or others for
831 storage, use or other consumption; (C) every operator, as defined in
832 subdivision (18) of this subsection; (D) every seller rendering any
833 service described in subdivision (2) of this subsection; (E) every person
834 under whom any salesman, representative, peddler or canvasser
835 operates in this state, or from whom such salesman, representative,
836 peddler or canvasser obtains the tangible personal property that is
837 sold; (F) every person with whose assistance any seller is enabled to
838 solicit orders within this state; (G) every person making retail sales
839 from outside this state to a destination within this state and not
840 maintaining a place of business in this state who engages in regular or
841 systematic solicitation of sales of tangible personal property in this
842 state (i) by the display of advertisements on billboards or other
843 outdoor advertising in this state, (ii) by the distribution of catalogs,
844 periodicals, advertising flyers or other advertising by means of print,
845 radio or television media, or (iii) by mail, telegraphy, telephone,
846 computer data base, cable, optic, microwave or other communication
847 system, for the purpose of effecting retail sales of tangible personal
848 property, provided such person has made one hundred or more retail
849 sales from outside this state to destinations within this state during the
850 twelve-month period ended on the September thirtieth immediately
851 preceding the monthly or quarterly period with respect to which such
852 person's liability for tax under this chapter is determined; (H) any
853 person owned or controlled, either directly or indirectly, by a retailer
854 engaged in business in this state which is the same as or similar to the

855 line of business in which such person so owned or controlled is
856 engaged; (I) any person owned or controlled, either directly or
857 indirectly, by the same interests that own or control, either directly or
858 indirectly, a retailer engaged in business in this state which is the same
859 as or similar to the line of business in which such person so owned or
860 controlled is engaged; (J) any assignee of a person engaged in the
861 business of leasing tangible personal property to others, where leased
862 property of such person which is subject to taxation under this chapter
863 is situated within this state and such assignee has a security interest, as
864 defined in subdivision (35) of subsection (b) of section 42a-1-201, in
865 such property; and (K) every person making retail sales of items of
866 tangible personal property from outside this state to a destination
867 within this state and not maintaining a place of business in this state
868 who repairs or services such items, under a warranty, in this state,
869 either directly or indirectly through an agent, independent contractor
870 or subsidiary.

871 (13) "Tangible personal property" means personal property which
872 may be seen, weighed, measured, felt or touched or which is in any
873 other manner perceptible to the senses including canned or prewritten
874 computer software. Tangible personal property includes the
875 distribution, generation or transmission of electricity.

876 (14) "In this state" or "in the state" means within the exterior limits of
877 the state of Connecticut and includes all territory within these limits
878 owned by or ceded to the United States of America.

879 (15) (A) "Engaged in business in the state" means and includes but
880 shall not be limited to the following acts or methods of transacting
881 business: (i) Selling in this state, or any activity in this state in
882 connection with selling in this state, tangible personal property for use,
883 storage or consumption within the state; (ii) engaging in the transfer
884 for a consideration of the occupancy of any room or rooms in a hotel or
885 lodging house for a period of thirty consecutive calendar days or less;
886 (iii) rendering in this state any service described in any of the
887 subparagraphs of subdivision (2) of this subsection; (iv) maintaining,

888 occupying or using, permanently or temporarily, directly or indirectly,
889 through a subsidiary or agent, by whatever name called, any office,
890 place of distribution, sales or sample room or place, warehouse or
891 storage point or other place of business or having any representative,
892 agent, salesman, canvasser or solicitor operating in this state for the
893 purpose of selling, delivering or taking orders; (v) notwithstanding the
894 fact that retail sales are made from outside this state to a destination
895 within this state and that a place of business is not maintained in this
896 state, engaging in regular or systematic solicitation of sales of tangible
897 personal property in this state by the display of advertisements on
898 billboards or other outdoor advertising in this state, by the distribution
899 of catalogs, periodicals, advertising flyers or other advertising by
900 means of print, radio or television media, or by mail, telegraphy,
901 telephone, computer data base, cable, optic, microwave or other
902 communication system, for the purpose of effecting retail sales of
903 tangible personal property, provided one hundred or more retail sales
904 from outside this state to destinations within this state are made
905 during the twelve-month period ended on the September thirtieth
906 immediately preceding the monthly or quarterly period with respect to
907 which liability for tax under this chapter is determined; (vi) being
908 owned or controlled, either directly or indirectly, by a retailer engaged
909 in business in this state which is the same as or similar to the line of
910 business in which the retailer so owned or controlled is engaged; (vii)
911 being owned or controlled, either directly or indirectly, by the same
912 interests that own or control, either directly or indirectly, a retailer
913 engaged in business in this state which is the same as or similar to the
914 line of business in which the retailer so owned or controlled is
915 engaged; (viii) being the assignee of a person engaged in the business
916 of leasing tangible personal property to others, where leased property
917 of such person is situated within this state and such assignee has a
918 security interest, as defined in subdivision (35) of subsection (b) of
919 section 42a-1-201, in such property; and (ix) notwithstanding the fact
920 that retail sales of items of tangible personal property are made from
921 outside this state to a destination within this state and that a place of
922 business is not maintained in this state, repairing or servicing such

923 items, under a warranty, in this state, either directly or indirectly
924 through an agent, independent contractor or subsidiary.

925 (B) A retailer who has contracted with a commercial printer for
926 printing and distribution of printed material shall not be deemed to be
927 engaged in business in this state because of the ownership or leasing
928 by the retailer of tangible or intangible personal property located at the
929 premises of the commercial printer in this state, the sale by the retailer
930 of property of any kind produced or processed at and shipped or
931 distributed from the premises of the commercial printer in this state,
932 the activities of the retailer's employees or agents at the premises of the
933 commercial printer in this state, which activities relate to quality
934 control, distribution or printing services performed by the printer, or
935 the activities of any kind performed by the commercial printer in this
936 state for or on behalf of the retailer.

937 (C) A retailer not otherwise a retailer engaged in business in the
938 state who purchases fulfillment services carried on in this state by a
939 person other than an affiliated person, or who owns tangible personal
940 property located on the premises of an unaffiliated person performing
941 fulfillment services for such retailer shall not be deemed to be engaged
942 in business in the state. For purposes of this subparagraph, persons are
943 affiliated persons with respect to each other where one of such persons
944 has an ownership interest of more than five per cent, whether direct or
945 indirect, in the other, or where an ownership interest of more than five
946 per cent, whether direct or indirect, is held in each of such persons by
947 another person or by a group of other persons who are affiliated
948 persons with respect to each other. For purposes of this subparagraph,
949 "fulfillment services" means services that are performed by a person on
950 its premises on behalf of a purchaser of such services and that involve
951 the receipt of orders from the purchaser of such services or an agent
952 thereof, which orders are to be filled by the person from an inventory
953 of products that are offered for sale by the purchaser of such services,
954 and the shipment of such orders to customers of the purchaser of such
955 services.

956 (D) A retailer not otherwise a retailer engaged in business in this
957 state that participates in a trade show or shows at the convention
958 center, as defined in subdivision (3) of section 32-600, shall not be
959 deemed to be engaged in business in this state, regardless of whether
960 the retailer has employees or other staff present at such trade shows,
961 provided the retailer's activity at such trade shows is limited to
962 displaying goods or promoting services, no sales are made, any orders
963 received are sent outside this state for acceptance or rejection and are
964 filled from outside this state, and provided further that such
965 participation is not more than fourteen days, or part thereof, in the
966 aggregate during the retailer's income year for federal income tax
967 purposes.

968 (16) "Hotel" means any building regularly used and kept open as
969 such for the feeding and lodging of guests where any person who
970 conducts himself properly and who is able and ready to pay for such
971 services is received if there are accommodations for such person and
972 which derives the major portion of its operating receipts from the
973 renting of rooms and the sale of food. "Hotel" shall include any
974 apartment hotel wherein apartments are rented for fixed periods of
975 time, furnished or unfurnished, while the keeper of such hotel supplies
976 food to the occupants thereof, if required.

977 (17) "Lodging house" means any building or portion of a building,
978 other than a hotel or apartment hotel, in which persons are lodged for
979 hire with or without meals, including, but not limited to, any motel,
980 motor court, motor inn, tourist court or similar accommodation;
981 provided the terms "hotel", "apartment hotel" and "lodging house"
982 shall not be construed to include: (A) Privately owned and operated
983 convalescent homes, residential care homes, homes for the infirm,
984 indigent or chronically ill; (B) religious or charitable homes for the
985 aged, infirm, indigent or chronically ill; (C) privately owned and
986 operated summer camps for children; (D) summer camps for children
987 operated by religious or charitable organizations; (E) lodging
988 accommodations at educational institutions; or (F) lodging
989 accommodations at any facility operated by and in the name of any

990 nonprofit charitable organization, provided the income from such
991 lodging accommodations at such facility is not subject to federal
992 income tax.

993 (18) "Operator" means any person operating a hotel or lodging
994 house in the state, including, but not limited to, the owner or
995 proprietor of such premises, lessee, sublessee, mortgagee in
996 possession, licensee or any other person otherwise operating such
997 hotel or lodging house.

998 (19) "Occupancy" means the use or possession, or the right to the
999 use or possession, of any room or rooms in a hotel or lodging house or
1000 the right to the use or possession of the furnishings or the services and
1001 accommodations accompanying the use and possession of such room
1002 or rooms, for the first period of not exceeding thirty consecutive
1003 calendar days.

1004 (20) "Room" means any room or rooms of any kind in any part or
1005 portion of a hotel or lodging house let out for use or possession for
1006 lodging purposes.

1007 (21) "Rent" means the consideration received for occupancy valued
1008 in money, whether received in money or otherwise, including all
1009 receipts, cash, credits and property or services of any kind or nature,
1010 and also any amount for which credit is allowed by the operator to the
1011 occupant, without any deduction therefrom whatsoever.

1012 (22) "Certificated air carrier" means a person issued a certificate or
1013 certificates by the Federal Aviation Administration pursuant to Title
1014 14, Chapter I, Subchapter G, Part 121, 135, 139 or 141 of the Code of
1015 Federal Regulations or the Civil Aeronautics Board pursuant to Title
1016 14, Chapter II, Subchapter A, Parts 201 to 208, inclusive, and 298 of the
1017 Code of Federal Regulations, as such regulations may hereafter be
1018 amended or reclassified.

1019 (23) "Aircraft" means aircraft, as the term is defined in section 15-34.

1020 (24) "Vessel" means vessel, as the term is defined in section 15-127.

1021 (25) "Licensed marine dealer" means a marine dealer, as the term is
1022 defined in section 15-141, who has been issued a marine dealer's
1023 certificate by the Commissioner of Environmental Protection.

1024 (26) (A) "Telecommunications service" means the electronic
1025 transmission, conveyance or routing of voice, image, data audio, video
1026 or any other information or signals to a point or between or among
1027 points. "Telecommunications service" includes such transmission,
1028 conveyance or routing in which computer processing applications are
1029 used to act on the form, code or protocol of the content for purposes of
1030 transmission, conveyance or routing without regard to whether such
1031 service is referred to as a voice over Internet protocol service or is
1032 classified by the Federal Communications Commission as enhanced or
1033 value added. "Telecommunications service" does not include (i) value-
1034 added nonvoice data services, (ii) radio and television audio and video
1035 programming services, regardless of the medium, including the
1036 furnishing of transmission, conveyance or routing of such services by
1037 the programming service provider. Radio and television audio and
1038 video programming services shall include, but not be limited to, cable
1039 service as defined in 47 USC 522(6), audio and video programming
1040 services delivered by commercial mobile radio service providers, as
1041 defined in 47 CFR 20, and video programming service by certified
1042 competitive video service providers, (iii) any telecommunications
1043 service (I) rendered by a company in control of such service when
1044 rendered for private use within its organization, or (II) used, allocated
1045 or distributed by a company within its organization, including in such
1046 organization affiliates, as defined in section 33-840, for the purpose of
1047 conducting business transactions of the organization if such service is
1048 purchased or leased from a company rendering telecommunications
1049 service and such purchase or lease is subject to tax under this chapter,
1050 (iv) access or interconnection service purchased by a provider of
1051 telecommunications service from another provider of such service for
1052 purposes of rendering such service, provided the purchaser submits to
1053 the seller a certificate attesting to the applicability of this exclusion,

1054 upon receipt of which the seller is relieved of any tax liability for such
1055 sale so long as the certificate is taken in good faith by the seller, (v)
1056 data processing and information services that allow data to be
1057 generated, acquired, stored, processed or retrieved and delivered by
1058 an electronic transmission to a purchaser where such purchaser's
1059 primary purpose for the underlying transaction is the processed data
1060 or information, (vi) installation or maintenance of wiring equipment
1061 on a customer's premises, (vii) tangible personal property, (viii)
1062 advertising, including, but not limited to, directory advertising, (ix)
1063 billing and collection services provided to third parties, (x) Internet
1064 access service, (xi) ancillary services, and (xii) digital products
1065 delivered electronically, including, but not limited to, software, music,
1066 video, reading materials or ring tones.

1067 (B) For purposes of the tax imposed under this chapter (i) gross
1068 receipts from the rendering of telecommunications service shall
1069 include any subscriber line charge or charges as required by the
1070 Federal Communications Commission and any charges for access
1071 service collected by any person rendering such service unless
1072 otherwise excluded from such gross receipts under this chapter, and
1073 such gross receipts from the rendering of telecommunications service
1074 shall also include any charges for vertical service, for the installation or
1075 maintenance of wiring equipment on a customer's premises, and for
1076 directory assistance service; (ii) gross receipts from the rendering of
1077 telecommunications service shall not include any local charge for calls
1078 from public or semipublic telephones; and (iii) gross receipts from the
1079 rendering of telecommunications service shall not include any charge
1080 for calls purchased using a prepaid telephone calling service, as
1081 defined in subdivision [(34)] (31) of this subsection.

1082 (27) "Community antenna television service" means (A) the one-way
1083 transmission to subscribers of video programming or information by
1084 cable, fiber optics, satellite, microwave or any other means, and
1085 subscriber interaction, if any, which is required for the selection of
1086 such video programming or information, and (B) noncable
1087 communications service, as defined in section 16-1. [, unless such

1088 noncable communications service is purchased by a cable network as
1089 that term is used in subsection (l) of section 12-218.]

1090 (28) "Hospital" means a hospital included within the definition of
1091 health care facilities or institutions under section 19a-630 and licensed
1092 as a short-term general hospital by the Department of Public Health
1093 but, does not include (A) any hospital which, on January 30, 1997, is
1094 within the class of hospitals licensed by the department as children's
1095 general hospitals, or (B) a short-term acute hospital operated
1096 exclusively by the state other than a short-term acute hospital operated
1097 by the state as a receiver pursuant to chapter 920.

1098 (29) "Patient care services" means therapeutic and diagnostic
1099 medical services provided by the hospital to inpatients and outpatients
1100 including tangible personal property transferred in connection with
1101 such services.

1102 (30) "Another state" or "other state" means any state of the United
1103 States or the District of Columbia excluding the state of Connecticut.

1104 [(31) "Professional employer agreement" means a written contract
1105 between a professional employer organization and a service recipient
1106 whereby the professional employer organization agrees to provide at
1107 least seventy-five per cent of the employees at the service recipient's
1108 worksite, which contract provides that such worksite employees are
1109 intended to be permanent employees rather than temporary
1110 employees, and employer responsibilities for such worksite
1111 employees, including hiring, firing and disciplining, are allocated
1112 between the professional employer organization and the service
1113 recipient.

1114 (32) "Professional employer organization" means any person that
1115 enters into a professional employer agreement with a service recipient
1116 whereby the professional employer organization agrees to provide at
1117 least seventy-five per cent of the employees at the service recipient's
1118 worksite.

1119 (33) "Worksite employee" means an employee, the employer
1120 responsibilities for which, including hiring, firing and disciplining, are
1121 allocated, under a professional employer agreement, between a
1122 professional employer organization and a service recipient.]

1123 [(34)] (31) "Prepaid telephone calling service" means the right to
1124 exclusively purchase telecommunications service, that must be paid for
1125 in advance and that enables the origination of calls using an access
1126 number or authorization code, or both, whether manually or
1127 electronically dialed, provided the remaining amount of units of
1128 service that have been prepaid shall be known on a continuous basis.

1129 [(35)] (32) "Canned or prewritten software" means all software,
1130 other than custom software, that is held or existing for general or
1131 repeated sale, license or lease. Software initially developed as custom
1132 software for in-house use and subsequently sold, licensed or leased to
1133 unrelated third parties shall be considered canned or prewritten
1134 software.

1135 [(36)] (33) "Custom software" means a computer program prepared
1136 to the special order of a single customer.

1137 [(37)] (34) "Services" for purposes of subdivision (2) of this
1138 subsection, means:

1139 (A) Computer and data processing services, including, but not
1140 limited to, time, programming, code writing, modification of existing
1141 programs, feasibility studies and installation and implementation of
1142 software programs and systems even where such services are rendered
1143 in connection with the development, creation or production of canned
1144 or custom software or the license of custom software, and exclusive of
1145 services rendered in connection with the creation, development
1146 hosting or maintenance of all or part of a web site which is part of the
1147 graphical, hypertext portion of the Internet, commonly referred to as
1148 the World Wide Web;

1149 (B) Credit information and reporting services;

1150 (C) Services by employment agencies and agencies providing
1151 personnel services;

1152 (D) Private investigation, protection, patrol work, watchman and
1153 armored car services, exclusive of [(i) services of off-duty police
1154 officers and off-duty firefighters, and (ii)] coin and currency services
1155 provided to a financial services company by or through another
1156 financial services company. For purposes of this subparagraph,
1157 "financial services company" has the same meaning as provided under
1158 subparagraphs (A) to (H), inclusive, of subdivision (6) of subsection (a)
1159 of section 12-218b;

1160 (E) Painting and lettering services;

1161 (F) Photographic studio services;

1162 (G) Telephone answering services;

1163 (H) Stenographic services;

1164 (I) Services to industrial, commercial or income-producing real
1165 property, including, but not limited to, such services as management,
1166 electrical, plumbing, painting and carpentry and excluding any such
1167 services rendered in the voluntary evaluation, prevention, treatment,
1168 containment or removal of hazardous waste, as defined in section
1169 22a-115, or other contaminants of air, water or soil, provided
1170 income-producing property shall not include property used
1171 exclusively for residential purposes in which the owner resides and
1172 which contains no more than three dwelling units, or a housing facility
1173 for low and moderate income families and persons owned or operated
1174 by a nonprofit housing organization, as defined in subdivision (29) of
1175 section 12-412;

1176 (J) Business analysis, management, management consulting and
1177 public relations services, excluding (i) any environmental consulting
1178 services, [(ii) any training services provided by an institution of higher
1179 education licensed or accredited by the Board of Governors of Higher

1180 Education pursuant to section 10a-34, and (iii)] and (ii) on and after
1181 January 1, 1994, any business analysis, management, management
1182 consulting and public relations services when such services are
1183 rendered in connection with an aircraft leased or owned by a
1184 certificated air carrier or in connection with an aircraft which has a
1185 maximum certificated take-off weight of six thousand pounds or more;

1186 (K) Services providing "piped-in" music to business or professional
1187 establishments;

1188 (L) Flight instruction and chartering services by a certificated air
1189 carrier on an aircraft, the use of which for such purposes, but for the
1190 provisions of subdivision (4) of section 12-410 and subdivision (12) of
1191 section 12-411, would be deemed a retail sale and a taxable storage or
1192 use, respectively, of such aircraft by such carrier;

1193 (M) Motor vehicle repair services, including any type of repair,
1194 painting or replacement related to the body or any of the operating
1195 parts of a motor vehicle;

1196 (N) Motor vehicle parking, including the provision of space, other
1197 than metered space, in a lot having thirty or more spaces; [, excluding
1198 (i) space in a seasonal parking lot provided by a person who is exempt
1199 from taxation under this chapter pursuant to subdivision (1), (5) or (8)
1200 of section 12-412, (ii) space in a parking lot owned or leased under the
1201 terms of a lease of not less than ten years' duration and operated by an
1202 employer for the exclusive use of its employees, (iii) valet parking
1203 provided at any airport, and (iv) space in municipally-operated
1204 railroad parking facilities in municipalities located within an area of
1205 the state designated as a severe nonattainment area for ozone under
1206 the federal Clean Air Act or space in a railroad parking facility in a
1207 municipality located within an area of the state designated as a severe
1208 nonattainment area for ozone under the federal Clean Air Act owned
1209 or operated by the state on or after April 1, 2000;]

1210 (O) Radio or television repair services;

1211 (P) Furniture reupholstering and repair services;

1212 (Q) Repair services to any electrical or electronic device, including,
1213 but not limited to, equipment used for purposes of refrigeration or
1214 air-conditioning;

1215 (R) Lobbying or consulting services for purposes of representing the
1216 interests of a client in relation to the functions of any governmental
1217 entity or instrumentality;

1218 (S) Services of the agent of any person in relation to the sale of any
1219 item of tangible personal property for such person; [, exclusive of the
1220 services of a consignee selling works of art, as defined in subsection (b)
1221 of section 12-376c, or articles of clothing or footwear intended to be
1222 worn on or about the human body other than (i) any special clothing
1223 or footwear primarily designed for athletic activity or protective use
1224 and which is not normally worn except when used for the athletic
1225 activity or protective use for which it was designed, and (ii) jewelry,
1226 handbags, luggage, umbrellas, wallets, watches and similar items
1227 carried on or about the human body but not worn on the body in the
1228 manner characteristic of clothing intended for exemption under
1229 subdivision (47) of section 12-412, under consignment, exclusive of
1230 services provided by an auctioneer;]

1231 (T) Locksmith services;

1232 (U) Advertising or public relations services, including layout, art
1233 direction, graphic design, mechanical preparation or production
1234 supervision, not related to the development of media advertising or
1235 cooperative direct mail advertising;

1236 (V) Landscaping and horticulture services;

1237 (W) Window cleaning services;

1238 (X) Maintenance services;

1239 (Y) Janitorial services;

1240 (Z) Exterminating services;

1241 (AA) Swimming pool cleaning and maintenance services;

1242 (BB) Miscellaneous personal services included in industry group 729
1243 in the Standard Industrial Classification Manual, United States Office
1244 of Management and Budget, 1987 edition, or U.S. industry 532220,
1245 812191, 812199 or 812990 in the North American Industrial
1246 Classification System United States Manual, United States Office of
1247 Management and Budget, 1997 edition; [, exclusive of (i) services
1248 rendered by massage therapists licensed pursuant to chapter 384a, and
1249 (ii) services rendered by an electrologist licensed pursuant to chapter
1250 388;]

1251 (CC) Any repair or maintenance service to any item of tangible
1252 personal property including any contract of warranty or service related
1253 to any such item;

1254 (DD) Business analysis, management or managing consulting
1255 services rendered by a general partner, or an affiliate thereof, to a
1256 limited partnership, provided (i) the general partner, or an affiliate
1257 thereof, is compensated for the rendition of such services other than
1258 through a distributive share of partnership profits or an annual
1259 percentage of partnership capital or assets established in the limited
1260 partnership's offering statement, and (ii) the general partner, or an
1261 affiliate thereof, offers such services to others, including any other
1262 partnership. As used in this subparagraph "an affiliate of a general
1263 partner" means an entity which is directly or indirectly owned fifty per
1264 cent or more in common with a general partner;

1265 (EE) Notwithstanding the provisions of section 12-412, as amended
1266 by this act, except subdivision (87) of said section 12-412, patient care
1267 services, as defined in subdivision (29) of this subsection by a hospital,
1268 except that "sale" and "selling" does not include such patient care
1269 services for which payment is received by the hospital during the
1270 period commencing July 1, 2001, and ending June 30, 2003;

1271 (FF) Health and athletic club services, exclusive of (i) any such
1272 services provided without any additional charge which are included in
1273 any dues or initiation fees paid to any such club, which dues or fees
1274 are subject to tax under section 12-543, (ii) any such services provided
1275 by a municipality or an organization that is described in Section 501(c)
1276 of the Internal Revenue Code of 1986, or any subsequent
1277 corresponding internal revenue code of the United States, as from time
1278 to time amended, and (iii) yoga instruction provided at a yoga studio;

1279 (GG) Car washing services;

1280 (HH) Tax preparation services; and

1281 (II) Amusement and recreation services included in major group 79
1282 in the Standard Industrial Classification Manual, United States Office
1283 of Management and Budget, 1987 edition, or sector 71 in the North
1284 American Industrial Classification System United States Manual,
1285 United States Office of Management and Budget, 1997 edition,
1286 excluding dance lessons and any such service provided (i) by a person
1287 who is exempt from taxation under this chapter pursuant to subdivision
1288 (1), (5) or (8) of section 12-412, as amended by this act, or in a facility
1289 owned or managed by a person who is exempt from taxation under
1290 this chapter pursuant to subdivision (1) of section 12-412, except when
1291 the service entitles the patron to participate in an athletic or sporting
1292 activity that is not organized exclusively for patrons under the age of
1293 nineteen, and (ii) without any additional charge, dues or initiation fees
1294 paid to any retailer, which charge, dues or fees are subject to the tax
1295 imposed under section 12-541 or 12-543.

1296 [(38) "Media payroll services company" means a retailer whose
1297 principal business activity is the management and payment of
1298 compensation, fringe benefits, workers' compensation, payroll taxes or
1299 assessments to individuals providing services to an eligible production
1300 company pursuant to section 12-217jj.]

1301 [(39)] (35) "Certified competitive video service" means video
1302 programming service provided through wireline facilities, a portion of

1303 which are located in the public right-of-way, without regard to
1304 delivery technology, including Internet protocol technology. "Certified
1305 competitive video service" does not include any video programming
1306 provided by a commercial mobile service provider, as defined in 47
1307 USC 332(d); any video programming provided as part of community
1308 antenna television service; any video programming provided as part
1309 of, and via, a service that enables users to access content, information,
1310 electronic mail or other services over the Internet.

1311 ~~[(40)]~~ (36) "Directory assistance" means an ancillary service of
1312 providing telephone number information or address information.

1313 ~~[(41)]~~ (37) "Vertical service" means an ancillary service that is offered
1314 in connection with one or more telecommunications services, offering
1315 advanced calling features that allow customers to identify callers and
1316 to manage multiple calls and call connections, including conference
1317 bridging services.

1318 (b) Wherever in this chapter reference is made to the sale of tangible
1319 personal property or services, it shall be construed to include sales
1320 described in subdivision (2) of subsection (a) of this section, except as
1321 may be specifically provided to the contrary.

1322 Sec. 13. Section 12-407e of the general statutes is repealed and the
1323 following is substituted in lieu thereof (*Effective July 1, 2009*):

1324 ~~[From]~~ (a) Except as otherwise provided in subsection (b) of this
1325 section, from the third Sunday in August until the Saturday next
1326 succeeding, inclusive, the provisions of this chapter shall not apply to
1327 sales of any article of clothing or footwear intended to be worn on or
1328 about the human body the cost of which article to the purchaser is less
1329 than three hundred dollars. For purposes of this section, clothing or
1330 footwear shall not include (1) any special clothing or footwear
1331 primarily designed for athletic activity or protective use and which is
1332 not normally worn except when used for the athletic activity or
1333 protective use for which it was designed, and (2) jewelry, handbags,
1334 luggage, umbrellas, wallets, watches and similar items carried on or

1335 about the human body but not worn on the body in the manner
1336 characteristic of clothing intended for exemption under this section.

1337 (b) The provisions of subsection (a) of this section shall not apply to
1338 sales of articles described in said subsection (a) from the third Sunday
1339 in August until the Saturday next succeeding during the calendar
1340 years 2009 and 2010.

1341 Sec. 14. Subdivision (5) of section 12-412 of the general statutes is
1342 repealed and the following is substituted in lieu thereof (*Effective July*
1343 *1, 2010, and applicable to sales occurring on and after July 1, 2010*):

1344 (5) [(A)] Sales of tangible personal property or services to [and by]
1345 nonprofit charitable hospitals in this state, nonprofit nursing homes,
1346 nonprofit rest homes and nonprofit residential care homes licensed by
1347 the state pursuant to chapter 368v for the exclusive purposes of such
1348 institutions except any such service transaction as described in
1349 subparagraph (EE) of subdivision [(37)] (34) of subsection (a) of section
1350 12-407.

1351 [(B) Sales of tangible personal property by any organization that is
1352 exempt from federal income tax under Section 501(a) of the Internal
1353 Revenue Code of 1986, or any subsequent corresponding internal
1354 revenue code of the United States, as from time to time amended, and
1355 that the United States Treasury Department has expressly determined,
1356 by letter, to be an organization that is described in Section 501(c)(3) of
1357 said internal revenue code, which sales are made on the premises of a
1358 hospital.

1359 (C) Sales of tangible personal property or services to an acute care,
1360 for-profit hospital, operating as an acute care, for-profit hospital as of
1361 May 12, 2004, for the purposes of such institution in connection with
1362 the constructing and equipping of any facility of such hospital for
1363 which a certificate of need was filed before, and is pending on, May 12,
1364 2004.]

1365 Sec. 15. Section 12-430 of the general statutes is repealed and the

1366 following is substituted in lieu thereof (*Effective July 1, 2010, and*
1367 *applicable to sales occurring on and after July 1, 2010*):

1368 (1) The commissioner, whenever he deems it necessary to insure
1369 compliance with this chapter, may require any person subject thereto
1370 to deposit with him such security as the commissioner determines. The
1371 amount of the security shall be fixed by the commissioner but shall not
1372 be greater than six times the person's estimated average liability for the
1373 period for which he files returns, determined in such manner as the
1374 commissioner deems proper. The amount of the security may be
1375 increased or decreased by the commissioner subject to the limitations
1376 herein provided. The commissioner may sell the security at public
1377 auction if it becomes necessary so to do in order to recover any tax or
1378 any amount required to be collected, or any interest or penalty due.
1379 Notice of the sale may be served upon the person who deposited the
1380 security personally or by mail. If by mail, service shall be made in the
1381 manner prescribed for service of a notice of a deficiency assessment
1382 and shall be addressed to the person at his address as it appears in the
1383 records of the commissioner's office. Security in the form of a bearer
1384 bond, issued by the United States or the state of Connecticut, which
1385 has a prevailing market price may, however, be sold by the
1386 commissioner at private sale at a price not lower than the prevailing
1387 market price thereof. Upon any sale any surplus above the amounts
1388 due shall be returned to the person who deposited the security.

1389 (2) Repealed by P.A. 81-64, S. 22, 23.

1390 (3) Each person before obtaining an original or transferral
1391 registration for a motor vehicle, vessel, snowmobile or aircraft in this
1392 state shall furnish evidence that any tax due thereon pursuant to the
1393 provisions of this chapter has been paid in accordance with regulations
1394 prescribed by the Commissioner of Revenue Services, and on forms
1395 approved by, in the case of a motor vehicle, vessel or snowmobile, the
1396 Commissioner of Revenue Services and the Commissioner of Motor
1397 Vehicles, and, in the case of an aircraft, the Commissioner of Revenue
1398 Services and the Commissioner of Transportation. The Commissioner

1399 of Motor Vehicles shall, upon the request of the Commissioner of
1400 Revenue Services, after hearing by the Commissioner of Revenue
1401 Services, suspend or revoke a motor vehicle, vessel or snowmobile
1402 registration of any person who fails to pay any tax due in connection
1403 with the sale, storage, use or other consumption of such motor vehicle,
1404 vessel or snowmobile pursuant to the provisions of this chapter. The
1405 Commissioner of Transportation shall, upon the request of the
1406 Commissioner of Revenue Services, after a hearing by the
1407 Commissioner of Revenue Services, suspend or revoke an aircraft
1408 registration of any person who fails to pay any tax due in connection
1409 with the sale, storage, use or other consumption of such aircraft
1410 pursuant to the provisions of this chapter.

1411 (4) Where a trade-in of a motor vehicle is received by a motor
1412 vehicle dealer, upon the sale of another motor vehicle to a consumer,
1413 or where a trade-in of an aircraft, as defined in subdivision (5) of
1414 section 15-34, is received by an aircraft dealer, upon the sale of another
1415 aircraft to a consumer, or where a trade-in of a farm tractor,
1416 snowmobile or any vessel, as defined in section 15-127, is received by a
1417 retailer of farm tractors, snowmobiles or such vessels upon the sale of
1418 another farm tractor, snowmobile or such vessel to a consumer, the tax
1419 is only on the difference between the sale price of the motor vehicle,
1420 aircraft, snowmobile, farm tractor or such vessel purchased and the
1421 amount allowed on the motor vehicle, aircraft, snowmobile, farm
1422 tractor or such vessel traded in on such purchase. When any such
1423 motor vehicle, aircraft, snowmobile, farm tractor or such vessel traded
1424 in is subsequently sold to a consumer or user, the tax provided for in
1425 this chapter applies.

1426 (5) If any service or article of tangible personal property has already
1427 been subjected to a sales or use tax by any other state or political
1428 subdivision thereof and payment made thereon in respect to its sale or
1429 use in an amount less than the tax imposed by this chapter, the
1430 provisions of this chapter shall apply, but at a rate measured by the
1431 difference, only, between the rate herein fixed and the rate by which
1432 the previous tax upon the sale or use was computed. If such tax

1433 imposed in such other state or political subdivision thereof is
1434 equivalent to or in excess of the rate imposed under this chapter at the
1435 time of such sale or use, then no tax shall be due on such article.

1436 [(6) When a licensed motor vehicle dealer replaces a motor vehicle
1437 which has been registered to such dealer and the replaced motor
1438 vehicle is no longer in the possession of or used by such dealer, the tax
1439 imposed by this chapter shall be applicable only with respect to the
1440 difference between such dealer's cost for the new motor vehicle being
1441 registered, which motor vehicle is the replacement for said replaced
1442 motor vehicle, and the wholesale value of said replaced motor vehicle
1443 at the time of its replacement, determined in accordance with a
1444 standard reference book for such values acceptable to the
1445 Commissioner of Revenue Services.]

1446 [(7)] (6) (A) As used in this section, (i) "nonresident contractor"
1447 means a contractor who does not maintain a regular place of business
1448 in this state; (ii) "regular place of business" means any bona fide
1449 office, factory, warehouse or other space in this state at which a
1450 contractor is doing business in its own name in a regular and
1451 systematic manner, and which place is continuously maintained,
1452 occupied, and used by the contractor in carrying on its business
1453 through its employees regularly in attendance to carry on the
1454 contractor's business in the contractor's own name, except that
1455 "regular place of business" does not include a place of business for a
1456 statutory agent for service of process, or a temporary office or
1457 location used by the contractor only for the duration of the contract,
1458 whether or not at the site of construction, or an office maintained,
1459 occupied and used by a person affiliated with the contractor; (iii)
1460 "contract price" means the total contract price, including deposits,
1461 amounts held as retainage, costs for any change orders, or charges for
1462 add-ons; and (iv) "person doing business with a nonresident
1463 contractor" does not include an owner or tenant of real property used
1464 exclusively for residential purposes and consisting of three or fewer
1465 dwelling units, in one of which the owner or tenant resides, provided
1466 each nonresident contractor doing business with such owner or

1467 tenant shall be required to comply with the bond requirements under
1468 subparagraph (F) of this subdivision.

1469 (B) Any person doing business with a nonresident contractor and
1470 making payments of the contract price to such nonresident contractor
1471 shall deduct and withhold from such payments an amount of five per
1472 cent of such payments, unless such nonresident contractor has
1473 furnished a certificate of compliance as described in subparagraph (E)
1474 of this subdivision. The amounts so required to be deducted and
1475 withheld shall be paid over to the commissioner by the last day of the
1476 month following the calendar quarter following the calendar quarter in
1477 which the first payment to the nonresident contractor is made, and
1478 every calendar quarter thereafter. Each such payment to the
1479 commissioner shall be accompanied by a form prescribed by the
1480 commissioner. The amount required to be deducted and withheld
1481 from the nonresident contractor, when so deducted and withheld, shall
1482 be held to be a special fund in trust for the state. No nonresident
1483 contractor shall have any right of action against a person deducting
1484 and withholding under this subdivision with respect to any moneys
1485 deducted and withheld and paid over to the commissioner in
1486 compliance with or intended compliance with this subdivision.

1487 (C) A nonresident contractor shall request, in writing, that the
1488 Commissioner of Revenue Services audit the records of such
1489 contractor for a project for which amounts were deducted and
1490 withheld from such contractor under subparagraph (B) of this
1491 subdivision. If such request is not made within three years after the
1492 date the final payment of such amounts was made to the
1493 commissioner, such contractor waives the right to request such audit
1494 and claim a refund of such amounts. The commissioner shall, after
1495 receipt of such request, conduct an audit and issue to the nonresident
1496 contractor a certificate of no tax due or a certificate of tax due from
1497 the nonresident contractor. Not later than ninety days after the
1498 issuance of a certificate of no tax due, the commissioner shall
1499 return to the nonresident contractor the amounts deducted and
1500 withheld from such contractor and paid over to the commissioner.

1501 Upon issuance of a certificate of taxes due, the commissioner may
1502 return to the nonresident contractor the amount by which the
1503 amounts deducted and withheld and paid over to the
1504 commissioner under subparagraph (B) of this subdivision exceed
1505 the amount of taxes set forth in the certificate, together with the
1506 interest and penalties then assessed.

1507 (D) When a person doing business with the nonresident contractor
1508 pays over to the Commissioner of Revenue Services amounts deducted
1509 and withheld pursuant to subparagraph (B) of this subdivision, such
1510 person shall not be liable for any claim of the nonresident contractor
1511 for such amounts or for any claim of the commissioner for any taxes
1512 of the nonresident contractor arising from the activities of the
1513 nonresident contractor on the project for which the amounts were
1514 paid over. Such payment shall not relieve the person doing business
1515 with the nonresident contractor of such person's liability for use
1516 taxes due on purchases of services from such nonresident contractor.

1517 (E) When a nonresident contractor enters into a contract with the
1518 state, said contractor shall provide the Labor Department with
1519 evidence demonstrating compliance with the provisions of chapters
1520 567 and 568, the prevailing wage requirements of chapter 557 and any
1521 other provisions of the general statutes related to conditions of
1522 employment.

1523 (F) Not later than one hundred twenty days after the
1524 commencement of the contract, or thirty days after the completion of
1525 the contract, whichever is earlier, a nonresident contractor may (i)
1526 furnish a guarantee bond in a sum equivalent to five per cent of the
1527 contract price, or (ii) deposit with the commissioner a cash bond in a
1528 sum equal to five per cent of the contract price, in lieu of the
1529 requirements contained in subparagraph (B) of this subdivision. The
1530 commissioner may accept such bond on such terms and conditions as
1531 the commissioner may require, and upon acceptance of such bond,
1532 shall issue a certificate of compliance to the contractor. The provisions
1533 of subparagraph (C) of this subdivision shall apply to such bond, upon

1534 completion of the contract, in the same manner as such provisions
1535 apply to amounts paid over under subparagraph (B) of this
1536 subdivision.

1537 (G) Upon the furnishing of a certificate of compliance by the
1538 nonresident contractor to the person doing business with a
1539 nonresident contractor, such person shall not be liable for any claim of
1540 the commissioner for any taxes of the nonresident contractor arising
1541 from the activities of such contractor on the project for which the bond
1542 was provided. Such certificate of compliance shall not relieve the
1543 person doing business with the nonresident contractor of such person's
1544 liability for use taxes due on purchases of services from such
1545 nonresident contractor.

1546 (H) If any person doing business with a nonresident contractor fails
1547 to deduct and withhold and pay over to the commissioner amounts
1548 under subparagraph (B) of this subdivision, or fails to obtain a
1549 certificate of compliance from the nonresident contractor pursuant to
1550 subparagraph (G) of this subdivision, such person shall be personally
1551 liable for payment of any taxes of the nonresident contractor arising
1552 from the activities of such contractor on the project for which such
1553 amounts or certificate were required.

1554 Sec. 16. Subsection (a) of section 12-700 of the general statutes is
1555 repealed and the following is substituted in lieu thereof (*Effective July*
1556 *1, 2009, and applicable to taxable years commencing on or after January 1,*
1557 *2009*):

1558 (a) There is hereby imposed on the Connecticut taxable income of
1559 each resident of this state a tax:

1560 (1) At the rate of four and one-half per cent of such Connecticut
1561 taxable income for taxable years commencing on or after January 1,
1562 1992, and prior to January 1, 1996.

1563 (2) For taxable years commencing on or after January 1, 1996, but
1564 prior to January 1, 1997, in accordance with the following schedule:

1565 (A) For any person who files a return under the federal income tax
 1566 for such taxable year as an unmarried individual or as a married
 1567 individual filing separately:

T1	Connecticut Taxable Income	Rate of Tax
T2	Not over \$2,250	3.0%
T3	Over \$2,250	\$67.50, plus 4.5% of the
T4		excess over \$2,250

1568 (B) For any person who files a return under the federal income tax
 1569 for such taxable year as a head of household, as defined in Section 2(b)
 1570 of the Internal Revenue Code:

T5	Connecticut Taxable Income	Rate of Tax
T6	Not over \$3,500	3.0%
T7	Over \$3,500	\$105.00, plus 4.5% of the
T8		excess over \$3,500

1571 (C) For any husband and wife who file a return under the federal
 1572 income tax for such taxable year as married individuals filing jointly or
 1573 a person who files a return under the federal income tax as a surviving
 1574 spouse, as defined in Section 2(a) of the Internal Revenue Code:

T9	Connecticut Taxable Income	Rate of Tax
T10	Not over \$4,500	3.0%
T11	Over \$4,500	\$135.00, plus 4.5% of the
T12		excess over \$4,500

1575 (D) For trusts or estates, the rate of tax shall be 4.5% of their
 1576 Connecticut taxable income.

1577 (3) For taxable years commencing on or after January 1, 1997, but
 1578 prior to January 1, 1998, in accordance with the following schedule:

1579 (A) For any person who files a return under the federal income tax
 1580 for such taxable year as an unmarried individual or as a married
 1581 individual filing separately:

T13	Connecticut Taxable Income	Rate of Tax
T14	Not over \$6,250	3.0%
T15	Over \$6,250	\$187.50, plus 4.5% of the
T16		excess over \$6,250

1582 (B) For any person who files a return under the federal income tax
 1583 for such taxable year as a head of household, as defined in Section 2(b)
 1584 of the Internal Revenue Code:

T17	Connecticut Taxable Income	Rate of Tax
T18	Not over \$10,000	3.0%
T19	Over \$10,000	\$300.00, plus 4.5% of the
T20		excess over \$10,000

1585 (C) For any husband and wife who file a return under the federal
 1586 income tax for such taxable year as married individuals filing jointly or
 1587 any person who files a return under the federal income tax for such
 1588 taxable year as a surviving spouse, as defined in Section 2(a) of the
 1589 Internal Revenue Code:

T21	Connecticut Taxable Income	Rate of Tax
T22	Not over \$12,500	3.0%
T23	Over \$12,500	\$375.00, plus 4.5% of the
T24		excess over \$12,500

1590 (D) For trusts or estates, the rate of tax shall be 4.5% of their
 1591 Connecticut taxable income.

1592 (4) For taxable years commencing on or after January 1, 1998, but
 1593 prior to January 1, 1999, in accordance with the following schedule:

1594 (A) For any person who files a return under the federal income tax
 1595 for such taxable year as an unmarried individual or as a married
 1596 individual filing separately:

T25	Connecticut Taxable Income	Rate of Tax
T26	Not over \$7,500	3.0%
T27	Over \$7,500	\$225.00, plus 4.5% of the

T28 excess over \$7,500

1597 (B) For any person who files a return under the federal income tax
 1598 for such taxable year as a head of household, as defined in Section 2(b)
 1599 of the Internal Revenue Code:

T29	Connecticut Taxable Income	Rate of Tax
T30	Not over \$12,000	3.0%
T31	Over \$12,000	\$360.00, plus 4.5% of the
T32		excess over \$12,000

1600 (C) For any husband and wife who file a return under the federal
 1601 income tax for such taxable year as married individuals filing jointly or
 1602 any person who files a return under the federal income tax for such
 1603 taxable year as a surviving spouse, as defined in Section 2(a) of the
 1604 Internal Revenue Code:

T33	Connecticut Taxable Income	Rate of Tax
T34	Not over \$15,000	3.0%
T35	Over \$15,000	\$450.00, plus 4.5% of the
T36		excess over \$15,000

1605 (D) For trusts or estates, the rate of tax shall be 4.5% of their
 1606 Connecticut taxable income.

1607 (5) For taxable years commencing on or after January 1, 1999, but
 1608 prior to January 1, 2003, in accordance with the following schedule:

1609 (A) For any person who files a return under the federal income tax
 1610 for such taxable year as an unmarried individual or as a married
 1611 individual filing separately:

T37	Connecticut Taxable Income	Rate of Tax
T38	Not over \$10,000	3.0%
T39	Over \$10,000	\$300.00, plus 4.5% of the
T40		excess over \$10,000

1612 (B) For any person who files a return under the federal income tax

1613 for such taxable year as a head of household, as defined in Section 2(b)
 1614 of the Internal Revenue Code:

T41	Connecticut Taxable Income	Rate of Tax
T42	Not over \$16,000	3.0%
T43	Over \$16,000	\$480.00, plus 4.5% of the
T44		excess over \$16,000

1615 (C) For any husband and wife who file a return under the federal
 1616 income tax for such taxable year as married individuals filing jointly or
 1617 any person who files a return under the federal income tax for such
 1618 taxable year as a surviving spouse, as defined in Section 2(a) of the
 1619 Internal Revenue Code:

T45	Connecticut Taxable Income	Rate of Tax
T46	Not over \$20,000	3.0%
T47	Over \$20,000	\$600.00, plus 4.5% of the
T48		excess over \$20,000

1620 (D) For trusts or estates, the rate of tax shall be 4.5% of their
 1621 Connecticut taxable income.

1622 (6) For taxable years commencing on or after January 1, 2003, but
 1623 prior to January 1, 2009, in accordance with the following schedule:

1624 (A) For any person who files a return under the federal income tax
 1625 for such taxable year as an unmarried individual or as a married
 1626 individual filing separately:

T49	Connecticut Taxable Income	Rate of Tax
T50	Not over \$10,000	3.0%
T51	Over \$10,000	\$300.00, plus 5.0% of the
T52		excess over \$10,000

1627 (B) For any person who files a return under the federal income tax
 1628 for such taxable year as a head of household, as defined in Section 2(b)
 1629 of the Internal Revenue Code:

T53	Connecticut Taxable Income	Rate of Tax
T54	Not over \$16,000	3.0%
T55	Over \$16,000	\$480.00, plus 5.0% of the
T56		excess over \$16,000

1630 (C) For any husband and wife who file a return under the federal
 1631 income tax for such taxable year as married individuals filing jointly or
 1632 any person who files a return under the federal income tax for such
 1633 taxable year as a surviving spouse, as defined in Section 2(a) of the
 1634 Internal Revenue Code:

T57	Connecticut Taxable Income	Rate of Tax
T58	Not over \$20,000	3.0%
T59	Over \$20,000	\$600.00, plus 5.0% of the
T60		excess over \$20,000

1635 (D) For trusts or estates, the rate of tax shall be 5.0% of the
 1636 Connecticut taxable income.

1637 (7) For taxable years commencing on or after January 1, 2009, in
 1638 accordance with the following schedule:

1639 (A) For any person who files a return under the federal income tax
 1640 for such taxable year as an unmarried individual:

T61	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T62	<u>Not over \$10,000</u>	<u>3.0%</u>
T63	<u>Over \$10,000 but not</u>	<u>\$300.00, plus 5.0% of the</u>
T64	<u>over \$132,500</u>	<u>excess over \$10,000</u>
T65	<u>Over \$132,500 but not</u>	<u>\$6,425, plus 6.0% of the excess</u>
T66	<u>over \$265,000</u>	<u>over \$132,500</u>
T67	<u>Over \$265,000 but not</u>	<u>\$14,375, plus 7.0% of the excess</u>
T68	<u>over \$397,500</u>	<u>over \$265,500</u>
T69	<u>Over \$397,500 but not</u>	<u>\$23,650 plus 7.5% of the excess</u>
T70	<u>over \$530,000</u>	<u>over \$397,500</u>
T71	<u>Over \$530,000</u>	<u>\$33,588 plus 7.95% of the</u>
T72		<u>excess over \$530,000</u>

1641 (B) For any person who files a return under the federal income tax

1642 for such taxable year as a head of household, as defined in Section 2(b)
 1643 of the Internal Revenue Code:

T73	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T74	<u>Not over \$16,000</u>	<u>3.0%</u>
T75	<u>Over \$16,000 but not</u>	<u>\$480.00, plus 5.0% of the</u>
T76	<u>over \$200,000</u>	<u>excess over \$16,000</u>
T77	<u>Over \$200,000 but not</u>	<u>\$9,680, plus 6.0% of the excess</u>
T78	<u>over \$400,000</u>	<u>over \$200,000</u>
T79	<u>Over \$400,000 but not</u>	<u>\$21,680, plus 7.0% of the excess</u>
T80	<u>over \$600,000</u>	<u>over \$400,000</u>
T81	<u>Over \$600,000 but not</u>	<u>\$35,680, plus 7.5% of the excess</u>
T82	<u>over \$800,000</u>	<u>Over \$600,000</u>
T83	<u>Over \$800,000</u>	<u>\$50,680, plus 7.95% of the</u>
T84		<u>excess over \$800,000</u>

1644 (C) For any husband and wife who file a return under the federal
 1645 income tax for such taxable year as married individuals filing jointly or
 1646 any person who files a return under the federal income tax for such
 1647 taxable year as a surviving spouse, as defined in Section 2(a) of the
 1648 Internal Revenue Code:

T85	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T86	<u>Not over \$20,000</u>	<u>3.0%</u>
T87	<u>Over \$20,000 but not</u>	<u>\$600.00, plus 5.0% of the</u>
T88	<u>over \$250,000</u>	<u>excess over \$20,000</u>
T89	<u>Over \$250,000 but not</u>	<u>\$12,100, plus 6.0% of the excess</u>
T90	<u>over \$500,000</u>	<u>over \$250,000</u>
T91	<u>Over \$500,000 but not</u>	<u>\$27,100, plus 7.0% of the excess</u>
T92	<u>over \$750,000</u>	<u>over \$500,000</u>
T93	<u>Over \$750,000 but not</u>	<u>\$44,600, plus 7.5% of the excess</u>
T94	<u>over \$1,000,000</u>	<u>over \$750,000</u>
T95	<u>Over \$1,000,000</u>	<u>\$63,350, plus 7.95% of the excess</u>
T96		<u>over \$1,000,000</u>

1649 (D) For any person who files a return under the federal income tax
 1650 for such taxable year as a married individual filing separately:

T97	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
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T98	<u>Not over \$10,000</u>	<u>3.0%</u>
T99	<u>Over \$10,000 but not</u>	<u>\$300.00, plus 5.0% of the</u>
T100	<u>over \$125,000</u>	<u>excess over \$10,000</u>
T101	<u>Over \$125,000 but not</u>	<u>\$6,050, plus 6.0% of the excess</u>
T102	<u>over \$250,000</u>	<u>over \$125,000</u>
T103	<u>Over \$250,000 but not</u>	<u>\$13,550, plus 7.0% of the excess</u>
T104	<u>over \$375,000</u>	<u>over \$250,000</u>
T105	<u>Over \$375,000 but not</u>	<u>\$22,300 plus 7.5% of the excess</u>
T106	<u>over \$500,000</u>	<u>over \$375,000</u>
T107	<u>Over \$500,000</u>	<u>\$31,675, plus 7.95% of the excess</u>
T108		<u>over \$500,000</u>

1651 (E) For trusts or estates, the rate of tax shall be 7.95% of the
 1652 Connecticut taxable income.

1653 ~~[(7)]~~ (8) The provisions of this subsection shall apply to resident
 1654 trusts and estates and, wherever reference is made in this subsection to
 1655 residents of this state, such reference shall be construed to include
 1656 resident trusts and estates, provided any reference to a resident's
 1657 Connecticut adjusted gross income derived from sources without this
 1658 state or to a resident's Connecticut adjusted gross income shall be
 1659 construed, in the case of a resident trust or estate, to mean the resident
 1660 trust or estate's Connecticut taxable income derived from sources
 1661 without this state and the resident trust or estate's Connecticut taxable
 1662 income, respectively.

1663 Sec. 17. Subparagraph (A) of subdivision (20) of section 12-701 of the
 1664 general statutes is repealed and the following is substituted in lieu
 1665 thereof *(Effective July 1, 2009, and applicable to taxable years commencing*
 1666 *on or after January 1, 2009)*:

1667 (A) There shall be added thereto (i) to the extent not properly
 1668 includable in gross income for federal income tax purposes, any
 1669 interest income from obligations issued by or on behalf of any state,
 1670 political subdivision thereof, or public instrumentality, state or local
 1671 authority, district or similar public entity, exclusive of such income
 1672 from obligations issued by or on behalf of the state of Connecticut, any
 1673 political subdivision thereof, or public instrumentality, state or local

1674 authority, district or similar public entity created under the laws of the
1675 state of Connecticut and exclusive of any such income with respect to
1676 which taxation by any state is prohibited by federal law, (ii) any
1677 exempt-interest dividends, as defined in Section 852(b)(5) of the
1678 Internal Revenue Code, exclusive of such exempt-interest dividends
1679 derived from obligations issued by or on behalf of the state of
1680 Connecticut, any political subdivision thereof, or public
1681 instrumentality, state or local authority, district or similar public entity
1682 created under the laws of the state of Connecticut and exclusive of
1683 such exempt-interest dividends derived from obligations, the income
1684 with respect to which taxation by any state is prohibited by federal
1685 law, (iii) any interest or dividend income on obligations or securities of
1686 any authority, commission or instrumentality of the United States
1687 which federal law exempts from federal income tax but does not
1688 exempt from state income taxes, (iv) to the extent included in gross
1689 income for federal income tax purposes for the taxable year, the total
1690 taxable amount of a lump sum distribution for the taxable year
1691 deductible from such gross income in calculating federal adjusted
1692 gross income, (v) to the extent properly includable in determining the
1693 net gain or loss from the sale or other disposition of capital assets for
1694 federal income tax purposes, any loss from the sale or exchange of
1695 obligations issued by or on behalf of the state of Connecticut, any
1696 political subdivision thereof, or public instrumentality, state or local
1697 authority, district or similar public entity created under the laws of the
1698 state of Connecticut, in the income year such loss was recognized, (vi)
1699 to the extent deductible in determining federal adjusted gross income,
1700 any income taxes imposed by this state, (vii) to the extent deductible in
1701 determining federal adjusted gross income, any interest on
1702 indebtedness incurred or continued to purchase or carry obligations or
1703 securities the interest on which is exempt from tax under this chapter,
1704 (viii) expenses paid or incurred during the taxable year for the
1705 production or collection of income which is exempt from taxation
1706 under this chapter or the management, conservation or maintenance of
1707 property held for the production of such income, and the amortizable
1708 bond premium for the taxable year on any bond the interest on which

1709 is exempt from tax under this chapter to the extent that such expenses
1710 and premiums are deductible in determining federal adjusted gross
1711 income, [and] (ix) for property placed in service after September 10,
1712 2001, but prior to September 11, 2004, in taxable years ending after
1713 September 10, 2001, any additional allowance for depreciation under
1714 subsection (k) of Section 168 of the Internal Revenue Code, as provided
1715 by Section 101 of the Job Creation and Worker Assistance Act of 2002,
1716 to the extent deductible in determining federal adjusted gross income,
1717 and (x) to the extent deductible in determining federal adjusted gross
1718 income, any amount excluded from gross income as a domestic
1719 production deduction pursuant to Section 199 of the Internal Revenue
1720 Code.

1721 Sec. 18. Subsection (a) of section 12-702 of the general statutes is
1722 repealed and the following is substituted in lieu thereof (*Effective July*
1723 *1, 2009, and applicable to taxable years commencing on or after January 1,*
1724 *2009*):

1725 (a) (1) (A) Any person, other than a trust or estate, subject to the tax
1726 under this chapter for any taxable year who files under the federal
1727 income tax for such taxable year as a married individual filing
1728 separately or, for taxable years commencing prior to January 1, 2000,
1729 who files income tax for such taxable year as an unmarried individual
1730 shall be entitled to a personal exemption of twelve thousand dollars in
1731 determining Connecticut taxable income for purposes of this chapter.

1732 (B) In the case of any such taxpayer whose Connecticut adjusted
1733 gross income for the taxable year exceeds twenty-four thousand
1734 dollars, the exemption amount shall be reduced by one thousand
1735 dollars for each one thousand dollars, or fraction thereof, by which the
1736 taxpayer's Connecticut adjusted gross income for the taxable year
1737 exceeds said amount. In no event shall the reduction exceed one
1738 hundred per cent of the exemption.

1739 (2) For taxable years commencing on or after January 1, 2000, any
1740 person, other than a trust or estate, subject to the tax under this chapter

1741 for any taxable year who files under the federal income tax for such
1742 taxable year as an unmarried individual shall be entitled to a personal
1743 exemption in determining Connecticut taxable income for purposes of
1744 this chapter as follows:

1745 (A) For taxable years commencing on or after January 1, 2000, but
1746 prior to January 1, 2001, twelve thousand two hundred fifty dollars. In
1747 the case of any such taxpayer whose Connecticut adjusted gross
1748 income for the taxable year exceeds twenty-four thousand five
1749 hundred dollars, the exemption amount shall be reduced by one
1750 thousand dollars for each one thousand dollars, or fraction thereof, by
1751 which the taxpayer's Connecticut adjusted gross income for the taxable
1752 year exceeds said amount. In no event shall the reduction exceed one
1753 hundred per cent of the exemption;

1754 (B) For taxable years commencing on or after January 1, 2001, but
1755 prior to January 1, 2004, twelve thousand five hundred dollars. In the
1756 case of any such taxpayer whose Connecticut adjusted gross income
1757 for the taxable year exceeds twenty-five thousand dollars, the
1758 exemption amount shall be reduced by one thousand dollars for each
1759 one thousand dollars, or fraction thereof, by which the taxpayer's
1760 Connecticut adjusted gross income for the taxable year exceeds said
1761 amount. In no event shall the reduction exceed one hundred per cent
1762 of the exemption;

1763 (C) For taxable years commencing on or after January 1, 2004, but
1764 prior to January 1, 2007, twelve thousand six hundred twenty-five
1765 dollars. In the case of any such taxpayer whose Connecticut adjusted
1766 gross income for the taxable year exceeds twenty-five thousand two
1767 hundred fifty dollars, the exemption amount shall be reduced by one
1768 thousand dollars for each one thousand dollars, or fraction thereof, by
1769 which the taxpayer's Connecticut adjusted gross income for the taxable
1770 year exceeds said amount. In no event shall the reduction exceed one
1771 hundred per cent of the exemption;

1772 (D) For taxable years commencing on or after January 1, 2007, but

1773 prior to January 1, 2008, twelve thousand seven hundred fifty dollars.
1774 In the case of any such taxpayer whose Connecticut adjusted gross
1775 income for the taxable year exceeds twenty-five thousand five hundred
1776 dollars, the exemption amount shall be reduced by one thousand
1777 dollars for each one thousand dollars, or fraction thereof, by which the
1778 taxpayer's Connecticut adjusted gross income for the taxable year
1779 exceeds said amount. In no event shall the reduction exceed one
1780 hundred per cent of the exemption;

1781 (E) For taxable years commencing on or after January 1, 2008, but
1782 prior to January 1, [2009] 2012, thirteen thousand dollars. In the case of
1783 any such taxpayer whose Connecticut adjusted gross income for the
1784 taxable year exceeds twenty-six thousand dollars, the exemption
1785 amount shall be reduced by one thousand dollars for each one
1786 thousand dollars, or fraction thereof, by which the taxpayer's
1787 Connecticut adjusted gross income for the taxable year exceeds said
1788 amount. In no event shall the reduction exceed one hundred per cent
1789 of the exemption;

1790 (F) For taxable years commencing on or after January 1, [2009] 2012,
1791 but prior to January 1, [2010] 2013, thirteen thousand five hundred
1792 dollars. In the case of any such taxpayer whose Connecticut adjusted
1793 gross income for the taxable year exceeds twenty-seven thousand
1794 dollars, the exemption amount shall be reduced by one thousand
1795 dollars for each one thousand dollars, or fraction thereof, by which the
1796 taxpayer's Connecticut adjusted gross income for the taxable year
1797 exceeds said amount. In no event shall the reduction exceed one
1798 hundred per cent of the exemption;

1799 (G) For taxable years commencing on or after January 1, [2010] 2013,
1800 but prior to January 1, [2011] 2014, fourteen thousand dollars. In the
1801 case of any such taxpayer whose Connecticut adjusted gross income
1802 for the taxable year exceeds twenty-eight thousand dollars, the
1803 exemption amount shall be reduced by one thousand dollars for each
1804 one thousand dollars, or fraction thereof, by which the taxpayer's
1805 Connecticut adjusted gross income for the taxable year exceeds said

1806 amount. In no event shall the reduction exceed one hundred per cent
1807 of the exemption;

1808 (H) For taxable years commencing on or after January 1, [2011] 2014,
1809 but prior to January 1, [2012] 2015, fourteen thousand five hundred
1810 dollars. In the case of any such taxpayer whose Connecticut adjusted
1811 gross income for the taxable year exceeds twenty-nine thousand
1812 dollars, the exemption amount shall be reduced by one thousand
1813 dollars for each one thousand dollars, or fraction thereof, by which the
1814 taxpayer's Connecticut adjusted gross income for the taxable year
1815 exceeds said amount. In no event shall the reduction exceed one
1816 hundred per cent of the exemption;

1817 (I) For taxable years commencing on or after January 1, [2012] 2015,
1818 fifteen thousand dollars. In the case of any such taxpayer whose
1819 Connecticut adjusted gross income for the taxable year exceeds thirty
1820 thousand dollars, the exemption amount shall be reduced by one
1821 thousand dollars for each one thousand dollars, or fraction thereof, by
1822 which the taxpayer's Connecticut adjusted gross income for the taxable
1823 year exceeds said amount. In no event shall the reduction exceed one
1824 hundred per cent of the exemption.

1825 Sec. 19. Subsection (a) of section 12-703 of the general statutes is
1826 repealed and the following is substituted in lieu thereof (*Effective July*
1827 *1, 2009, and applicable to taxable years commencing on or after January 1,*
1828 *2009*):

1829 (a) (1) Any person, other than a trust or estate, subject to the tax
1830 under this chapter for any taxable year who files under the federal
1831 income tax for such taxable year as a married individual filing
1832 separately or for taxable years commencing prior to January 1, 2000,
1833 who files under the federal income tax for such taxable year as an
1834 unmarried individual shall be entitled to a credit in determining the
1835 amount of tax liability for purposes of this chapter in accordance with
1836 the following schedule:

T109	Connecticut	
T110	Adjusted Gross Income	Amount of Credit
T111	Over \$12,000 but	
T112	not over \$15,000	75%
T113	Over \$15,000 but	
T114	not over \$15,500	70%
T115	Over \$15,500 but	
T116	not over \$16,000	65%
T117	Over \$16,000 but	
T118	not over \$16,500	60%
T119	Over \$16,500 but	
T120	not over \$17,000	55%
T121	Over \$17,000 but	
T122	not over \$17,500	50%
T123	Over \$17,500 but	
T124	not over \$18,000	45%
T125	Over \$18,000 but	
T126	not over \$18,500	40%
T127	Over \$18,500 but	
T128	not over \$20,000	35%
T129	Over \$20,000 but	
T130	not over \$20,500	30%
T131	Over \$20,500 but	
T132	not over \$21,000	25%
T133	Over \$21,000 but	
T134	not over \$21,500	20%
T135	Over \$21,500 but	
T136	not over \$25,000	15%
T137	Over \$25,000 but	
T138	not over \$25,500	14%
T139	Over \$25,500 but	
T140	not over \$26,000	13%
T141	Over \$26,000 but	
T142	not over \$26,500	12%

T143	Over \$26,500 but	
T144	not over \$27,000	11%
T145	Over \$27,000 but	
T146	not over \$48,000	10%
T147	Over \$48,000 but	
T148	not over \$48,500	9%
T149	Over \$48,500 but	
T150	not over \$49,000	8%
T151	Over \$49,000 but	
T152	not over \$49,500	7%
T153	Over \$49,500 but	
T154	not over \$50,000	6%
T155	Over \$50,000 but	
T156	not over \$50,500	5%
T157	Over \$50,500 but	
T158	not over \$51,000	4%
T159	Over \$51,000 but	
T160	not over \$51,500	3%
T161	Over \$51,500 but	
T162	not over \$52,000	2%
T163	Over \$52,000 but	
T164	not over \$52,500	1%

1837 (2) For taxable years commencing on or after January 1, 2000, any
1838 person, other than a trust or estate, subject to the tax under this chapter
1839 for any taxable year who files under the federal income tax for such
1840 taxable year as an unmarried individual shall be entitled to a credit in
1841 determining the amount of tax liability for purposes of this chapter in
1842 accordance with the following schedule:

1843 (A) For taxable years commencing on or after January 1, 2000, but
1844 prior to January 1, 2001:

T165	Connecticut	
T166	Adjusted Gross Income	Amount of Credit
T167	Over \$12,250 but	
T168	not over \$15,300	75%
T169	Over \$15,300 but	
T170	not over \$15,800	70%
T171	Over \$15,800 but	
T172	not over \$16,300	65%
T173	Over \$16,300 but	
T174	not over \$16,800	60%
T175	Over \$16,800 but	
T176	not over \$17,300	55%
T177	Over \$17,300 but	
T178	not over \$17,800	50%
T179	Over \$17,800 but	
T180	not over \$18,300	45%
T181	Over \$18,300 but	
T182	not over \$18,800	40%
T183	Over \$18,800 but	
T184	not over \$20,400	35%
T185	Over \$20,400 but	
T186	not over \$20,900	30%
T187	Over \$20,900 but	
T188	not over \$21,400	25%
T189	Over \$21,400 but	
T190	not over \$21,900	20%
T191	Over \$21,900 but	
T192	not over \$25,500	15%
T193	Over \$25,500 but	
T194	not over \$26,000	14%
T195	Over \$26,000 but	
T196	not over \$26,500	13%
T197	Over \$26,500 but	
T198	not over \$27,000	12%

T199	Over \$27,000 but	
T200	not over \$27,500	11%
T201	Over \$27,500 but	
T202	not over \$49,000	10%
T203	Over \$49,000 but	
T204	not over \$49,500	9%
T205	Over \$49,500 but	
T206	not over \$50,000	8%
T207	Over \$50,000 but	
T208	not over \$50,500	7%
T209	Over \$50,500 but	
T210	not over \$51,000	6%
T211	Over \$51,000 but	
T212	not over \$51,500	5%
T213	Over \$51,500 but	
T214	not over \$52,000	4%
T215	Over \$52,000 but	
T216	not over \$52,500	3%
T217	Over \$52,500 but	
T218	not over \$53,000	2%
T219	Over \$53,000 but	
T220	not over \$53,500	1%

1845 (B) For taxable years commencing on or after January 1, 2001, but
 1846 prior to January 1, 2004:

T221	Connecticut	
T222	Adjusted Gross Income	Amount of Credit
T223	Over \$12,500 but	
T224	not over \$15,600	75%
T225	Over \$15,600 but	
T226	not over \$16,100	70%

T227	Over \$16,100 but	
T228	not over \$16,600	65%
T229	Over \$16,600 but	
T230	not over \$17,100	60%
T231	Over \$17,100 but	
T232	not over \$17,600	55%
T233	Over \$17,600 but	
T234	not over \$18,100	50%
T235	Over \$18,100 but	
T236	not over \$18,600	45%
T237	Over \$18,600 but	
T238	not over \$19,100	40%
T239	Over \$19,100 but	
T240	not over \$20,800	35%
T241	Over \$20,800 but	
T242	not over \$21,300	30%
T243	Over \$21,300 but	
T244	not over \$21,800	25%
T245	Over \$21,800 but	
T246	not over \$22,300	20%
T247	Over \$22,300 but	
T248	not over \$26,000	15%
T249	Over \$26,000 but	
T250	not over \$26,500	14%
T251	Over \$26,500 but	
T252	not over \$27,000	13%
T253	Over \$27,000 but	
T254	not over \$27,500	12%
T255	Over \$27,500 but	
T256	not over \$28,000	11%
T257	Over \$28,000 but	
T258	not over \$50,000	10%
T259	Over \$50,000 but	
T260	not over \$50,500	9%
T261	Over \$50,500 but	

T262	not over \$51,000	8%
T263	Over \$51,000 but	
T264	not over \$51,500	7%
T265	Over \$51,500 but	
T266	not over \$52,000	6%
T267	Over \$52,000 but	
T268	not over \$52,500	5%
T269	Over \$52,500 but	
T270	not over \$53,000	4%
T271	Over \$53,000 but	
T272	not over \$53,500	3%
T273	Over \$53,500 but	
T274	not over \$54,000	2%
T275	Over \$54,000 but	
T276	not over \$54,500	1%

1847 (C) For taxable years commencing on or after January 1, 2004, but
1848 prior to January 1, 2007:

T277	Connecticut	
T278	Adjusted Gross Income	Amount of Credit
T279	Over \$12,625 but	
T280	not over \$15,750	75%
T281	Over \$15,750 but	
T282	not over \$16,250	70%
T283	Over \$16,250 but	
T284	not over \$16,750	65%
T285	Over \$16,750 but	
T286	not over \$17,250	60%
T287	Over \$17,250 but	
T288	not over \$17,750	55%
T289	Over \$17,750 but	

T290	not over \$18,250	50%
T291	Over \$18,250 but	
T292	not over \$18,750	45%
T293	Over \$18,750 but	
T294	not over \$19,250	40%
T295	Over \$19,250 but	
T296	not over \$21,050	35%
T297	Over \$21,050 but	
T298	not over \$21,550	30%
T299	Over \$21,550 but	
T300	not over \$22,050	25%
T301	Over \$22,050 but	
T302	not over \$22,550	20%
T303	Over \$22,550 but	
T304	not over \$26,300	15%
T305	Over \$26,300 but	
T306	not over \$26,800	14%
T307	Over \$26,800 but	
T308	not over \$27,300	13%
T309	Over \$27,300 but	
T310	not over \$27,800	12%
T311	Over \$27,800 but	
T312	not over \$28,300	11%
T313	Over \$28,300 but	
T314	not over \$50,500	10%
T315	Over \$50,500 but	
T316	not over \$51,000	9%
T317	Over \$51,000 but	
T318	not over \$51,500	8%
T319	Over \$51,500 but	
T320	not over \$52,000	7%
T321	Over \$52,000 but	
T322	not over \$52,500	6%
T323	Over \$52,500 but	
T324	not over \$53,000	5%

T325	Over \$53,000 but	
T326	not over \$53,500	4%
T327	Over \$53,500 but	
T328	not over \$54,000	3%
T329	Over \$54,000 but	
T330	not over \$54,500	2%
T331	Over \$54,500 but	
T332	not over \$55,000	1%

1849 (D) For taxable years commencing on or after January 1, 2007, but
 1850 prior to January 1, 2008:

T333	Connecticut	
T334	Adjusted Gross Income	Amount of Credit
T335	Over \$12,750 but	
T336	not over \$15,900	75%
T337	Over \$15,900 but	
T338	not over \$16,400	70%
T339	Over \$16,400 but	
T340	not over \$16,900	65%
T341	Over \$16,900 but	
T342	not over \$17,400	60%
T343	Over \$17,400 but	
T344	not over \$17,900	55%
T345	Over \$17,900 but	
T346	not over \$18,400	50%
T347	Over \$18,400 but	
T348	not over \$18,900	45%
T349	Over \$18,900 but	
T350	not over \$19,400	40%
T351	Over \$19,400 but	
T352	not over \$21,300	35%

T353	Over \$21,300 but	
T354	not over \$21,800	30%
T355	Over \$21,800 but	
T356	not over \$22,300	25%
T357	Over \$22,300 but	
T358	not over \$22,800	20%
T359	Over \$22,800 but	
T360	not over \$26,600	15%
T361	Over \$26,600 but	
T362	not over \$27,100	14%
T363	Over \$27,100 but	
T364	not over \$27,600	13%
T365	Over \$27,600 but	
T366	not over \$28,100	12%
T367	Over \$28,100 but	
T368	not over \$28,600	11%
T369	Over \$28,600 but	
T370	not over \$51,000	10%
T371	Over \$51,000 but	
T372	not over \$51,500	9%
T373	Over \$51,500 but	
T374	not over \$52,000	8%
T375	Over \$52,000 but	
T376	not over \$52,500	7%
T377	Over \$52,500 but	
T378	not over \$53,000	6%
T379	Over \$53,000 but	
T380	not over \$53,500	5%
T381	Over \$53,500 but	
T382	not over \$54,000	4%
T383	Over \$54,000 but	
T384	not over \$54,500	3%
T385	Over \$54,500 but	
T386	not over \$55,000	2%
T387	Over \$55,000 but	

T388 not over \$55,500 1%

1851 (E) For taxable years commencing on or after January 1, 2008, but
 1852 prior to January 1, [2009] 2012:

T389	Connecticut	
T390	Adjusted Gross Income	Amount of Credit
T391	Over \$13,000 but	
T392	not over \$16,300	75%
T393	Over \$16,300 but	
T394	not over \$16,800	70%
T395	Over \$16,800 but	
T396	not over \$17,300	65%
T397	Over \$17,300 but	
T398	not over \$17,800	60%
T399	Over \$17,800 but	
T400	not over \$18,300	55%
T401	Over \$18,300 but	
T402	not over \$18,800	50%
T403	Over \$18,800 but	
T404	not over \$19,300	45%
T405	Over \$19,300 but	
T406	not over \$19,800	40%
T407	Over \$19,800 but	
T408	not over \$21,700	35%
T409	Over \$21,700 but	
T410	not over \$22,200	30%
T411	Over \$22,200 but	
T412	not over \$22,700	25%
T413	Over \$22,700 but	
T414	not over \$23,200	20%
T415	Over \$23,200 but	

T416	not over \$27,100	15%
T417	Over \$27,100 but	
T418	not over \$27,600	14%
T419	Over \$27,600 but	
T420	not over \$28,100	13%
T421	Over \$28,100 but	
T422	not over \$28,600	12%
T423	Over \$28,600 but	
T424	not over \$29,100	11%
T425	Over \$29,100 but	
T426	not over \$52,000	10%
T427	Over \$52,000 but	
T428	not over \$52,500	9%
T429	Over \$52,500 but	
T430	not over \$53,000	8%
T431	Over \$53,000 but	
T432	not over \$53,500	7%
T433	Over \$53,500 but	
T434	not over \$54,000	6%
T435	Over \$54,000 but	
T436	not over \$54,500	5%
T437	Over \$54,500 but	
T438	not over \$55,000	4%
T439	Over \$55,000 but	
T440	not over \$55,500	3%
T441	Over \$55,500 but	
T442	not over \$56,000	2%
T443	Over \$56,000 but	
T444	not over \$56,500	1%

1853 (F) For taxable years commencing on or after January 1, [2009] 2012,
 1854 but prior to January 1, [2010] 2013:

T445	Connecticut	
T446	Adjusted Gross Income	Amount Of Credit
T447	Over \$13,500 but	
T448	not over \$16,900	75%
T449	Over \$16,900 but	
T450	not over \$17,400	70%
T451	Over \$17,400 but	
T452	not over \$17,900	65%
T453	Over \$17,900 but	
T454	not over \$18,400	60%
T455	Over \$18,400 but	
T456	not over \$18,900	55%
T457	Over \$18,900 but	
T458	not over \$19,400	50%
T459	Over \$19,400 but	
T460	not over \$19,900	45%
T461	Over \$19,900 but	
T462	not over \$20,400	40%
T463	Over \$20,400 but	
T464	not over \$22,500	35%
T465	Over \$22,500 but	
T466	not over \$23,000	30%
T467	Over \$23,000 but	
T468	not over \$23,500	25%
T469	Over \$23,500 but	
T470	not over \$24,000	20%
T471	Over \$24,000 but	
T472	not over \$28,100	15%
T473	Over \$28,100 but	
T474	not over \$28,600	14%
T475	Over \$28,600 but	
T476	not over \$29,100	13%
T477	Over \$29,100 but	
T478	not over \$29,600	12%

T479	Over \$29,600 but	
T480	not over \$30,100	11%
T481	Over \$30,100 but	
T482	not over \$54,000	10%
T483	Over \$54,000 but	
T484	not over \$54,500	9%
T485	Over \$54,500 but	
T486	not over \$55,000	8%
T487	Over \$55,000 but	
T488	not over \$55,500	7%
T489	Over \$55,500 but	
T490	not over \$56,000	6%
T491	Over \$56,000 but	
T492	not over \$56,500	5%
T493	Over \$56,500 but	
T494	not over \$57,000	4%
T495	Over \$57,000 but	
T496	not over \$57,500	3%
T497	Over \$57,500 but	
T498	not over \$58,000	2%
T499	Over \$58,000 but	
T500	not over \$58,500	1%

1855 (G) For taxable years commencing on or after January 1, [2010] 2013,
 1856 but prior to January 1, [2011] 2014:

T501	Connecticut	
T502	Adjusted Gross Income	Amount of Credit
T503	Over \$14,000 but	
T504	not over \$17,500	75%
T505	Over \$17,500 but	
T506	not over \$18,000	70%

T507	Over \$18,000 but	
T508	not over \$18,500	65%
T509	Over \$18,500 but	
T510	not over \$19,000	60%
T511	Over \$19,000 but	
T512	not over \$19,500	55%
T513	Over \$19,500 but	
T514	not over \$20,000	50%
T515	Over \$20,000 but	
T516	not over \$20,500	45%
T517	Over \$20,500 but	
T518	not over \$21,000	40%
T519	Over \$21,000 but	
T520	not over \$23,300	35%
T521	Over \$23,300 but	
T522	not over \$23,800	30%
T523	Over \$23,800 but	
T524	not over \$24,300	25%
T525	Over \$24,300 but	
T526	not over \$24,800	20%
T527	Over \$24,800 but	
T528	not over \$29,200	15%
T529	Over \$29,200 but	
T530	not over \$29,700	14%
T531	Over \$29,700 but	
T532	not over \$30,200	13%
T533	Over \$30,200 but	
T534	not over \$30,700	12%
T535	Over \$30,700 but	
T536	not over \$31,200	11%
T537	Over \$31,200 but	
T538	not over \$56,000	10%
T539	Over \$56,000 but	
T540	not over \$56,500	9%
T541	Over \$56,500 but	

T542	not over \$57,000	8%
T543	Over \$57,000 but	
T544	not over \$57,500	7%
T545	Over \$57,500 but	
T546	not over \$58,000	6%
T547	Over \$58,000 but	
T548	not over \$58,500	5%
T549	Over \$58,500 but	
T550	not over \$59,000	4%
T551	Over \$59,000 but	
T552	not over \$59,500	3%
T553	Over \$59,500 but	
T554	not over \$60,000	2%
T555	Over \$60,000 but	
T556	not over \$60,500	1%

1857 (H) For taxable years commencing on or after January 1, [2011] 2014,
 1858 but prior to January 1, [2012] 2015:

T557	Connecticut	
T558	Adjusted Gross Income	Amount of Credit
T559	Over \$14,500 but	
T560	not over \$18,100	75%
T561	Over \$18,100 but	
T562	not over \$18,600	70%
T563	Over \$18,600 but	
T564	not over \$19,100	65%
T565	Over \$19,100 but	
T566	not over \$19,600	60%
T567	Over \$19,600 but	
T568	not over \$20,100	55%
T569	Over \$20,100 but	

T570	not over \$20,600	50%
T571	Over \$20,600 but	
T572	not over \$21,100	45%
T573	Over \$21,100 but	
T574	not over \$21,600	40%
T575	Over \$21,600 but	
T576	not over \$24,200	35%
T577	Over \$24,200 but	
T578	not over \$24,700	30%
T579	Over \$24,700 but	
T580	not over \$25,200	25%
T581	Over \$25,200 but	
T582	not over \$25,700	20%
T583	Over \$25,700 but	
T584	not over \$30,200	15%
T585	Over \$30,200 but	
T586	not over \$30,700	14%
T587	Over \$30,700 but	
T588	not over \$31,200	13%
T589	Over \$31,200 but	
T590	not over \$31,700	12%
T591	Over \$31,700 but	
T592	not over \$32,200	11%
T593	Over \$32,200 but	
T594	not over \$58,000	10%
T595	Over \$58,000 but	
T596	not over \$58,500	9%
T597	Over \$58,500 but	
T598	not over \$59,000	8%
T599	Over \$59,000 but	
T600	not over \$59,500	7%
T601	Over \$59,500 but	
T602	not over \$60,000	6%
T603	Over \$60,000 but	
T604	not over \$60,500	5%

T605	Over \$60,500 but	
T606	not over \$61,000	4%
T607	Over \$61,000 but	
T608	not over \$61,500	3%
T609	Over \$61,500 but	
T610	not over \$62,000	2%
T611	Over \$62,000 but	
T612	not over \$62,500	1%

1859 (I) For taxable years commencing on or after January 1, [2012] 2015:

T613	Connecticut	
T614	Adjusted Gross Income	Amount of Credit
T615	Over \$15,000 but	
T616	not over \$18,800	75%
T617	Over \$18,800 but	
T618	not over \$19,300	70%
T619	Over \$19,300 but	
T620	not over \$19,800	65%
T621	Over \$19,800 but	
T622	not over \$20,300	60%
T623	Over \$20,300 but	
T624	not over \$20,800	55%
T625	Over \$20,800 but	
T626	not over \$21,300	50%
T627	Over \$21,300 but	
T628	not over \$21,800	45%
T629	Over \$21,800 but	
T630	not over \$22,300	40%
T631	Over \$22,300 but	
T632	not over \$25,000	35%
T633	Over \$25,000 but	

T634	not over \$25,500	30%
T635	Over \$25,500 but	
T636	not over \$26,000	25%
T637	Over \$26,000 but	
T638	not over \$26,500	20%
T639	Over \$26,500 but	
T640	not over \$31,300	15%
T641	Over \$31,300 but	
T642	not over \$31,800	14%
T643	Over \$31,800 but	
T644	not over \$32,300	13%
T645	Over \$32,300 but	
T646	not over \$32,800	12%
T647	Over \$32,800 but	
T648	not over \$33,300	11%
T649	Over \$33,300 but	
T650	not over \$60,000	10%
T651	Over \$60,000 but	
T652	not over \$60,500	9%
T653	Over \$60,500 but	
T654	not over \$61,000	8%
T655	Over \$61,000 but	
T656	not over \$61,500	7%
T657	Over \$61,500 but	
T658	not over \$62,000	6%
T659	Over \$62,000 but	
T660	not over \$62,500	5%
T661	Over \$62,500 but	
T662	not over \$63,000	4%
T663	Over \$63,000 but	
T664	not over \$63,500	3%
T665	Over \$63,500 but	
T666	not over \$64,000	2%
T667	Over \$64,000 but	
T668	not over \$64,500	1%

1860 Sec. 20. Subsection (c) of section 12-704c of the general statutes is
1861 repealed and the following is substituted in lieu thereof (*Effective July*
1862 *1, 2009, and applicable to taxable years commencing on or after January 1,*
1863 *2009*):

1864 (c) (1) (A) For taxable years commencing prior to January 1, 2000, in
1865 the case of any such taxpayer who files under the federal income tax
1866 for such taxable year as an unmarried individual whose Connecticut
1867 adjusted gross income exceeds fifty-two thousand five hundred
1868 dollars, the amount of the credit that exceeds one hundred dollars shall
1869 be reduced by ten per cent for each ten thousand dollars, or fraction
1870 thereof, by which the taxpayer's Connecticut adjusted gross income
1871 exceeds said amount.

1872 (B) For taxable years commencing on or after January 1, 2000, but
1873 prior to January 1, 2001, in the case of any such taxpayer who files
1874 under the federal income tax for such taxable year as an unmarried
1875 individual whose Connecticut adjusted gross income exceeds fifty-
1876 three thousand five hundred dollars, the amount of the credit that
1877 exceeds one hundred dollars shall be reduced by ten per cent for each
1878 ten thousand dollars, or fraction thereof, by which the taxpayer's
1879 Connecticut adjusted gross income exceeds said amount.

1880 (C) For taxable years commencing on or after January 1, 2001, but
1881 prior to January 1, 2004, in the case of any such taxpayer who files
1882 under the federal income tax for such taxable year as an unmarried
1883 individual whose Connecticut adjusted gross income exceeds fifty-four
1884 thousand five hundred dollars, the amount of the credit shall be
1885 reduced by ten per cent for each ten thousand dollars, or fraction
1886 thereof, by which the taxpayer's Connecticut adjusted gross income
1887 exceeds said amount.

1888 (D) For taxable years commencing on or after January 1, 2004, but
1889 prior to January 1, 2007, in the case of any such taxpayer who files
1890 under the federal income tax for such taxable year as an unmarried

1891 individual whose Connecticut adjusted gross income exceeds fifty-five
1892 thousand dollars, the amount of the credit shall be reduced by ten per
1893 cent for each ten thousand dollars, or fraction thereof, by which the
1894 taxpayer's Connecticut adjusted gross income exceeds said amount.

1895 (E) For taxable years commencing on or after January 1, 2007, but
1896 prior to January 1, 2008, in the case of any such taxpayer who files
1897 under the federal income tax for such taxable year as an unmarried
1898 individual whose Connecticut adjusted gross income exceeds fifty-five
1899 thousand five hundred dollars, the amount of the credit shall be
1900 reduced by ten per cent for each ten thousand dollars, or fraction
1901 thereof, by which the taxpayer's Connecticut adjusted gross income
1902 exceeds said amount.

1903 (F) For taxable years commencing on or after January 1, 2008, but
1904 prior to January 1, 2009, in the case of any such taxpayer who files
1905 under the federal income tax for such taxable year as an unmarried
1906 individual whose Connecticut adjusted gross income exceeds fifty-six
1907 thousand five hundred dollars, the amount of the credit shall be
1908 reduced by ten per cent for each ten thousand dollars, or fraction
1909 thereof, by which the taxpayer's Connecticut adjusted gross income
1910 exceeds said amount.

1911 (G) For taxable years commencing on or after January 1, 2009, but
1912 prior to January 1, 2010, in the case of any such taxpayer who files
1913 under the federal income tax for such taxable year as an unmarried
1914 individual whose Connecticut adjusted gross income exceeds [fifty-
1915 eight thousand five hundred] forty-two thousand three hundred
1916 seventy-five dollars, the amount of the credit shall be reduced by ten
1917 per cent for each [ten thousand] seven thousand five hundred dollars,
1918 or fraction thereof, by which the taxpayer's Connecticut adjusted gross
1919 income exceeds said amount.

1920 (H) For taxable years commencing on or after January 1, 2010, [but
1921 prior to January 1, 2011,] in the case of any such taxpayer who files
1922 under the federal income tax for such taxable year as an unmarried

1923 individual whose Connecticut adjusted gross income exceeds [sixty
1924 thousand five hundred] fourteen thousand one hundred twenty-five
1925 dollars, the amount of the credit shall be reduced by ten per cent for
1926 each [ten thousand] two thousand five hundred dollars, or fraction
1927 thereof, by which the taxpayer's Connecticut adjusted gross income
1928 exceeds said amount.

1929 [(I) For taxable years commencing on or after January 1, 2011, but
1930 prior to January 1, 2012, in the case of any such taxpayer who files
1931 under the federal income tax for such taxable year as an unmarried
1932 individual whose Connecticut adjusted gross income exceeds
1933 sixty-two thousand five hundred dollars, the amount of the credit shall
1934 be reduced by ten per cent for each ten thousand dollars, or fraction
1935 thereof, by which the taxpayer's Connecticut adjusted gross income
1936 exceeds said amount.

1937 (J) For taxable years commencing on or after January 1, 2012, in the
1938 case of any such taxpayer who files under the federal income tax for
1939 such taxable year as an unmarried individual whose Connecticut
1940 adjusted gross income exceeds sixty-four thousand five hundred
1941 dollars, the amount of the credit shall be reduced by ten per cent for
1942 each ten thousand dollars, or fraction thereof, by which the taxpayer's
1943 Connecticut adjusted gross income exceeds said amount.]

1944 (2) [In] (A) For taxable years commencing prior to January 1, 2009,
1945 in the case of any such taxpayer who files under the federal income tax
1946 for such taxable year as a married individual filing separately whose
1947 Connecticut adjusted gross income exceeds fifty thousand two
1948 hundred fifty dollars, the amount of the credit shall be reduced by ten
1949 per cent for each five thousand dollars, or fraction thereof, by which
1950 the taxpayer's Connecticut adjusted gross income exceeds said
1951 amount.

1952 (B) For taxable years commencing on or after January 1, 2009, but
1953 prior to January 1, 2010, in the case of any such taxpayer who files
1954 under the federal income tax for such taxable year as a married

1955 individual filing separately whose Connecticut adjusted gross income
1956 exceeds thirty-seven thousand six hundred eighty-eight dollars, the
1957 amount of the credit shall be reduced by ten per cent for each three
1958 thousand seven hundred fifty dollars, or fraction thereof, by which the
1959 taxpayer's Connecticut adjusted gross income exceeds said amount.

1960 (C) For taxable years commencing on or after January 1, 2010, in the
1961 case of any such taxpayer who files under the federal income tax for
1962 such taxable year as a married individual filing separately whose
1963 Connecticut adjusted gross income exceeds twelve thousand five
1964 hundred sixty-three dollars, the amount of the credit shall be reduced
1965 by ten per cent for each one thousand two hundred fifty dollars, or
1966 fraction thereof, by which the taxpayer's Connecticut adjusted gross
1967 income exceeds said amount.

1968 (3) [In] (A) For taxable years commencing prior to January 1, 2009,
1969 in the case of a taxpayer who files under the federal income tax for
1970 such taxable year as a head of household whose Connecticut adjusted
1971 gross income exceeds seventy-eight thousand five hundred dollars, the
1972 amount of the credit shall be reduced by ten per cent for each ten
1973 thousand dollars or fraction thereof, by which the taxpayer's
1974 Connecticut adjusted gross income exceeds said amount.

1975 (B) For taxable years commencing on or after January 1, 2009, but
1976 prior to January 1, 2010, in the case of any such taxpayer who files
1977 under the federal income tax for such taxable year as a head of
1978 household whose Connecticut adjusted gross income exceeds fifty-
1979 eight thousand eight hundred seventy-five dollars, the amount of the
1980 credit shall be reduced by ten per cent for each seven thousand five
1981 hundred dollars, or fraction thereof, by which the taxpayer's
1982 Connecticut adjusted gross income exceeds said amount.

1983 (C) For taxable years commencing on or after January 1, 2010, in the
1984 case of any such taxpayer who files under the federal income tax for
1985 such taxable year as a head of household whose Connecticut adjusted
1986 gross income exceeds nineteen thousand six hundred twenty-five

1987 dollars, the amount of the credit shall be reduced by ten per cent for
1988 each two thousand five hundred dollars, or fraction thereof, by which
1989 the taxpayer's Connecticut adjusted gross income exceeds said
1990 amount.

1991 (4) [In] (A) For taxable years commencing prior to January 1, 2009,
1992 in the case of a taxpayer who files under federal income tax for such
1993 taxable year as married individuals filing jointly whose Connecticut
1994 adjusted gross income exceeds one hundred thousand five hundred
1995 dollars, the amount of the credit shall be reduced by ten per cent for
1996 each ten thousand dollars, or fraction thereof, by which the taxpayer's
1997 Connecticut adjusted gross income exceeds said amount.

1998 (B) For taxable years commencing on or after January 1, 2009, but
1999 prior to January 1, 2010, in the case of any such taxpayer who files
2000 under the federal income tax for such taxable year as married
2001 individuals filing jointly whose Connecticut adjusted gross income
2002 exceeds seventy-five thousand three hundred seventy-five dollars, the
2003 amount of the credit shall be reduced by ten per cent for each seven
2004 thousand five hundred dollars, or fraction thereof, by which the
2005 taxpayer's Connecticut adjusted gross income exceeds said amount.

2006 (C) For taxable years commencing on or after January 1, 2010, in the
2007 case of any such taxpayer who files under the federal income tax for
2008 such taxable year as married individuals filing jointly whose
2009 Connecticut adjusted gross income exceeds twenty-five thousand one
2010 hundred twenty-five dollars, the amount of the credit shall be reduced
2011 by ten per cent for each two thousand five hundred dollars, or fraction
2012 thereof, by which the taxpayer's Connecticut adjusted gross income
2013 exceeds said amount.

2014 Sec. 21. Subdivision (2) of subsection (d) of section 12-63a of the
2015 general statutes is repealed and the following is substituted in lieu
2016 thereof (*Effective July 1, 2010*):

2017 (2) As used in subdivision (1) of this subsection, "first sale" means
2018 any sale or conveyance by an owner of any mobile manufactured

2019 home on or after October 1, 1986, except a sale or conveyance to (A) an
2020 owner's spouse; (B) an owner's brother or sister who actually resides in
2021 the mobile manufactured home unit being sold or conveyed; or (C) any
2022 other person if the owner makes such sale to such other person for the
2023 purpose of using the proceeds of such sale to purchase a substitute
2024 mobile manufactured home to be located on the leasehold site being
2025 occupied by such owner's existing mobile manufactured home. In the
2026 case of a sale as defined in subparagraph (C) of this subdivision, the
2027 owner's substitute mobile manufactured home subsequently located
2028 on the owner's leasehold site shall be assessed in the same manner as
2029 his original mobile manufactured home until a first sale. The original
2030 mobile manufactured home removed from the owner's leasehold site
2031 shall be assessed as provided in subsection (c) of this section, unless
2032 the new owner of such original mobile manufactured home can
2033 independently qualify to be assessed as such homes were assessed in
2034 the assessment year commencing October 1, 1985, under subparagraph
2035 (C) of this subdivision. Notwithstanding the provisions of this section,
2036 a mobile manufactured home which is treated by a municipality as
2037 personal property in accordance with the provisions of this subsection
2038 shall continue to be treated as real property pursuant to [sections 12-
2039 412c and] section 21-67a.

2040 Sec. 22. Section 12-129s of the general statutes is repealed and the
2041 following is substituted in lieu thereof (*Effective July 1, 2010*):

2042 Any municipality may, by vote of its legislative body or, in a
2043 municipality where the legislative body is a town meeting, by vote of
2044 the board of selectmen, provide a property tax exemption with respect
2045 to motor vehicles that are exempt from sales and use taxes under
2046 subdivision [(110) or] (115) of section 12-412, as amended by this act.

2047 Sec. 23. Subdivision (19) of section 12-412 of the general statutes is
2048 repealed and the following is substituted in lieu thereof (*Effective July*
2049 *1, 2010*):

2050 (19) Sales of and the storage, use or other consumption of (A)

2051 oxygen, blood or blood plasma when sold for medical use in humans
2052 or animals; (B) artificial devices individually designed, constructed or
2053 altered solely for the use of a particular handicapped person so as to
2054 become a brace, support, supplement, correction or substitute for the
2055 bodily structure, including the extremities of the individual, and repair
2056 or replacement parts and repair services rendered to property
2057 described in this subparagraph; (C) artificial limbs, artificial eyes and
2058 other equipment worn as a correction or substitute for any functioning
2059 portion of the body, custom-made wigs or hairpieces for persons with
2060 medically diagnosed total and permanent hair loss as a result of
2061 disease or the treatment of disease, artificial hearing aids when
2062 designed to be worn on the person of the owner or user, closed circuit
2063 television equipment used as a reading aid by persons who are
2064 visually impaired and repair or replacement parts and repair services
2065 rendered to property described in this subparagraph; (D) canes,
2066 crutches, walkers, wheel chairs and inclined stairway chairlifts for the
2067 use of invalids and handicapped persons, and repair or replacement
2068 parts and repair services to property described in this subparagraph;
2069 (E) any equipment used in support of or to supply vital life functions,
2070 including oxygen supply equipment used for humans or animals,
2071 kidney dialysis machines and any other such device used in necessary
2072 support of vital life functions, and apnea monitors, and repair or
2073 replacement parts and repair services rendered to property described
2074 in this subparagraph; and (F) support hose that is specially designed to
2075 aid in the circulation of blood and is purchased by a person who has a
2076 medical need for such hose. Repair or replacement parts are exempt
2077 whether purchased separately or in conjunction with the item for
2078 which they are intended, and whether such parts continue the original
2079 function or enhance the functionality of such item. As used in this
2080 subdivision, "repair services" means services that are described in
2081 subparagraph (Q) or (CC) of subdivision [(37)] (34) of subsection (a) of
2082 section 12-407.

2083 Sec. 24. Subdivision (85) of section 12-412 of the general statutes is
2084 repealed and the following is substituted in lieu thereof (*Effective July*

2085 1, 2010):

2086 (85) Sales of any landscaping and horticultural services, window
2087 cleaning services or maintenance services, as described in
2088 subparagraph (I) of subdivision [(37)] (34) of subsection (a) of section
2089 12-407, on or after July 1, 1994, which are rendered to a person
2090 determined to be eligible for, and currently receiving, total disability
2091 benefits under the Social Security Act, provided such services are
2092 rendered at the residence of such person.

2093 Sec. 25. Subdivision (106) of section 12-412 of the general statutes is
2094 repealed and the following is substituted in lieu thereof (*Effective July*
2095 *1, 2010*):

2096 (106) Sales of services enumerated in subparagraph (J) of
2097 subdivision [(37)] (34) of subsection (a) of section 12-407, on or after
2098 July 1, 1999, which services are rendered to the central clearinghouse
2099 organized and operated under the direction of the Department of
2100 Public Utility Control, by the public utilities of this state for receiving
2101 and giving the notices required by section 16-349.

2102 Sec. 26. Subdivision (3) of subsection (a) of section 12-458 of the
2103 general statutes is repealed and the following is substituted in lieu
2104 thereof (*Effective July 1, 2010*):

2105 (3) Said tax shall not be payable on such fuel as may have been (A)
2106 sold to the United States, (B) sold to a municipality of this state, (i) for
2107 use by any contractor performing a service for such municipality in
2108 accordance with a contract, provided such fuel is used by such
2109 contractor exclusively for the purposes of and in accordance with such
2110 contract, or (ii) for use exclusively in a school bus, as defined in section
2111 14-275, (C) sold to a municipality of this state, a transit district of this
2112 state, or this state, at other than a retail outlet, for governmental
2113 purposes and for use in vehicles owned and operated, or leased and
2114 operated by such municipality, such transit district or this state, (D)
2115 sold to a person licensed as a distributor in this state under section 12-
2116 456, (E) transferred from storage within this state to some point

2117 without this state, (F) sold to the holder of a permit issued under
2118 section 12-458a for sale or use without this state, (G) sold to [the holder
2119 of a permit issued under subdivision (63) of section 12-412] a farmer
2120 engaged in agricultural production as a trade or business, provided (i)
2121 such fuel is not used in motor vehicles registered or required to be
2122 registered to operate upon the public highways of this state, unless
2123 such fuel is used in motor vehicles registered exclusively for farming
2124 purposes, (ii) such fuel is not delivered, upon such sale, to a tank in
2125 which such person keeps fuel for personal and farm use, and (iii) a
2126 statement, prescribed as to form by the Commissioner of Revenue
2127 Services and bearing notice to the effect that false statements made
2128 under this section are punishable, that such fuel is used exclusively for
2129 farming purposes, is submitted by such person to the distributor, (H)
2130 sold exclusively to furnish power for an industrial plant in the actual
2131 fabrication of finished products to be sold, or for the fishing industry,
2132 (I) sold exclusively for heating purposes, (J) sold exclusively to furnish
2133 gas, water, steam or electricity, if delivered to consumers through
2134 mains, lines or pipes, (K) sold to the owner or operator of an aircraft, as
2135 defined in section 15-34, exclusively for aviation purposes, provided (i)
2136 for purposes of this subdivision, "aviation purposes" means for the
2137 purpose of powering an aircraft or an aircraft engine, (ii) such fuel is
2138 delivered, upon such sale, to a tank in which fuel is kept exclusively
2139 for aviation purposes, and (iii) a statement, prescribed as to form by
2140 the Commissioner of Revenue Services and bearing notice to the effect
2141 that false statements made under this section are punishable, that such
2142 fuel is used exclusively for aviation purposes, is submitted by such
2143 person to the distributor, (L) sold to a dealer who is licensed under
2144 section 12-462 and whose place of business is located upon an
2145 established airport within this state, or (M) diesel fuel sold exclusively
2146 for use in portable power system generators that are larger than one
2147 hundred fifty kilowatts.

2148 Sec. 27. Subdivision (2) of subsection (b) of section 12-587 of the
2149 general statutes is repealed and the following is substituted in lieu
2150 thereof (*Effective July 1, 2010*):

2151 (2) Gross earnings derived from the first sale of the following
2152 petroleum products within this state shall be exempt from tax: (A) Any
2153 petroleum products sold for exportation from this state for sale or use
2154 outside this state; (B) the product designated by the American Society
2155 for Testing and Materials as "Specification for Heating Oil D396-69",
2156 commonly known as number 2 heating oil, to be used exclusively for
2157 heating purposes or to be used in a commercial fishing vessel, which
2158 vessel qualifies for an exemption pursuant to section 12-412, as
2159 amended by this act; (C) kerosene, commonly known as number 1 oil,
2160 to be used exclusively for heating purposes, provided delivery is of
2161 both number 1 and number 2 oil, and via a truck with a metered
2162 delivery ticket to a residential dwelling or to a centrally metered
2163 system serving a group of residential dwellings; (D) the product
2164 identified as propane gas, to be used exclusively for heating purposes;
2165 (E) bunker fuel oil, intermediate fuel, marine diesel oil and marine gas
2166 oil to be used in any vessel having a displacement exceeding four
2167 thousand dead weight tons; (F) for any first sale occurring prior to July
2168 1, 2008, propane gas to be used as a fuel for a motor vehicle; (G) for
2169 any first sale occurring on or after July 1, 2002, grade number 6 fuel oil,
2170 as defined in regulations adopted pursuant to section 16a-22c, to be
2171 used exclusively by a company which, in accordance with census data
2172 contained in the Standard Industrial Classification Manual, United
2173 States Office of Management and Budget, 1987 edition, is included in
2174 code classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in
2175 the North American Industrial Classification System United States
2176 Manual, United States Office of Management and Budget, 1997 edition;
2177 (H) for any first sale occurring on or after July 1, 2002, number 2
2178 heating oil to be used exclusively in a vessel primarily engaged in
2179 interstate commerce, which vessel qualifies for an exemption under
2180 section 12-412, as amended by this act; (I) for any first sale occurring
2181 on or after July 1, 2000, paraffin or microcrystalline waxes; (J) for any
2182 first sale occurring prior to July 1, 2008, petroleum products to be used
2183 as a fuel for a fuel cell, [as defined in subdivision (113) of section 12-
2184 412] where "fuel cell" means a device that directly or indirectly
2185 produces electricity directly from hydrogen or hydrocarbon fuel

2186 through a noncombustive electro-chemical process; (K) a commercial
2187 heating oil blend containing not less than ten per cent of alternative
2188 fuels derived from agricultural produce, food waste, waste vegetable
2189 oil or municipal solid waste, including, but not limited to, biodiesel or
2190 low sulfur dyed diesel fuel; or (L) for any first sale occurring on or
2191 after July 1, 2007, diesel fuel other than diesel fuel to be used in an
2192 electric generating facility to generate electricity.

2193 Sec. 28. Subsection (c) of section 21-67a of the general statutes is
2194 repealed and the following is substituted in lieu thereof (*Effective July*
2195 *1, 2010*):

2196 (c) On or after October 1, 1986, conveyances of title of mobile
2197 manufactured homes in mobile manufactured home parks licensed
2198 under this chapter or located on single-family lots owned by a person
2199 other than the homeowner shall comply with the following
2200 requirements: (1) The document conveying the title shall contain (A) a
2201 description of the mobile manufactured home, setting forth the name
2202 of the manufacturer, the model number, the serial number and all
2203 encumbrances on the home, (B) the name and address of the mobile
2204 manufactured home park in which the home is located, including lot
2205 number, if any, within the park, or for those homes not situated in
2206 mobile manufactured home parks, the name and address of the
2207 individual owning the lot on which the home is located and the
2208 address of the lot, and (C) the amount due and owing, if any, for
2209 property taxes to the municipality in which the mobile manufactured
2210 home is located; and (2) the document conveying title shall be filed in
2211 the town clerk's office of the municipality in which the home is located
2212 for recording on the land records. [; and (3) any taxes imposed as
2213 provided in subsection (b) of section 12-412c which have become due
2214 shall have been paid in full.] No purchaser of a mobile manufactured
2215 home shall be entitled to assume the tenancy or rental agreement of the
2216 seller in a mobile manufactured home park until such purchaser has
2217 complied with [subdivisions (2) and (3)] subdivision (2) of this
2218 subsection.

2219 Sec. 29. Section 22a-9 of the general statutes is repealed and the
2220 following is substituted in lieu thereof (*Effective July 1, 2010*):

2221 The commissioner shall act as the official agent of the state in all
2222 matters affecting the purposes of this title and sections 2-20a, 5-238a,
2223 subsection (c) of section 7-131a, sections 7-131e, 7-131f, subsection (a)
2224 of section 7-131g, sections 7-131i, 7-131l, subsection (a) of section 10-
2225 409, subdivisions (51) and (52) of section 12-81, [subdivisions (21) and
2226 (22) of section 12-412,] subsections (a) and (b) of section 13a-94,
2227 sections 13a-142a, 13b-56, 13b-57, 14-100b, 14-164c, chapter 268,
2228 sections 16a-103, 22-91c, 22-91e, subsections (b) and (c) of section 22a-
2229 148, section 22a-150, subdivisions (2) and (3) of section 22a-151,
2230 sections 22a-153, 22a-154, 22a-155, 22a-156, 22a-158, chapter 446c,
2231 sections 22a-295, 22a-300, 22a-308, 22a-416, chapters 446h to 446k,
2232 inclusive, chapters 447 and 448, sections 23-35, 23-37a, 23-41, chapter
2233 462, section 25-34, chapter 477, subsection (b) of section 25-128,
2234 subsection (a) of section 25-131, chapters 490 and 491 and sections 26-
2235 257, 26-297, 26-303 and 47-46a, under any federal laws now or
2236 hereafter to be enacted and as the official agent of any municipality,
2237 district, region or authority or other recognized legal entity in
2238 connection with the grant or advance of any federal or other funds or
2239 credits to the state or through the state, to its political subdivisions.

2240 Sec. 30. Subsection (a) of section 26-82 of the general statutes is
2241 repealed and the following is substituted in lieu thereof (*Effective July*
2242 *1, 2010*):

2243 (a) No person shall hunt, pursue, wound or kill any deer or sell or
2244 offer for sale or have in possession the flesh of any deer captured or
2245 killed in this state, or have in possession the flesh of any deer from any
2246 other state or country unless it is properly tagged as required by such
2247 state or country except as provided by the terms of this chapter or
2248 regulations adopted pursuant thereto, and except that any landowner
2249 or primary lessee of land owned by such landowner or the husband or
2250 wife or any lineal descendant of such landowner or lessee or any
2251 designated agent of such landowner or lessee may kill deer with a

2252 shotgun, rifle or bow and arrow provided a damage permit has first
2253 been obtained from the commissioner and such person has not been
2254 convicted for any violation of this section, section 26-85, 26-86a, 26-86b
2255 or 26-90 or subsection (b) of section 26-86a-2 of the regulations of
2256 Connecticut state agencies within three years preceding the date of
2257 application. Upon the receipt of an application, on forms provided by
2258 the commissioner and containing such information as said
2259 commissioner may require, from any landowner who has or whose
2260 primary lessee has an actual or potential gross annual income of
2261 twenty-five hundred dollars or more from the commercial cultivated
2262 production of grain, forage, fruit, vegetables, flowers, ornamental
2263 plants or Christmas trees and who is experiencing an actual or
2264 potential loss of income because of severe damage by deer, the
2265 commissioner shall issue not more than six damage permits without
2266 fee to such landowner or the primary lessee of such landowner, or the
2267 wife, husband, lineal descendant or designated agent of such
2268 landowner or lessee. The application shall be notarized and signed by
2269 all landowners. [or by the landowner or a lessee to whom a farmer tax
2270 exemption permit has been issued pursuant to subdivision (63) of
2271 section 12-412.] Such damage permit shall be valid through October
2272 thirty-first of the year in which it is issued and may specify the hunting
2273 implement or shot size or both which shall be used to take such deer.
2274 The commissioner may at any time revoke such permit for violation of
2275 any provision of this section or for violation of any regulation pursuant
2276 thereto or upon the request of the applicant. Notwithstanding the
2277 provisions of section 26-85, the commissioner may issue a permit to
2278 any landowner or primary lessee of land owned by such landowner or
2279 the husband or wife or any lineal descendant of such landowner or
2280 lessee and to not more than three designated agents of such landowner
2281 or lessee to use a jacklight for the purpose of taking deer when it is
2282 shown, to the satisfaction of the commissioner, that such deer are
2283 causing damage which cannot be reduced during the daylight hours
2284 between sunrise and one-half hour after sunset on the land of such
2285 landowner. The commissioner may require notification as specified on
2286 such permit prior to its use. Any deer killed in accordance with the

2287 provisions of this section shall be the property of the owner of the land
2288 upon which the same has been killed, but shall not be sold, bartered,
2289 traded or offered for sale, and the person who kills any such deer shall
2290 tag and report each deer killed, as provided in section 26-86b. Upon
2291 receipt of the report required by section 26-86b, the commissioner shall
2292 issue an additional damage permit to the person making such report.
2293 Any deer killed otherwise than under the conditions provided for in
2294 this chapter or regulations adopted pursuant thereto shall remain the
2295 property of the state and may be disposed of by the commissioner at
2296 the commissioner's discretion to any state institution or may be sold
2297 and the proceeds of such sale shall be remitted to the State Treasurer,
2298 who shall apply the same to the General Fund, and no person, except
2299 the commissioner, shall retail, sell or offer for sale the whole or any
2300 part of any such deer. No person shall be a designated agent of more
2301 than one landowner or primary lessee in any calendar year. No person
2302 shall make, set or use any trap, snare, salt lick, bait or other device for
2303 the purpose of taking, injuring or killing any deer, except that deer
2304 may be taken over an attractant in areas designated by the
2305 commissioner. For the purposes of this section, an attractant means
2306 any natural or artificial substance placed, exposed, deposited,
2307 distributed or scattered that is used to attract, entice or lure deer to a
2308 specific location including, but not limited to, salt, chemicals or
2309 minerals, including their residues or any natural or artificial food, hay,
2310 grain, fruit or nuts. The commissioner may authorize any municipality,
2311 homeowner association or nonprofit land-holding organization
2312 approved by the commissioner under the provisions of this section to
2313 take deer at any time, other than Sundays, or place using any method
2314 consistent with professional wildlife management principles when a
2315 severe nuisance or ecological damage can be demonstrated to the
2316 satisfaction of the commissioner. Any such municipality, homeowner
2317 association or nonprofit land-holding organization shall submit to the
2318 commissioner, for the commissioner's review and approval, a plan that
2319 describes the extent and degree of the nuisance or ecological damage
2320 and the proposed methods of taking. Prior to the implementation of
2321 any such approved plan, the municipality, homeowner association or

2322 nonprofit land-holding organization shall provide notice of such plan
2323 to any abutting landowners of such place where the plan will be
2324 implemented. Such plan shall not authorize the use of a snare. No
2325 person shall hunt, pursue or kill deer being pursued by any dog,
2326 whether or not such dog is owned or controlled by such person, except
2327 that no person shall be guilty of a violation under this section when
2328 such a deer is struck by a motor vehicle operated by such person. No
2329 person shall use or allow any dog in such person's charge to hunt,
2330 pursue or kill deer. No permit shall be issued when in the opinion of
2331 the commissioner the public safety may be jeopardized.

2332 Sec. 31. Section 52-568a of the general statutes is repealed and the
2333 following is substituted in lieu thereof (*Effective July 1, 2010*):

2334 Any person or any attorney who represents such person, who
2335 commences any civil action or complaint, in his own name or the name
2336 of others, against the owner or operator of a "pick or cut your own
2337 agricultural operation" (1) without probable cause, shall pay such
2338 owner or operator double damages, including, in the discretion of the
2339 court, costs and attorney's fees, or (2) without probable cause, and with
2340 a malicious intent unjustly to vex and trouble such owner or operator,
2341 shall pay such owner or operator treble damages including, in the
2342 discretion of the court, costs and attorney's fees. As used in this
2343 section, "pick or cut your own agricultural operation" means a farm [to
2344 whom the Department of Revenue Services has issued a farmer tax
2345 exemption permit under subdivision (63) of section 12-412] that allows
2346 any person to enter such farm for the purpose of agricultural
2347 harvesting, including the cutting of Christmas trees. Nothing in this
2348 section shall be construed to affect or abrogate the provisions of section
2349 52-568.

2350 Sec. 32. Subdivisions (21), (22), (31), (40), (41), (43), (44), (50), (52),
2351 (53), (58), (63), (64), (65), (66), (71), (72), (74), (82), (83), (88), (89), (90),
2352 (91), (95), (102), (104), (108), (109), (110), (111), (113) and (117) of section
2353 12-412 of the general statutes and sections 12-412c, 12-412i, 12-413b and
2354 12-430a of the general statutes are repealed. (*Effective July 1, 2010, and*

2355 applicable to sales occurring on or after July 1, 2010)

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>	12-211a
Sec. 2	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-214(a)(2)
Sec. 3	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-214(b)
Sec. 4	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-217(a)(1)
Sec. 5	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-217zz
Sec. 6	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-218(c)
Sec. 7	<i>July 1, 2009, and applicable to income years commencing on or after January 1, 2009</i>	12-219(b)
Sec. 8	<i>January 1, 2010, and applicable to sales occurring on or after January 1, 2010</i>	12-296
Sec. 9	<i>January 1, 2010, and applicable to sales occurring on or after January 1, 2010</i>	12-316
Sec. 10	<i>January 1, 2010</i>	New section

Sec. 11	<i>July 1, 2009, and applicable to estates of decedents who die on or after January 1, 2009</i>	New section
Sec. 12	<i>July 1, 2010, and applicable to sales occurring on and after July 1, 2010</i>	12-407
Sec. 13	<i>July 1, 2009</i>	12-407e
Sec. 14	<i>July 1, 2010, and applicable to sales occurring on and after July 1, 2010</i>	12-412(5)
Sec. 15	<i>July 1, 2010, and applicable to sales occurring on and after July 1, 2010</i>	12-430
Sec. 16	<i>July 1, 2009, and applicable to taxable years commencing on or after January 1, 2009</i>	12-700(a)
Sec. 17	<i>July 1, 2009, and applicable to taxable years commencing on or after January 1, 2009</i>	12-701(20)(A)
Sec. 18	<i>July 1, 2009, and applicable to taxable years commencing on or after January 1, 2009</i>	12-702(a)
Sec. 19	<i>July 1, 2009, and applicable to taxable years commencing on or after January 1, 2009</i>	12-703(a)
Sec. 20	<i>July 1, 2009, and applicable to taxable years commencing on or after January 1, 2009</i>	12-704c(c)
Sec. 21	<i>July 1, 2010</i>	12-63a(d)(2)
Sec. 22	<i>July 1, 2010</i>	12-129s
Sec. 23	<i>July 1, 2010</i>	12-412(19)
Sec. 24	<i>July 1, 2010</i>	12-412(85)
Sec. 25	<i>July 1, 2010</i>	12-412(106)

Sec. 26	<i>July 1, 2010</i>	12-458(a)(3)
Sec. 27	<i>July 1, 2010</i>	12-587(b)(2)
Sec. 28	<i>July 1, 2010</i>	21-67a(c)
Sec. 29	<i>July 1, 2010</i>	22a-9
Sec. 30	<i>July 1, 2010</i>	26-82(a)
Sec. 31	<i>July 1, 2010</i>	52-568a
Sec. 32	<i>July 1, 2010, and applicable to sales occurring on or after July 1, 2010</i>	Repealer section

FIN *Joint Favorable Subst.*