



General Assembly

Amendment

January Session, 2009

LCO No. 7556

HB0645907556SRO

Offered by:
SEN. DEBICELLA, 21st Dist.

To: House Bill No. 6459

File No. 73

Cal. No. 659

**"AN ACT CONCERNING THE REPEAL OF THE OBSOLETE STATE
HIRING INCENTIVE TAX CREDIT."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective July 1, 2009*) The Commissioner of
4 Revenue Services, in consultation with the Commissioner of Public
5 Health, shall develop a form to be entitled "Taxpayer Statement
6 Regarding Receipt of Preventive Health Care Services". An individual
7 taxpayer may submit the Taxpayer Statement Regarding Receipt of
8 Preventive Health Care Services to such individual's primary care
9 physician for such physician's certification that the individual taxpayer
10 has received, during the course of the tax year, all age and gender
11 appropriate clinical preventive health care services, as determined by
12 the Department of Public Health. An individual taxpayer who obtains
13 such certification from a primary care physician may file the Taxpayer
14 Statement Regarding Receipt of Preventive Health Care Services with
15 the individual's state income tax return. An individual taxpayer filing

16 a Taxpayer Statement Regarding Receipt of Preventive Health Care
17 Services with such individual's state income tax return may deduct
18 medical care expenses from such individual's taxable income. For
19 purposes of this section, "medical care expenses" means expenses paid
20 during the taxable year, not compensated for by insurance or
21 otherwise, for medical care as provided in Section 213(d) of the
22 Internal Revenue Code of 1986, or any subsequent corresponding
23 internal revenue code of the United States, as amended from time to
24 time.

25 Sec. 502. Subparagraph (B) of subdivision (20) of subsection (a) of
26 section 12-701 of the general statutes is repealed and the following is
27 substituted in lieu thereof (*Effective July 1, 2009, and applicable to tax*
28 *years commencing on or after January 1, 2009*):

29 (B) There shall be subtracted therefrom (i) to the extent properly
30 includable in gross income for federal income tax purposes, any
31 income with respect to which taxation by any state is prohibited by
32 federal law, (ii) to the extent allowable under section 12-718, exempt
33 dividends paid by a regulated investment company, (iii) the amount of
34 any refund or credit for overpayment of income taxes imposed by this
35 state, or any other state of the United States or a political subdivision
36 thereof, or the District of Columbia, to the extent properly includable
37 in gross income for federal income tax purposes, (iv) to the extent
38 properly includable in gross income for federal income tax purposes
39 and not otherwise subtracted from federal adjusted gross income
40 pursuant to clause (x) of this subparagraph in computing Connecticut
41 adjusted gross income, any tier 1 railroad retirement benefits, (v) to the
42 extent any additional allowance for depreciation under Section 168(k)
43 of the Internal Revenue Code, as provided by Section 101 of the Job
44 Creation and Worker Assistance Act of 2002, for property placed in
45 service after December 31, 2001, but prior to September 10, 2004, was
46 added to federal adjusted gross income pursuant to subparagraph
47 (A)(ix) of this subdivision in computing Connecticut adjusted gross
48 income for a taxable year ending after December 31, 2001, twenty-five
49 per cent of such additional allowance for depreciation in each of the

50 four succeeding taxable years, (vi) to the extent properly includable in
51 gross income for federal income tax purposes, any interest income
52 from obligations issued by or on behalf of the state of Connecticut, any
53 political subdivision thereof, or public instrumentality, state or local
54 authority, district or similar public entity created under the laws of the
55 state of Connecticut, (vii) to the extent properly includable in
56 determining the net gain or loss from the sale or other disposition of
57 capital assets for federal income tax purposes, any gain from the sale
58 or exchange of obligations issued by or on behalf of the state of
59 Connecticut, any political subdivision thereof, or public
60 instrumentality, state or local authority, district or similar public entity
61 created under the laws of the state of Connecticut, in the income year
62 such gain was recognized, (viii) any interest on indebtedness incurred
63 or continued to purchase or carry obligations or securities the interest
64 on which is subject to tax under this chapter but exempt from federal
65 income tax, to the extent that such interest on indebtedness is not
66 deductible in determining federal adjusted gross income and is
67 attributable to a trade or business carried on by such individual, (ix)
68 ordinary and necessary expenses paid or incurred during the taxable
69 year for the production or collection of income which is subject to
70 taxation under this chapter but exempt from federal income tax, or the
71 management, conservation or maintenance of property held for the
72 production of such income, and the amortizable bond premium for the
73 taxable year on any bond the interest on which is subject to tax under
74 this chapter but exempt from federal income tax, to the extent that
75 such expenses and premiums are not deductible in determining federal
76 adjusted gross income and are attributable to a trade or business
77 carried on by such individual, (x) (I) for a person who files a return
78 under the federal income tax as an unmarried individual whose
79 federal adjusted gross income for such taxable year is less than fifty
80 thousand dollars, or as a married individual filing separately whose
81 federal adjusted gross income for such taxable year is less than fifty
82 thousand dollars, or for a husband and wife who file a return under
83 the federal income tax as married individuals filing jointly whose
84 federal adjusted gross income for such taxable year is less than sixty

85 thousand dollars or a person who files a return under the federal
86 income tax as a head of household whose federal adjusted gross
87 income for such taxable year is less than sixty thousand dollars, an
88 amount equal to the Social Security benefits includable for federal
89 income tax purposes; and (II) for a person who files a return under the
90 federal income tax as an unmarried individual whose federal adjusted
91 gross income for such taxable year is fifty thousand dollars or more, or
92 as a married individual filing separately whose federal adjusted gross
93 income for such taxable year is fifty thousand dollars or more, or for a
94 husband and wife who file a return under the federal income tax as
95 married individuals filing jointly whose federal adjusted gross income
96 from such taxable year is sixty thousand dollars or more or for a
97 person who files a return under the federal income tax as a head of
98 household whose federal adjusted gross income for such taxable year
99 is sixty thousand dollars or more, an amount equal to the difference
100 between the amount of Social Security benefits includable for federal
101 income tax purposes and the lesser of twenty-five per cent of the Social
102 Security benefits received during the taxable year, or twenty-five per
103 cent of the excess described in Section 86(b)(1) of the Internal Revenue
104 Code, (xi) to the extent properly includable in gross income for federal
105 income tax purposes, any amount rebated to a taxpayer pursuant to
106 section 12-746, (xii) to the extent properly includable in the gross
107 income for federal income tax purposes of a designated beneficiary,
108 any distribution to such beneficiary from any qualified state tuition
109 program, as defined in Section 529(b) of the Internal Revenue Code,
110 established and maintained by this state or any official, agency or
111 instrumentality of the state, (xiii) to the extent allowable under section
112 12-701a, contributions to accounts established pursuant to any
113 qualified state tuition program, as defined in Section 529(b) of the
114 Internal Revenue Code, established and maintained by this state or
115 any official, agency or instrumentality of the state, (xiv) to the extent
116 properly includable in gross income for federal income tax purposes,
117 the amount of any Holocaust victims' settlement payment received in
118 the taxable year by a Holocaust victim, (xv) to the extent properly
119 includable in gross income for federal income tax purposes of an

120 account holder, as defined in section 31-51ww, interest earned on
121 funds deposited in the individual development account, as defined in
122 section 31-51ww, of such account holder, (xvi) to the extent properly
123 includable in the gross income for federal income tax purposes of a
124 designated beneficiary, as defined in section 3-123aa, interest,
125 dividends or capital gains earned on contributions to accounts
126 established for the designated beneficiary pursuant to the Connecticut
127 Homecare Option Program for the Elderly established by sections 3-
128 123aa to 3-123ff, inclusive, [and] (xvii) to the extent properly
129 includable in gross income for federal income tax purposes, medical
130 care expenses, as defined in section 501 of this act, provided the
131 taxpayer has filed with such taxpayer's state income tax return a
132 Taxpayer Statement Regarding Receipt of Preventive Health Care
133 Services, as set forth in section 501 of this act, and (xviii) to the extent
134 properly included in gross income for federal income tax purposes,
135 fifty per cent of the income received from the United States
136 government as retirement pay for a retired member of (I) the Armed
137 Forces of the United States, as defined in Section 101 of Title 10 of the
138 United States Code, or (II) the National Guard, as defined in Section
139 101 of Title 10 of the United States Code."