



# Senate

General Assembly

**File No. 574**

February Session, 2010

Senate Bill No. 196

*Senate, April 15, 2010*

The Committee on Finance, Revenue and Bonding reported through SEN. DAILY of the 33rd Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

***AN ACT CONCERNING THE COLLECTION OF DELINQUENT TAXES AND LOTTERY WINNINGS.***

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

1 Section 1. (NEW) (*Effective July 1, 2010*) (a) On or after January 1,  
2 2011, when any person redeems a winning lottery ticket worth five  
3 thousand dollars or more at the central office of the Connecticut  
4 Lottery Corporation, the Connecticut Lottery Corporation shall check  
5 the name and other identifying information of such person against a  
6 list of taxpayers who are delinquent, supplied by the Commissioner of  
7 Revenue Services.

8 (b) Notwithstanding the provisions of section 12-15 of the general  
9 statutes, the Commissioner of Revenue Services may disclose to the  
10 president of the Connecticut Lottery Corporation: (1) The name and  
11 such other information as may be necessary to identify a person from  
12 whom taxes, including penalties and interest related thereto, are due to  
13 the state and unpaid when: (A) A period in excess of thirty days has  
14 elapsed following the date on which such taxes were due, and (B) such



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The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

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**OFA Fiscal Note**

**State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 11 \$</b>	<b>FY 12 \$</b>
Department of Revenue Services	GF - Revenue Gain	See Below	See Below
Department of Revenue Services	GF - Cost	Minimal	Minimal

Note: GF=General Fund

**Municipal Impact:** None

**Explanation**

The state will experience a revenue gain to the degree the bill results in an increase in delinquent tax payments. The bill is also expected to result in some minimal costs to the Department of Revenue Services (DRS) to establish an off-set program with the Connecticut Lottery Corporation.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

**OLR Bill Analysis****SB 196*****AN ACT CONCERNING THE COLLECTION OF DELINQUENT TAXES AND LOTTERY WINNINGS.*****SUMMARY:**

This bill requires the Connecticut Lottery Corporation (CLC) to deduct and withhold delinquent taxes from any lottery claim of \$5,000 or more a delinquent taxpayer submits at CLC's central office on or after January 1, 2011.

The bill requires the Division of Revenue Services (DRS) commissioner to submit a list of delinquent taxpayers to CLC. It allows the commissioner to disclose to CLC the (1) name and any information necessary to identify a delinquent taxpayer and (2) amount of taxes, penalty, and interest the taxpayer owes. Before paying any prize claim of \$5,000 or more, CLC must check the list. If the claimant is delinquent, CLC must withhold from the winnings, and promptly notify and forward to the commissioner, the amount of taxes owed, plus penalties and interest, after deducting and withholding any amount owed for child support.

The bill applies to taxes, including penalties and interest, more than 30 days overdue that are not the subject of a timely appeal to the commissioner or a court.

For the bill's purposes, CLC employees are state employees. As such, they are prohibited from disclosing any tax information they receive, except as the law requires. By law, a violation carries a fine of up to \$1,000, imprisonment for up to one year, or both.

EFFECTIVE DATE: July 1, 2010

**COMMITTEE ACTION**

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Public Safety and Security Committee

Joint Favorable Change of Reference

Yea 20 Nay 0 (03/09/2010)

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 55 Nay 0 (04/05/2010)