



General Assembly

February Session, 2010

Proposed Bill No. 5116

LCO No. 177

Referred to Committee on Commerce

Introduced by:

REP. FLEISCHMANN, 18th Dist.

AN ACT ESTABLISHING TAX CREDITS FOR ANGEL INVESTORS.

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

1 That the general statutes be amended to allow a credit against the
2 tax imposed under chapter 229 of the general statutes for a cash
3 investment in the qualified securities of a Connecticut business by an
4 angel investor. The credit shall be in an amount equal to twenty-five
5 per cent of such investor's cash investment, provided no credit shall be
6 greater than one hundred twenty-five thousand dollars. The
7 Commissioner of Economic and Community Development shall
8 compile a list of Connecticut businesses qualified to receive cash
9 investments eligible for said tax credits. The aggregate amount of all
10 tax credits that may be reserved by the Commissioner of Revenue
11 Services shall not exceed ten million dollars in any one fiscal year. The
12 amount of such credit allowed to any investor shall not exceed the
13 amount of tax due from such investor under chapter 229 of the general
14 statutes with respect to such taxable year. Any tax credit not used in
15 the taxable year during which the cash investment was made may be
16 carried forward for the five immediately succeeding taxable years until
17 the full credit has been allowed.

Statement of Purpose:

To increase entrepreneurial activity in Connecticut by providing a tax credit to angel investors who make investments in very new businesses.