



General Assembly

February Session, 2010

**Raised Bill No. 5481**

LCO No. 1198

\*        HB05481FIN        032610        \*

Referred to Committee on Finance, Revenue and Bonding

Introduced by:  
(FIN)

**AN ACT CONCERNING THE COLLECTION AND REMITTANCE OF  
THE SALES TAX BY REMOTE SELLERS.**

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

1 Section 1. Subdivision (12) of subsection (a) of section 12-407 of the  
2 general statutes is repealed and the following is substituted in lieu  
3 thereof (*Effective July 1, 2010, and applicable to sales occurring on and after*  
4 *said date*):

5 (12) "Retailer" includes: (A) Every person engaged in the business of  
6 making sales at retail or in the business of making retail sales at  
7 auction of tangible personal property owned by the person or others;  
8 (B) every person engaged in the business of making sales for storage,  
9 use or other consumption or in the business of making sales at auction  
10 of tangible personal property owned by the person or others for  
11 storage, use or other consumption; (C) every operator, as defined in  
12 subdivision (18) of this subsection; (D) every seller rendering any  
13 service described in subdivision (2) of this subsection; (E) every person  
14 under whom any salesman, representative, peddler or canvasser  
15 operates in this state, or from whom such salesman, representative,  
16 peddler or canvasser obtains the tangible personal property that is

17 sold; (F) every person with whose assistance any seller is enabled to  
18 solicit orders within this state; (G) every person making retail sales  
19 from outside this state to a destination within this state and not  
20 maintaining a place of business in this state who engages in regular or  
21 systematic solicitation of sales of tangible personal property in this  
22 state (i) by the display of advertisements on billboards or other  
23 outdoor advertising in this state, (ii) by the distribution of catalogs,  
24 periodicals, advertising flyers or other advertising by means of print,  
25 radio or television media, or (iii) by mail, telegraphy, telephone,  
26 computer data base, cable, optic, microwave or other communication  
27 system, for the purpose of effecting retail sales of tangible personal  
28 property, provided such person has made one hundred or more retail  
29 sales from outside this state to destinations within this state during the  
30 twelve-month period ended on the September thirtieth immediately  
31 preceding the monthly or quarterly period with respect to which such  
32 person's liability for tax under this chapter is determined; (H) any  
33 person owned or controlled, either directly or indirectly, by a retailer  
34 engaged in business in this state which is the same as or similar to the  
35 line of business in which such person so owned or controlled is  
36 engaged; (I) any person owned or controlled, either directly or  
37 indirectly, by the same interests that own or control, either directly or  
38 indirectly, a retailer engaged in business in this state which is the same  
39 as or similar to the line of business in which such person so owned or  
40 controlled is engaged; (J) any assignee of a person engaged in the  
41 business of leasing tangible personal property to others, where leased  
42 property of such person which is subject to taxation under this chapter  
43 is situated within this state and such assignee has a security interest, as  
44 defined in subdivision (35) of subsection (b) of section 42a-1-201, in  
45 such property; [and] (K) every person making retail sales of items of  
46 tangible personal property from outside this state to a destination  
47 within this state and not maintaining a place of business in this state  
48 who repairs or services such items, under a warranty, in this state,  
49 either directly or indirectly through an agent, independent contractor  
50 or subsidiary; and (L) every person making sales of tangible personal  
51 property or services through an independent contractor or other

52 representative, if the retailer enters into an agreement with a resident  
53 of this state, under which the resident, for a commission or other  
54 consideration, directly or indirectly refers potential customers,  
55 whether by a link on an Internet web site or otherwise, to the retailer,  
56 provided the cumulative gross receipts from sales by the retailer to  
57 customers in the state who are referred to the retailer by all residents  
58 with this type of an agreement with the retailer, is in excess of two  
59 thousand dollars during the preceding four quarterly periods ending  
60 on the last day of March, June, September and December. Such retailer  
61 shall be presumed to be soliciting business through such independent  
62 contractor or other representative, which presumption may be  
63 rebutted by proof that the resident with whom the retailer has an  
64 agreement did not engage in any solicitation in the state on behalf of  
65 the retailer that would satisfy the nexus requirement of the United  
66 States Constitution during such four quarterly periods.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2010, and applicable to sales occurring on and after said date</i>	12-407(a)(12)

**FIN**      *Joint Favorable*