



General Assembly

Substitute Bill No. 1216

January Session, 2011

* _____SB01216FIN__041811_____*

**AN ACT CONCERNING THE URBAN REINVESTMENT ACT AND THE
FEDERAL NEW MARKETS TAX CREDIT PROGRAM AND
CORRECTING AN EFFECTIVE DATE.**

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

1 Section 1. Section 32-9t of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2011*):

3 (a) As used in this section:

4 (1) "Commissioner" means the Commissioner of Economic and
5 Community Development.

6 (2) "Eligible industrial site investment project" means a project
7 located within this state for the development or redevelopment of real
8 property: (A) (i) That has been subject to a "spill", as defined in section
9 22a-452c, (ii) is an "establishment", as defined in subdivision (3) of
10 section 22a-134, or (iii) is a "facility", as defined in 42 USC 9601(9); (B)
11 that, if remediated, renovated or demolished in accordance with
12 applicable law and regulations and the standards of remediation of the
13 Department of Environmental Protection and used for business
14 purposes, will add significant new economic activity and employment
15 in the municipality in which the investment is to be made, and will
16 generate additional tax revenues to the state; (C) for which the use of
17 the urban and industrial site reinvestment program will be necessary

18 to attract private investment to the project; (D) the business use of
19 which would be economically viable and would generate direct and
20 indirect economic benefits to the state that exceed the amount of the
21 investment during the period for which the tax credits granted
22 pursuant to public act 00-170 are granted; and (E) that is, in the
23 judgment of the commissioner, consistent with the strategic economic
24 development priorities of the state and the municipality.

25 (3) "Eligible urban reinvestment project" means a project: (A) That
26 would add significant new economic activity in the eligible
27 municipality in which the project is located, and will generate
28 significant additional tax revenues to the state or the municipality; (B)
29 for which the use of the urban and industrial site reinvestment
30 program will be necessary to attract private investment to an eligible
31 municipality; (C) that is economically viable; (D) for which the direct
32 and indirect economic benefits to the state outweigh the costs of the
33 project; and (E) that is, in the judgment of the commissioner, consistent
34 with the strategic economic development priorities of the state and the
35 municipality.

36 (4) "Related person" means: (A) A corporation, limited liability
37 company, partnership, association or trust controlled by the taxpayer;
38 (B) an individual, corporation, limited liability company, partnership,
39 association or trust that is in control of the taxpayer; (C) a corporation,
40 limited liability company, partnership, association or trust controlled
41 by an individual, corporation, limited liability company, partnership,
42 association or trust that is in control of the taxpayer; or (D) a member
43 of the same controlled group as the taxpayer. For purposes of this
44 section, "control", with respect to a corporation, means ownership,
45 directly or indirectly, of stock possessing fifty per cent or more of the
46 total combined voting power of all classes of the stock of such
47 corporation entitled to vote. "Control", with respect to a trust, means
48 ownership, directly or indirectly, of fifty per cent or more of the
49 beneficial interest in the principal or income of such trust. The
50 ownership of stock in a corporation, of a capital or profits interest in a
51 partnership or association or of a beneficial interest in a trust shall be

52 determined in accordance with the rules for constructive ownership of
53 stock provided in Section 267(c) of the Internal Revenue Code, [of 1986,
54 or any subsequent corresponding internal revenue code of the United
55 States, as from time to time amended,] other than paragraph (3) of
56 such section.

57 (5) "Investment" means all amounts invested in an eligible project by
58 or on behalf of a taxpayer, whether directly, through a fund, or
59 through a community development entity or a contractually-bound
60 community development entity including, but not limited to, (A)
61 equity investments made by the taxpayer, and (B) loans.

62 (6) "Income year" means with respect to entities subject to taxation
63 under chapters 207 to 212a, the income year as determined under each
64 of said chapters, as the case may be.

65 (7) "Taxpayer" means any person, as defined in section 12-1,
66 whether or not subject to any taxes levied by this state.

67 (8) "Fund manager" means a fund manager registered in accordance
68 with subsection (d) of this section.

69 (9) "New job" means a job that did not exist in the business of a
70 subject business in this state prior to the subject business' application
71 to the commissioner for an eligibility certificate under this section for a
72 new facility and that is filled by a new employee, but does not mean a
73 job created when an employee is shifted from an existing location of
74 the subject business in this state to a new facility.

75 (10) "New employee" means a person hired by a subject business to
76 fill a position for a new job or a person shifted from an existing
77 location of the subject business outside this state to a new facility in
78 this state, provided (A) in no case shall the total number of new
79 employees allowed for purposes of this credit exceed the total increase
80 in the taxpayer's employment in this state, which increase shall be the
81 difference between (i) the number of employees employed by the
82 subject business in this state at the time of application for an eligibility

83 certificate to the commissioner plus the number of new employees
84 who would be eligible for inclusion under the credit allowed under
85 this section without regard to this calculation, and (ii) the highest
86 number of employees employed by the subject business in this state in
87 the year preceding the subject business' application for an eligibility
88 certificate to the commissioner, and (B) a person shall be deemed to be
89 a "new employee" only if such person's duties in connection with the
90 operation of the facility are on a regular, full-time, or equivalent
91 thereof, and permanent basis.

92 (11) "New facility" means a facility which (A) is acquired by, leased
93 to, or constructed by, a subject business on or after the date of the
94 subject business' application to the commissioner for an eligibility
95 certificate under this section, unless, upon application of the subject
96 business and upon good and sufficient cause shown, the commissioner
97 waives the requirement that such activity take place after the
98 application, and (B) was not in service or use during the one-year
99 period immediately prior to the date of the subject business'
100 application to the commissioner for an eligibility certificate under this
101 section, unless upon application of the subject business and upon good
102 and sufficient cause shown, the commissioner consents to waiving the
103 one-year period.

104 (12) "Eligible municipality" means (A) a municipality with an area
105 designated as an enterprise zone pursuant to section 32-70, (B) a
106 distressed municipality, as defined in subsection (b) of section 32-9p,
107 (C) a municipality that has a population in excess of one hundred
108 thousand, or (D) any municipality that the commissioner determines is
109 connected with the relocation of an out-of-state operation or the
110 expansion of an existing facility that will result in a capital investment
111 by a company of not less than fifty million dollars.

112 (13) "Eligible project" means an eligible urban reinvestment project
113 or an eligible industrial site investment project or both.

114 (14) "Approved investment" means an investment approved by the

115 commissioner under subsection (g) of this section.

116 (15) "Recapture amount" means the amount by which the total of tax
117 credits claimed with respect to any approved investment as of the date
118 of calculation exceeds the sum of all state revenue actually generated
119 through such date by the eligible project in which such approved
120 investment was made.

121 (16) "Pro rata share" means the percentage the amount of the
122 approved investment by an individual investor in an eligible project
123 bears to the total amount of the approved investment in such project,
124 or in the case of a taxpayer to whom credits are transferred under this
125 section, the percentage the amount of credits with respect to an
126 approved investment transferred bears to the total credits with respect
127 to such approved investment.

128 (17) "Community development entity" means any corporation,
129 limited partnership or limited liability company qualified to do
130 business in this state and which (A) is organized for the purpose of
131 providing investment capital or financing for eligible projects under
132 this section, (B) maintains accountability to residents of more than one
133 eligible municipality through representation on the governing board of
134 the entity, (C) is organized for the purpose of seeking certification and
135 an allocation of new markets tax credits as provided in Section 45D of
136 the Internal Revenue Code, [of 1986, or any subsequent corresponding
137 internal revenue code of the United States, as from time to time
138 amended,] and (D) is registered in accordance with subsection (d) of
139 this section. No community development entity shall be eligible for
140 any tax credits under this section unless it is certified under said
141 Section 45D on the date any approved investment is made. A
142 community development entity shall not be deemed a "fund" for
143 purposes of this section.

144 (18) "Project" means the acquisition, leasing, demolition,
145 remediation, construction, renovation, expansion or other
146 development or redevelopment of real property and improvements

147 within this state, including furniture, fixtures, equipment and other
148 personal property which is reasonably necessary in connection
149 therewith, and associated interest and other financing costs and
150 charges, relocation and start-up costs, and architectural, engineering,
151 legal and other professional services, plans, specifications, surveys,
152 permits, studies and evaluations necessary or incident to the
153 development, financing, completion and placing in operation of such a
154 project. In the case of a contractually-bound community development
155 entity, "project" shall not include any activities, costs or services not
156 included in the terms of the allocation agreement with the community
157 development financial institutions fund under Section 45D of the
158 Internal Revenue Code.

159 (19) "Contractually-bound community development entity" means a
160 community development entity that (A) has entered into an allocation
161 agreement with the community development financial institutions
162 fund pursuant to Section 45D of the Internal Revenue Code, and (B)
163 whose service area in such allocation agreement includes the state of
164 Connecticut.

165 (20) "Internal Revenue Code" means the Internal Revenue Code of
166 1986, or any subsequent corresponding internal revenue code of the
167 United States, as amended from time to time.

168 (b) There is established an urban and industrial site reinvestment
169 program under which taxpayers who make investments in eligible
170 urban reinvestment projects or eligible industrial site investment
171 projects may be allowed a credit against the tax imposed under
172 chapters 207 to 212a, inclusive, or section 38a-743, or a combination of
173 said taxes, in an amount equal to the percentage of their approved
174 investment determined in accordance with subsection (i) of this
175 section.

176 (c) No project shall be deemed an eligible project unless such project
177 shall, in the judgment of the commissioner, be of sufficient size, by
178 itself or in conjunction with related new investments, to generate a

179 substantial return to the state economy.

180 (d) (1) The commissioner may register managers of funds and
181 community development entities created for the purpose of investing
182 in eligible urban reinvestment projects and eligible industrial site
183 investment projects. Any manager, ~~[or] community development~~
184 ~~entity~~ or contractually-bound community development entity
185 registered under this subsection shall have its primary place of
186 business in this state. Each applicant shall submit an application under
187 oath to the commissioner to be registered and shall furnish evidence
188 satisfactory to the commissioner of its financial responsibility,
189 integrity, professional competence and experience in managing
190 investment funds. Failure to maintain adequate fiduciary standards
191 with respect to investments made under this section shall constitute
192 cause for the commissioner to revoke, after hearing, any registration
193 granted under this section or section 38a-88a. The fund manager, ~~[or]~~
194 ~~community development entity~~ or contractually-bound community
195 development entity shall make a report on or before the first day of
196 March in each year, under oath, to the Commissioner of Economic and
197 Community Development and the Commissioner of Revenue Services
198 specifying the name, address and Social Security number or employer
199 identification number of each investor, the year during which each
200 investment was made by each investor, the amount of each
201 investment, a description of the fund's investment objectives and
202 relative performance, or the entity's projects, as the case may be, and a
203 description, including amounts, of all fees received by such manager
204 or entity in relation to each such fund.

205 (2) Any manager of funds registered on or before July 1, 2000,
206 pursuant to section 38a-88a shall be deemed registered as a fund
207 manager for all purposes under the provisions of this section upon
208 submission, in writing, to the commissioner of such manager's
209 intention to act as a manager of funds under this section. The
210 commissioner may request from any such manager such information
211 as the commissioner may require relating to such manager's financial
212 responsibility, integrity, professional competence and experience in

213 managing investment funds.

214 (e) Any taxpayer or fund manager, [or] community development
215 entity or contractually-bound community development entity wishing
216 to make an investment under the provisions of this section shall apply
217 to the commissioner in accordance with the provisions of this section.
218 The application shall contain sufficient information to establish that
219 the project in which the proposed investment will be made is an
220 eligible industrial site investment project or an urban reinvestment
221 project, as appropriate, and information concerning the type of
222 investment proposed to be made, the location of the project, the
223 number of jobs to be created or retained, physical infrastructure that
224 might be created or preserved, feasibility studies or business plans for
225 the project, projected state and local revenue that might derive as a
226 result of the project and other information necessary to demonstrate
227 the financial viability of the project and to demonstrate that the
228 investment will provide net benefits to the economy of, and
229 employment for citizens of, the municipality and the state, and in the
230 case of an eligible industrial site investment project, how such project
231 will meet the standards of remediation of the Department of
232 Environmental Protection. The commissioner shall impose a fee for
233 such application as the commissioner deems appropriate.

234 (f) (1) The commissioner shall determine whether the project in
235 which the proposed investment is to be made is an eligible urban
236 reinvestment project or an eligible industrial site investment project,
237 whether the project is economically viable only with use of the urban
238 and industrial site reinvestment program, the effects of the project on
239 the municipality where the investment will be made, and whether the
240 project would provide a net benefit to economic development and
241 employment opportunities in the state and whether the project will
242 conform to the state plan of conservation and development. The
243 commissioner may require the applicant to submit such additional
244 information as may be necessary to evaluate the application.

245 (2) The commissioner shall prepare a revenue impact assessment

246 that estimates the state and local revenue that would be generated as a
247 result of the project. The commissioner shall prepare an economic
248 feasibility study relative to such project. The commissioner may retain
249 any such persons as the commissioner deems appropriate to conduct
250 such revenue impact assessment or economic feasibility study.

251 (g) (1) The commissioner, upon consideration of the application, the
252 revenue impact assessment and any additional information that the
253 commissioner requires concerning a proposed investment, may
254 approve an investment if the commissioner concludes that the project
255 in which such investment is to be made is an eligible urban
256 reinvestment project or an eligible industrial site investment project. If
257 the commissioner rejects an application, the commissioner shall
258 specifically identify the defects in the application and specifically
259 explain the reasons for the rejection. The commissioner shall render a
260 decision on an application not later than ninety days from its receipt.
261 The amount of the investment so approved shall not exceed the greater
262 of: (A) The amount of state revenue that will be generated according to
263 the revenue impact assessment prepared under this subsection; or (B)
264 the total of state revenue and local revenue generated according to
265 such assessment in the case of a manufacturing business with standard
266 industrial classification codes of 3999, 2099, 2992 and 2834 which is
267 relocating to a site in Connecticut from out-of-state, provided the
268 relocation will result in new development of at least seven hundred
269 twenty-five thousand square feet in a state-sponsored industrial park.

270 (2) The approval of an investment by the commissioner may be
271 combined with the exercise of any of the commissioner's other powers,
272 including, but not limited to, the provision of other forms of financial
273 assistance.

274 (3) The commissioner shall require the applicant to reimburse the
275 commissioner for all or any part of the cost of any revenue impact
276 assessment, economic feasibility study or other activities performed in
277 the exercise of due diligence pursuant to subsection (f) of this section.

278 (4) There is established an account to be known as the "Connecticut
279 economic impact and analysis account" which shall be a separate,
280 nonlapsing account within the General Fund. The account shall
281 contain any moneys required by law to be deposited in the account
282 and shall be held separate and apart from other moneys, funds and
283 accounts. There shall be deposited in the account any proceeds
284 realized by the state from activities pursuant to this section.
285 Investment earnings credited to the account shall become part of the
286 assets of the account. Any balance remaining in the account at the end
287 of any fiscal year shall be carried forward in the account for the next
288 fiscal year. Amounts in the account may be used by the Department of
289 Economic and Community Development to fund the cost of any
290 activities of the department pursuant to this section, including
291 administrative costs related to such activities.

292 (h) Upon approving an investment, the commissioner shall issue a
293 certificate of eligibility certifying that the applicant has complied with
294 the provisions of this section.

295 (i) (1) There shall be allowed as a credit against the tax imposed
296 under chapters 207 to 212a, inclusive, or section 38a-743, or a
297 combination of said taxes, an amount equal to the following
298 percentage of approved investments made by or on behalf of a
299 taxpayer with respect to the following income years of the taxpayer:
300 (A) With respect to the income year in which the investment in the
301 eligible project was made and the two next succeeding income years,
302 zero per cent; (B) with respect to the third full income year succeeding
303 the year in which the investment in the eligible project was made and
304 the three next succeeding income years, ten per cent; (C) with respect
305 to the seventh full income year succeeding the year in which the
306 investment in the eligible project was made and the next two
307 succeeding years, twenty per cent. The sum of all tax credits granted
308 pursuant to the provisions of this section shall not exceed one hundred
309 million dollars with respect to a single eligible urban reinvestment
310 project or a single eligible industrial site investment project approved
311 by the commissioner. The sum of all tax credits granted pursuant to

312 the provisions of this section shall not exceed five hundred million
313 dollars.

314 (2) Notwithstanding the provisions of subdivision (1) of this
315 subsection, any applicant may, at the time of application, apply to the
316 commissioner for a credit that exceeds the limitations established by
317 this subsection. The commissioner shall evaluate the benefits of such
318 application and make recommendations to the General Assembly
319 relating to changes in the general statutes which would be necessary to
320 effect such application if the commissioner determines that the
321 proposal would be of economic benefit to the state.

322 (j) The credits allowed by this section may be claimed by a taxpayer
323 who has made an investment (1) directly only if such investment has a
324 total asset value, either alone or in conjunction with other taxpayer
325 investments in an eligible project, of not less than five million dollars
326 or, in the case of an investment in an eligible project for the
327 preservation of an historic facility and redevelopment of the facility for
328 mixed uses that includes at least four housing units, a total asset value
329 of not less than two million dollars; (2) through a fund managed by a
330 fund manager registered under this section only if such fund: (A) Has
331 a total asset value of not less than sixty million dollars for the income
332 year for which the initial credit is taken; and (B) has not less than three
333 investors who are not related persons with respect to each other or to
334 any person in which any investment is made other than through the
335 fund at the date the investment is made; or (3) through a community
336 development entity or a contractually-bound community development
337 entity.

338 (k) The commissioner shall, upon request, provide a copy of the
339 eligibility certificate issued under subsection (h) of this section to the
340 Commissioner of Revenue Services.

341 (l) The tax credit allowed by this section, when made through a
342 fund, shall only be available for investments in funds that are not open
343 to additional investments or investors beyond the amount subscribed

344 at the formation of the fund.

345 (m) (1) The Commissioner of Revenue Services may treat one or
346 more corporations that are properly included in a combined
347 corporation business tax return under section 12-223a as one taxpayer
348 in determining whether the appropriate requirements under this
349 section are met. Where corporations are treated as one taxpayer for
350 purposes of this subsection, then the credit shall be allowed only
351 against the amount of the combined tax for all corporations properly
352 included in a combined return that, under the provisions of
353 subdivision (2) of this subsection, is attributable to the corporations
354 treated as one taxpayer.

355 (2) The amount of the combined tax for all corporations properly
356 included in a combined corporation business tax return that is
357 attributable to the corporations that are treated as one taxpayer under
358 the provisions of this subsection shall be in the same ratio to such
359 combined tax that the net income apportioned to this state of each
360 corporation treated as one taxpayer bears to the net income
361 apportioned to this state, in the aggregate, of all corporations included
362 in such combined return. Solely for the purposes of computing such
363 ratio, any net loss apportioned to this state by a corporation treated as
364 one taxpayer or by a corporation included in such combined return
365 shall be disregarded.

366 (n) Any taxpayer allowed a credit under this section may assign
367 such credit to another taxpayer or taxpayers, provided such other
368 taxpayer or taxpayers may claim such credit only with respect to a
369 taxable year for which the assigning taxpayer would have been eligible
370 to claim such credit and such other taxpayer or taxpayers may not
371 further assign such credit. The taxpayer or taxpayers allowed such
372 credit, the fund manager, [or] the community development entity or
373 contractually-bound community development entity shall file with the
374 Commissioner of Revenue Services information requested by the
375 commissioner regarding such assignments, including, but not limited
376 to, the current holders of credits as of the end of the preceding

377 calendar year.

378 (o) No taxpayer shall be eligible for a credit under (1) this section,
379 and (2) section 12-217e or 38a-88a, for the same investment. No two
380 taxpayers shall be eligible for any tax credit with respect to the same
381 investment or the same project costs.

382 (p) Any credit not used in the income year for which it was allowed
383 may be carried forward for the five immediately succeeding income
384 years until the full credit has been allowed.

385 (q) (1) Any tax credits approved under this section that would
386 constitute in excess of twenty million dollars in total for a single
387 investment shall be submitted by the Commissioner of Economic and
388 Community Development to the joint standing committee of the
389 General Assembly having cognizance of matters relating to finance,
390 revenue and bonding prior to the issuance of a certificate of eligibility
391 for such investment. Said committee shall have thirty days from the
392 date such project is submitted to convene a meeting to recommend
393 approval or disapproval of such investment. If such submittal is
394 withdrawn, altered, amended or otherwise changed, and resubmitted,
395 said committee shall have thirty days from the date of such resubmittal
396 to convene a meeting to recommend approval or disapproval of such
397 investment. If said committee does not act on a submittal or
398 resubmittal, as the case may be, within that time, the investment shall
399 be deemed to be approved by said committee.

400 (2) While the General Assembly is in session, the House of
401 Representatives or the Senate, or both, may meet not later than thirty
402 days following the date said committee makes a recommendation
403 pursuant to subdivision (1) of this subsection. If such submission is not
404 disapproved by the House of Representatives or the Senate, or both,
405 within such time, the commissioner may issue such certificate.

406 (3) While the General Assembly is not in regular session, the House
407 of Representatives or the Senate, or both, may meet not later than
408 thirty days following the date said committee makes a

409 recommendation pursuant to subdivision (1) of this subsection. If such
410 submission is not disapproved by the House of Representatives, the
411 Senate, or both, within such time, the commissioner may issue such
412 certificate.

413 (r) Not later than July first in each year that credits allowed by this
414 section are claimed by a taxpayer with respect to an approved
415 investment, the commissioner may retain such persons as said
416 commissioner may deem appropriate to conduct a study to estimate
417 the state revenue that is being and will be generated by the eligible
418 project in which such investment is made. Such economic impact study
419 shall determine whether the state revenue actually generated by such
420 eligible project is equal to the estimate of state revenue made at the
421 time the investment in such eligible project was approved. If the sum
422 of all state revenue actually generated by such eligible project is less
423 than the amount of the total sum of tax credits claimed with respect to
424 the approved investment in such project on the date of such analysis,
425 the commissioner may determine from the person retained pursuant to
426 this subsection the applicable recapture amount and may revoke the
427 certificate of eligibility issued under subsection (h) of this section. The
428 commissioner may require the taxpayer, the fund manager, [or]
429 community development entity or contractually-bound community
430 development entity that made such approved investment to reimburse
431 the commissioner for all or any part of the cost of any economic impact
432 study performed under this subsection.

433 (s) (1) Any taxpayer which has claimed credits allowed by this
434 section related to an investment concerning which the commissioner
435 has revoked the certificate of eligibility issued under subsection (h) of
436 this section, shall be required to recapture such taxpayer's pro rata
437 share of the recapture amount as determined under the provisions of
438 subdivision (2) of this subsection and no subsequent credit shall be
439 allowed unless such certificate of eligibility is reinstated under the
440 provisions of subdivision (3) of this subsection.

441 (2) If the taxpayer is required under the provisions of subdivision

442 (1) of this subsection to recapture its pro rata share of the recapture
443 amount during (A) the first year such credit was claimed, then ninety
444 per cent of such share shall be recaptured on the tax return required to
445 be filed for such year, (B) the second of such years, then sixty-five per
446 cent of such share shall be recaptured on the tax return required to be
447 filed for such year, (C) the third of such years, then fifty per cent of
448 such share shall be recaptured on the tax return required to be filed for
449 such year, (D) the fourth of such years, then thirty per cent of such
450 share shall be recaptured on the tax return required to be filed for such
451 year, (E) the fifth of such years, then twenty per cent of such share
452 shall be recaptured on the tax return required to be filed for such year,
453 and (F) the sixth or subsequent of such years, then ten per cent of such
454 share shall be recaptured on the tax return required to be filed for such
455 year. The Commissioner of Revenue Services may recapture such share
456 from the taxpayer who has claimed such credits. If the commissioner is
457 unable to recapture all or part of such share from such taxpayer, the
458 commissioner may seek to recapture such share from any taxpayer
459 who has assigned credits in an amount at least equal to such share to
460 another taxpayer. If the commissioner is unable to recapture all or part
461 of such share from any such taxpayer, the commissioner may
462 recapture such share from any fund through which the investment was
463 made.

464 (3) If the commissioner has revoked the certificate of eligibility
465 issued under subsection (h) of this section, such certificate of eligibility
466 shall be reinstated by the commissioner if, upon a request made by the
467 taxpayer, fund manager or community development entity who made
468 such approved investment, an economic impact study conducted
469 pursuant to subsection (r) of this section shall determine that the sum
470 of all state revenue actually generated by the project in which such
471 investment was made is greater than the amount of the total sum of tax
472 credits claimed on the date of such analysis, provided no such request
473 shall be made pursuant to this subsection during the calendar year in
474 which such certificate was revoked. For the purpose of determining
475 whether such certificate shall be reinstated, the commissioner shall,

476 upon receipt of a request made under this subsection, obtain one such
477 economic impact study per calendar year and may obtain additional
478 such economic impact studies as the commissioner deems appropriate.

479 (t) Notwithstanding subsections (r) and (s) of this section, for a
480 contractually-bound community development entity, credit recapture
481 for credits allowed by this section shall be governed by the terms of its
482 allocation agreement with the community development financial
483 institutions fund or, where such agreement is silent, by Section 45D of
484 the Internal Revenue Code and the regulations promulgated by the
485 United States Treasury pursuant to such section.

486 Sec. 2. (Effective July 1, 2011) Section 4 of public act 10-98 shall take
487 effect October 1, 2011, and be applicable to income years commencing
488 on or after January 1, 2012.

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|---|--------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | July 1, 2011 | 32-9t |
| Sec. 2 | July 1, 2011 | New section |

FIN Joint Favorable Subst.