



General Assembly

**Amendment**

January Session, 2011

LCO No. 8618

**\*SB0101408618HRO\***

Offered by:  
REP. DAVIS C., 57<sup>th</sup> Dist.

To: Subst. Senate Bill No. 1014      File No. 638      Cal. No. 621

(As Amended)

**"AN ACT CONCERNING THE PENALTY FOR CERTAIN  
NONVIOLENT DRUG OFFENSES."**

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

3      "Sec. 501. Section 12-651 of the general statutes is repealed and the  
4      following is substituted in lieu thereof (*Effective October 1, 2011*):

5      (a) A tax is imposed on any marijuana or controlled substances  
6      purchased, acquired, transported or imported into the state. Payment  
7      thereof shall be evidenced by the permanent affixing of stamps on the  
8      marijuana or controlled substance immediately after receipt. Each  
9      stamp or other official indicia may be used only once.

10      (b) The tax imposed pursuant to this section shall be at the following  
11      rates: (1) On each gram of marijuana or portion of a gram, three dollars  
12      and fifty cents, and (2) on each gram of a controlled substance, or

13 portion of a gram, two hundred dollars or on each fifty dosage units of  
14 a controlled substance that is not sold by weight, or portion thereof,  
15 two thousand dollars. For the purpose of calculating the tax due under  
16 this section, an ounce of marijuana or other controlled substance is  
17 measured by the weight of the substance in the dealer's possession.

18 (c) Any tax imposed pursuant to this section is due and payable  
19 immediately upon acquisition or possession in this state by a dealer.

20 (d) Notwithstanding the provisions of this chapter, any  
21 municipality having a population of less than twenty-five thousand  
22 may collect the tax imposed pursuant to this section on any marijuana  
23 or controlled substance that is seized in such municipality by a law  
24 enforcement officer as a result of a lawful arrest of a dealer or a lawful  
25 search of the real or personal property of a dealer, provided (1) such  
26 tax is due and payable, (2) the chief of police of such municipality or, if  
27 such municipality does not have an organized police department, the  
28 chief elected official of such municipality, notifies the commissioner of  
29 such municipality's intent to collect such tax, and (3) the municipality  
30 complies with the provisions of subsection (e) of this section. The full  
31 amount of any tax collected pursuant to this subsection may be  
32 retained by such municipality.

33 (e) Before a municipality may collect any tax imposed pursuant to  
34 this section, the chief elected official of such municipality shall appoint  
35 one or more hearing officers, other than police officers or persons who  
36 work in the police department, to hear the petitions of aggrieved  
37 taxpayers and shall establish by ordinance a hearing procedure  
38 following the timelines and requirements set forth in section 12-553.  
39 The provisions of sections 12-553 and 12-554, adapted accordingly,  
40 shall apply to hearings before and appeals from a municipality under  
41 this section.

42 Sec. 502. Section 12-655 of the general statutes is repealed and the  
43 following is substituted in lieu thereof (*Effective October 1, 2011*):

44 (a) Each dealer shall keep complete and accurate records of all

45 marijuana or controlled substances on which a tax is imposed. Such  
46 records shall be a kind and in such form as the commissioner may  
47 prescribe and shall be preserved for three years in such manner as to  
48 insure permanency and accessibility for inspection by the  
49 commissioner or his authorized agents. The commissioner and his  
50 authorized agents and any municipality collecting a tax pursuant to  
51 section 12-651, as amended by this act, may examine the books, papers  
52 and records of any dealer for the purpose of determining whether the  
53 tax imposed by this chapter has been paid and may examine any  
54 marijuana or controlled substances upon any premises where such  
55 marijuana or controlled substances are possessed to determine if the  
56 provisions of this chapter are being obeyed.

57 (b) If, after an examination of the invoices, books and records of a  
58 dealer, or if, from any other information obtained by [him] the  
59 commissioner or [his] the commissioner's authorized agents or the tax  
60 collector for any municipality collecting a tax pursuant to section 12-  
61 651, as amended by this act, the commissioner or tax collector  
62 determines that the dealer has not purchased sufficient stamps to cover  
63 his receipts and sales or other disposition of any marijuana or  
64 controlled substances, [he] the commissioner or tax collector shall  
65 thereupon assess the deficiency in tax. There shall be imposed a  
66 penalty of ten per cent of the deficiency or fifty dollars, whichever  
67 amount is greater, and interest shall accrue on the tax at the rate of one  
68 per cent per month from the due date of such tax to the date of  
69 payment. In any case where a dealer cannot produce evidence of  
70 sufficient stamp purchases to cover the receipt of any marijuana or  
71 controlled substances, it shall be presumed that such marijuana or  
72 controlled substances were sold without having the proper stamps  
73 affixed.

74 (c) If the commissioner determines that the deficiency or any part  
75 thereof is due to a fraudulent intent to evade the tax, there shall be  
76 imposed a penalty of twenty-five per cent of the deficiency and interest  
77 shall accrue on the tax at the rate of one per cent per month or fraction  
78 thereof from the due date of such tax to the date of payment. Subject to

79 the provisions of section 12-3a, the commissioner may waive all or part  
80 of the penalties provided under this chapter when it is proven to his  
81 satisfaction that the failure to pay any tax on time was due to  
82 reasonable cause and was not intentional or due to neglect. The  
83 amount of any tax, penalty or interest due to the commissioner and  
84 unpaid under the provisions of this chapter may be collected under the  
85 provisions of section 12-35. The warrant therein provided for shall be  
86 signed by the commissioner or his authorized agent. The amount of  
87 any such tax, penalty and interest shall be a lien, from the last day of  
88 the month next preceding the due date of such tax until discharged by  
89 payment, against all real estate of the taxpayer within the state, and a  
90 certificate of such lien signed by the commissioner may be filed for  
91 record in the office of the clerk of any town in which such real estate is  
92 situated, provided no such lien shall be effective as against any bona  
93 fide purchaser or qualified encumbrancer of any interest in any such  
94 property. When any tax with respect to which a lien has been recorded  
95 under the provisions of this section has been satisfied, the  
96 commissioner, upon request of any interested party, shall issue a  
97 certificate discharging such lien, which certificate shall be recorded in  
98 the same office in which the lien is recorded. Any action for the  
99 foreclosure of such lien shall be brought by the Attorney General in the  
100 name of the state in the superior court for the judicial district in which  
101 the property subject to such lien is situated, or, if such property is  
102 located in two or more judicial districts, in the superior court for any  
103 one such judicial district, and the court may limit the time for  
104 redemption or order the sale of such property or make such other or  
105 further decree as it judges equitable.

106 (d) The amount of any tax, penalty and interest due to a  
107 municipality and unpaid under the provisions of this chapter shall  
108 constitute a lien upon any real estate owned by the dealer in the  
109 municipality collecting such tax, penalty and interest. Each such lien  
110 may be continued, recorded and released in the manner provided by  
111 the general statutes for continuing, recording and releasing property  
112 tax liens. Each such lien shall take precedence over all other liens filed

113 after October 1, 2011, and encumbrances, except taxes, and may be  
114 enforced in the same manner as property tax liens.

115 [(c)] (e) Except in the case of a wilfully false or fraudulent intent to  
116 evade the tax, no assessment of additional tax with respect to any  
117 return shall be made after the expiration of more than three years from  
118 the date of the filing of such return or from the original due date of  
119 such return, whichever is later, provided, if no return has been filed as  
120 provided in this chapter, the Commissioner of Revenue Services may  
121 determine the amount of tax due from the best information available  
122 and assess such tax together with statutory penalties and interest at  
123 any time. If prior to the expiration of the period prescribed in this  
124 section for the assessment of additional tax, a taxpayer has consented  
125 in writing that such period may be extended, the amount of such  
126 additional tax due may be determined at any time within such  
127 extended period. Any such extended period may be further extended  
128 by consent in writing before the expiration of such extended period.

129 [(d)] (f) The provisions of sections 12-553 and 12-554 shall apply to  
130 the provisions of this chapter in the same manner and with the same  
131 force and effect as if the language of said sections had been  
132 incorporated in full into said chapter and had expressly referred to the  
133 tax imposed under said chapter, except to the extent that any such  
134 provision is inconsistent with a provision of said chapter."