



General Assembly

February Session, 2012

Amendment

LCO No. 3713

SB0029103713SD0

Offered by:
SEN. BYE, 5th Dist.

To: Subst. Senate Bill No. 291 File No. 524 Cal. No. 348

"AN ACT ESTABLISHING A YOUTH EMPLOYMENT SYSTEM."

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- 1 In line 1, after "Department," insert "acting through the Connecticut
 - 2 Employment and Training Commission and"
 - 3 In line 4, after "comprehensive" insert "state-wide"
 - 4 In line 6, strike ", as defined in 10-19m"
 - 5 In line 7, strike "of the general statutes"
 - 6 In line 8, before "skills" insert "work experience,"
 - 7 In line 9, after "careers" and before the period insert "upon entering
 - 8 the work force"
 - 9 In line 9, after the period, insert "For purposes of this section,
 - 10 "youth" means a person under eighteen years of age and "young adult"
 - 11 means a person under twenty-four years of age.
 - 12 In line 22, strike "consider a tax credit program to"

13 In line 23, strike "qualified employers" and insert in lieu thereof
14 "taxpayers"

15 In line 24, after "positions" and before the period insert "in
16 accordance with section 12-217pp of the general statutes, as amended
17 by this act"

18 After the last section, add the following and renumber sections and
19 internal references accordingly:

20 "Sec. 501. Subsections (a) to (d), inclusive, of section 12-217pp of the
21 2012 supplement to the general statutes are repealed and the following
22 is substituted in lieu thereof (*Effective July 1, 2012*):

23 (a) As used in this section:

24 (1) "Commissioner" means the Commissioner of Economic and
25 Community Development;

26 (2) "Control", with respect to a corporation, means ownership,
27 directly or indirectly, of stock possessing fifty per cent or more of the
28 total combined voting power of all classes of the stock of such
29 corporation entitled to vote. "Control", with respect to a trust, means
30 ownership, directly or indirectly, of fifty per cent or more of the
31 beneficial interest in the principal or income of such trust. The
32 ownership of stock in a corporation, of a capital or profits interest in a
33 partnership, limited liability company or association or of a beneficial
34 interest in a trust shall be determined in accordance with the rules for
35 constructive ownership of stock provided in Section 267(c) of the
36 Internal Revenue Code of 1986, or any subsequent corresponding
37 internal revenue code of the United States, as from time to time
38 amended, other than paragraph (3) of said Section 267(c);

39 (3) "Full-time job" means a job in which an employee is required to
40 work at least thirty-five hours per week for not less than forty-eight
41 weeks in a calendar year. "Full-time job" does not include a temporary
42 or seasonal job;

43 (4) "Income year" means, with respect to entities subject to the
44 insurance premiums tax under chapter 207, the corporation business
45 tax under this chapter, the utility companies tax under chapter 212 or
46 the income tax under chapter 229, the income year as determined
47 under each of said chapters, as the case may be;

48 (5) "New employee" means a person who resides in this state and is
49 hired by a taxpayer on or after January 1, 2012, and prior to January 1,
50 2014, to fill a new job. "New employee" does not include a person who
51 was employed in this state by a related person with respect to a
52 taxpayer during the prior twelve months;

53 (6) "New job" means a job that did not exist in this state prior to a
54 taxpayer's application to the commissioner for certification under this
55 section for a job expansion tax credit, is filled by a new, qualifying or
56 veteran employee, and (A) is a full-time job, or (B) (i) in the case of a
57 qualifying employee under subparagraph (B) of subdivision [(7)] (8) of
58 this subsection, is a job in which an employee is required to work at
59 least twenty hours per week for not less than forty-eight weeks in a
60 calendar year, or (ii) in the case of a youth under eighteen years of age
61 or a young adult under twenty-four years of age, may be a part-time
62 job;

63 (7) "Part-time job" means a job in which an employee is required to
64 work less than twenty hours per week for not less than twelve
65 consecutive weeks in a calendar year;

66 [(7)] (8) "Qualifying employee" means a new employee who, at the
67 time of hiring by the taxpayer:

68 (A) (i) Is receiving unemployment compensation, or (ii) has
69 exhausted unemployment compensation benefits and has not had an
70 intervening full-time job; or

71 (B) Is receiving vocational rehabilitation services from the Bureau of
72 Rehabilitative Services;

73 [(8)] (9) "Related person" means (A) a corporation, limited liability
74 company, partnership, association or trust controlled by the taxpayer,
75 (B) an individual, corporation, limited liability company, partnership,
76 association or trust that is in control of the taxpayer, (C) a corporation,
77 limited liability company, partnership, association or trust controlled
78 by an individual, corporation, limited liability company, partnership,
79 association or trust that is in control of the taxpayer, or (D) a member
80 of the same controlled group as the taxpayer;

81 [(9)] (10) "Taxpayer" means a person that (A) has been in business
82 for at least twelve consecutive months prior to the date of the
83 taxpayer's application to the commissioner for certification under this
84 section for a job expansion tax credit, and (B) is subject to tax under
85 this chapter or chapter 207, 212 or 229; and

86 [(10)] (11) "Veteran employee" means a new employee who, at the
87 time of hiring by the taxpayer, is a member of, was honorably
88 discharged from or released under honorable conditions from active
89 service in the armed forces, as defined in section 27-103.

90 (b) (1) There is established a job expansion tax credit program
91 whereby a taxpayer may be allowed a credit against the tax imposed
92 under this chapter or chapter 207, 212 or 229, other than the liability
93 imposed by section 12-707, for each new, qualifying or veteran
94 employee hired on or after January 1, 2012, and prior to January 1,
95 2014. For taxpayers that employ not more than fifty employees in full-
96 time jobs in this state on the date of application to the commissioner
97 for certification under this section, the creation of at least one new job
98 in this state shall be required for said tax credit. For taxpayers that
99 employ more than fifty, but not more than one hundred employees in
100 full-time jobs in this state on the date of application to the
101 commissioner for certification under this section, the creation of at
102 least five new jobs in this state shall be required for said tax credit. For
103 taxpayers that employ more than one hundred employees in full-time
104 jobs in this state on the date of application to the commissioner for
105 certification under this section, the creation of at least ten new jobs in

106 this state shall be required for said tax credit.

107 (2) For the purposes of determining the number of new jobs a
108 taxpayer is required to create in order to claim a credit under this
109 section, the number of employees working in full-time jobs the
110 taxpayer employs in this state on the date of its application to the
111 commissioner for certification under this section shall apply to such
112 taxpayer for the duration of such certification.

113 (c) The amount of the credit shall be:

114 (1) Five hundred dollars per month for each new employee,
115 provided the amount of the credit for hiring a youth under eighteen
116 years of age or a young adult under twenty-four years of age to fill a
117 part-time job shall be two hundred fifty dollars per month; or

118 (2) Nine hundred dollars per month for each qualifying or veteran
119 employee.

120 (d) (1) The taxpayer shall claim the credit in the income year in
121 which it is earned and, if eligible, in the two immediately succeeding
122 income years. Any credit not claimed by the taxpayer in an income
123 year shall expire and shall not be refundable.

124 (2) If the taxpayer is an S corporation or an entity treated as a
125 partnership for federal income tax purposes, the shareholders or
126 partners of such taxpayer may claim the credit. If the taxpayer is a
127 single member limited liability company that is disregarded as an
128 entity separate from its owner, the limited liability company's owner
129 may claim the credit.

130 (3) No taxpayer shall claim a credit for any new, qualifying or
131 veteran employee who is an owner, member or partner in the business
132 or who is not employed by the taxpayer at the close of the taxpayer's
133 income year, except a credit may be claimed for a youth under
134 eighteen years of age or young adult under twenty-four years of age
135 who fills a part-time job and is not employed by the taxpayer at the

136 close of the taxpayer's income year.

137 (4) No taxpayer claiming the credit under this section with respect
138 to a new, qualifying or veteran employee shall claim any credit against
139 any tax under any other provision of the general statutes with respect
140 to the same new, qualifying or veteran employee."

This act shall take effect as follows and shall amend the following sections:		
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Sec. 501	<i>July 1, 2012</i>	12-217pp(a) to (d)
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