



Substitute Senate Bill No. 1052

Public Act No. 13-232

AN ACT CONCERNING THE INTEREST PAID BY THE STATE ON OVERPAYMENTS OF TAXES, VARIOUS CHANGES TO TAX CREDIT PROGRAMS AVAILABLE UNDER THE INSURANCE PREMIUMS TAX AND THE CORPORATION BUSINESS TAX, EXEMPTIONS FROM THE PETROLEUM PRODUCTS GROSS RECEIPTS TAX, AND A STUDY OF THE STRUCTURE OF THE PERSONAL INCOME TAX.

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

Section 1. Subsection (b) of section 12-268c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013, and applicable to refunds issued on or after said date*):

(b) (1) To any refunds granted as a result of overpayments of any taxes under chapter 210, 211 or 212, except refunds due because of any intentional overpayment, there shall be added interest at the rate of two-thirds of one per cent for each month or fraction of a month, [which elapses between (1) the later of (A) the due date of such taxes or (B) the date of making such overpayment and (2) the date of notice by the Commissioner of Revenue Services that such refunds are due] as provided in subdivisions (2) and (3) of this subsection.

(2) In case of such overpayment pursuant to a tax return, no interest shall be allowed or paid under this subsection on such overpayment

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for any month or fraction thereof prior to (A) the ninety-first day after the last day prescribed for filing the tax return associated with such overpayment, or (B) the ninety-first day after the date such return was filed, whichever is later.

(3) In case of such overpayment pursuant to an amended tax return, no interest shall be allowed or paid under this subsection on such overpayment for any month or fraction thereof prior to the ninety-first day after the date such amended tax return was filed.

Sec. 2. Subdivision (3) of subsection (a) of section 12-392 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013, and applicable to refunds issued on or after said date*):

(3) (A) Whenever there is an overpayment of the tax imposed by this chapter, the Commissioner of Revenue Services shall return to the fiduciary or transferee the overpayment which shall bear interest at the rate of two-thirds of one per cent per month or fraction thereof, said interest commencing, for the estates of decedents dying prior to July 1, 2009, from the expiration of nine months after the death of the transferor or date of payment, whichever is later, or, for the estates of decedents dying on or after July 1, 2009, from the expiration of six months after the death of the transferor or date of payment, whichever is later, as provided in subparagraphs (B) and (C) of this subdivision.

(B) In case of such overpayment pursuant to a tax return, no interest shall be allowed or paid under this subdivision on such overpayment for any month or fraction thereof prior to (i) the ninety-first day after the last day prescribed for filing the tax return associated with such overpayment, determined without regard to any extension of time for filing, or (ii) the ninety-first day after the date such return was filed, whichever is later.

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(C) In case of such overpayment pursuant to an amended tax return, no interest shall be allowed or paid under this subdivision on such overpayment for any month or fraction thereof prior to the ninety-first day after the date such amended tax return was filed.

Sec. 3. Subdivision (2) of subsection (b) of section 12-587 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(2) Gross earnings derived from the first sale of the following petroleum products within this state shall be exempt from tax: (A) Any petroleum products sold for exportation from this state for sale or use outside this state; (B) the product designated by the American Society for Testing and Materials as "Specification for Heating Oil D396-69", commonly known as number 2 heating oil, to be used exclusively for heating purposes or to be used in a commercial fishing vessel, which vessel qualifies for an exemption pursuant to section 12-412; (C) kerosene, commonly known as number 1 oil, to be used exclusively for heating purposes, provided delivery is of both number 1 and number 2 oil, and via a truck with a metered delivery ticket to a residential dwelling or to a centrally metered system serving a group of residential dwellings; (D) the product identified as propane gas, to be used exclusively for heating purposes; (E) bunker fuel oil, intermediate fuel, marine diesel oil and marine gas oil to be used in any vessel having a displacement exceeding four thousand dead weight tons; (F) for any first sale occurring prior to July 1, 2008, propane gas to be used as a fuel for a motor vehicle; (G) for any first sale occurring on or after July 1, 2002, grade number 6 fuel oil, as defined in regulations adopted pursuant to section 16a-22c, to be used exclusively by a company which, in accordance with census data contained in the Standard Industrial Classification Manual, United States Office of Management and Budget, 1987 edition, is included in code classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in the North American

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Industrial Classification System United States Manual, United States Office of Management and Budget, 1997 edition; (H) for any first sale occurring on or after July 1, 2002, number 2 heating oil to be used exclusively in a vessel primarily engaged in interstate commerce, which vessel qualifies for an exemption under section 12-412; (I) for any first sale occurring on or after July 1, 2000, paraffin or microcrystalline waxes; (J) for any first sale occurring prior to July 1, 2008, petroleum products to be used as a fuel for a fuel cell, as defined in subdivision (113) of section 12-412; (K) a commercial heating oil blend containing not less than ten per cent of alternative fuels derived from agricultural produce, food waste, waste vegetable oil or municipal solid waste, including, but not limited to, biodiesel or low sulfur dyed diesel fuel; [or] (L) for any first sale occurring on or after July 1, 2007, diesel fuel other than diesel fuel to be used in an electric generating facility to generate electricity; or (M) for any first sale occurring on or after July 1, 2013, cosmetic grade mineral oil.

Sec. 4. Section 12-587a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2015, and applicable to quarterly periods commencing on or after said date*):

(a) (1) Any company, as such term is used in section 12-587, as amended by this act, liable for the tax imposed under subsection (b) of said section 12-587, as amended by this act, on gross earnings from the first sale of petroleum products within this state, which products the purchaser thereof subsequently sells for exportation and sale or use outside this state, shall be allowed a credit against any tax for which such company is liable in accordance with subsection (b) of said section 12-587, in the amount of tax paid to the state with respect to the sale of such products, provided (A) such purchaser has submitted certification to such company, in such form as prescribed by the Commissioner of Revenue Services, that such products were sold or used outside this state, (B) such certification and any additional

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information related to such sale or use by such purchaser, which said commissioner may request, have been submitted to said commissioner, and (C) such company makes a payment to such purchaser, related to such products sold or used outside this state, in the amount equal to the tax imposed under said section 12-587 on gross earnings from the first sale to such purchaser within the state.

(2) The credit allowed pursuant to subdivision (1) of this subsection may also be claimed, in the same manner as provided in said subdivision (1), by any such company when the petroleum products sold in a first sale within this state by such company are incorporated by the purchaser thereof into a material that is included in U.S. industry group 3255 in the North American Industrial Classification System United States Manual, United States Office of Management and Budget, 2007 edition, and such products are subsequently exported for sale or use outside this state. Such company shall be allowed said credit in the amount of tax paid to the state with respect to the sale of such products.

[(2)] (3) In addition, such company shall be allowed such credit when there has been any sale of such products subsequent to the sale by such company but prior to sale or use outside this state, provided (A) each purchaser receives payment, related to such products sold or used outside this state, equal to the tax imposed under said section 12-587, on gross earnings from the first sale of such products within this state, and (B) the purchaser selling or using such products outside this state complies with the requirements in this section related to a purchaser of such products from the company liable for such tax.

(b) (1) Any company liable for the tax imposed under subsection (c) of section 12-587 on the consideration given or contracted to be given for petroleum products which it imports or causes to be imported into this state for sale, use or consumption in this state, shall be allowed a credit against tax under subsection (c) of section 12-587 if the company

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subsequently exports such petroleum products for sale or use outside this state, in the amount of tax paid to the state with respect to the sale, use or consumption in this state of such products.

(2) The credit allowed pursuant to subdivision (1) of this subsection may also be claimed, in the same manner as provided in said subdivision (1), by any such company when the petroleum products which such company imports or causes to be imported into this state are incorporated by such company into a material that is included in U.S. industry group 3255 in the North American Industrial Classification System United States Manual, United States Office of Management and Budget, 2007 edition, and such company subsequently exports such products for sale or use outside this state. Such company shall be allowed said credit in the amount of tax paid to the state with respect to the sale, use or consumption in this state of such products.

Sec. 5. Subsection (b) of section 12-589 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013, and applicable to refunds issued on or after said date*):

(b) (1) To any refund granted as a result of overpayments of any taxes imposed under section 12-587, as amended by this act, except refunds due because of any intentional overpayment, there shall be added interest at the rate of two-thirds of one per cent for each month or fraction of a month, [which elapses between (1) the later of the due date of such taxes or the date of making such overpayment and (2) the date of notice by the Commissioner of Revenue Services that any such refund is due] as provided in subdivisions (2) and (3) of this subsection.

(2) In case of such overpayment pursuant to a tax return, no interest shall be allowed or paid under this subsection on such overpayment for any month or fraction thereof prior to (A) the ninety-first day after

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the last day prescribed for filing the tax return associated with such overpayment, or (B) the ninety-first day after the date such return was filed, whichever is later.

(3) In case of such overpayment pursuant to an amended tax return, no interest shall be allowed or paid under this subsection on such overpayment for any month or fraction thereof prior to the ninety-first day after the date such amended tax return was filed.

Sec. 6. Subsection (d) of section 12-647 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013, and applicable to refunds issued on or after said date*):

(d) (1) Whenever there is an overpayment of the tax imposed by this chapter, the commissioner shall return to the taxpayer the overpayment, which shall bear interest at the rate of two-thirds of one per cent per month or fraction thereof, [said interest commencing from the due date of the return required under this chapter, or the date of payment, whichever is later] as provided in subdivisions (2) and (3) of this subsection.

(2) In case of such overpayment pursuant to a tax return, no interest shall be allowed or paid under this subsection on such overpayment for any month or fraction thereof prior to (A) the ninety-first day after the last day prescribed for filing the tax return associated with such overpayment, determined without regard to any extension of time for filing, or (B) the ninety-first day after the date such return was filed, whichever is later.

(3) In case of such overpayment pursuant to an amended tax return, no interest shall be allowed or paid under this subsection on such overpayment for any month or fraction thereof prior to the ninety-first day after the date such amended tax return was filed.

Sec. 7. (NEW) (*Effective from passage and applicable to calendar years*

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commencing on and after January 1, 2013) (a) Whenever a company subject to tax under the provisions of chapter 207 of the general statutes is eligible to claim more than one tax credit, the credits shall be claimed for the calendar year in the following order:

(1) Any credit that may be carried backward to a preceding calendar year or years shall first be claimed (A) with any credit carry-back that will expire first being claimed prior to any credit carry-back that will expire later or will not expire at all, and (B) if the credit carry-backs will expire at the same time, in the order in which the company may receive the maximum benefit;

(2) Any credit that may not be carried backward to a preceding calendar year or years and that may not be carried forward to a succeeding calendar year or years shall next be claimed, in the order in which the company may receive the maximum benefit; and

(3) Any credit that may be carried forward to a succeeding calendar year or years shall next be claimed (A) with any credit carry-forward that will expire first being claimed prior to any credit carry-forward that will expire later or will not expire at all, and (B) if the credit carry-forwards will expire at the same time, in the order in which the company may receive the maximum benefit.

(b) In no event shall any credit be claimed more than once.

Sec. 8. Section 12-217dd of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013, and applicable to income years commencing on or after January 1, 2013*):

(a) For purposes of this section: [, "donation]

(1) "Donation of open space land" means the value of any land or interest in land conveyed without financial consideration, or the value of any discount of the sale price in any sale of land or interest in land,

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to the state, a political subdivision of the state, a water company, as defined in section 25-32a, or to any nonprofit land conservation organization where such land is to be permanently preserved as protected open space or used as a public water supply source.

(2) "Donation of land for educational use" means the value of any land or interest in land conveyed without financial consideration, or the value of any discount of the sale price in any sale of land or interest in land, to any town, city or borough, whether consolidated or unconsolidated, or any school district or regional school district for educational use, as defined in section 16-43b.

(b) There shall be allowed a credit for all taxpayers against the tax imposed under [section 12-217] this chapter, in an amount equal to fifty per cent of any donation of open space land [or as a public water supply source] and fifty per cent of any donation of land for educational use. For purposes of calculating the credit under this section, the amount of donation shall be based on the use value of the donated [open space] land and the amount received for such land. For purposes of this subsection, "use value" means the fair market value of land at its highest and best use, as determined by a certified real estate appraiser.

(c) A credit for the donation of open space land that is allowed under this section [.] with respect to any taxable year commencing on or after January 1, 2000, but is not used by a taxpayer, may be carried forward to each of the successive income years until such credit is fully taken, [In] but in no case shall a credit that is not used be carried forward for a period of more than twenty-five years. A credit for the donation of land for educational use that is allowed under this section with respect to any taxable year commencing on or after January 1, 2013, but is not used by a taxpayer, may be carried forward to each of the successive income years until such credit is fully taken, but in no case shall a credit that is not used be carried forward for a period of

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more than twenty-five years.

Sec. 9. Section 12-217ff of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013, and applicable to income years commencing on or after January 1, 2013*):

(a) For purposes of this section, "donation of land for educational use" means the value of any land or interest in land conveyed without financial consideration, or the value of any discount of the sale price in any sale of land or interest in land, to any municipality or political subdivision of the state for educational use, as defined in section 16-43b.

(b) There shall be allowed a credit for all taxpayers against the tax imposed under section 12-217, in an amount equal to fifty per cent of any donation of land for educational use. For purposes of calculating the credit under this section the amount of donation shall be based on the difference between the use value of the donated land and the amount received for such land. For the purposes of this subsection, "use value" means a fair market value of land at its highest and best use, as determined by a certified real estate appraiser.

(c) A credit that is allowed under this section, with respect to any taxable year commencing on or after January 1, 2004, but is not used by a taxpayer may be carried forward to each of the successive income years until such credit is fully taken. In no case shall a credit that is not used be carried forward for a period of more than fifteen years.

(d) No tax credit shall be allowed under this section with respect to any donation of land for educational use made on or after January 1, 2013.

Sec. 10. Subdivision (3) of subsection (b) of section 12-217kk of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

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(3) Any credit allowed pursuant to this section may be sold, assigned or otherwise transferred, in whole or in part, to one or more taxpayers, and such taxpayers may sell, assign or otherwise transfer, in whole or in part, such credit. [Any taxpayer holding such credit may claim such credit only for the income year in which expenditures were made by the taxpayer for the infrastructure project.]

Sec. 11. Subsections (e) and (f) of section 12-217pp of the general statutes are repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(e) (1) To be eligible to claim the credit, a taxpayer shall apply to the commissioner in accordance with the provisions of this section. The application shall be on a form provided by the commissioner and shall contain sufficient information as required by the commissioner, including, but not limited to, the activities that the taxpayer primarily engages in, the North American Industrial Classification System code of the taxpayer, the current number of employees employed by the taxpayer as of the application date, and if applicable, the name and position or job title of the new, qualifying or veteran employee. The commissioner shall consult with the Labor Commissioner, the Commissioner of Rehabilitation Services or the Commissioner of Veterans' Affairs, Mental Health and Addiction Services or Developmental Services, as applicable, for any verification the commissioner deems necessary of unemployment compensation or vocational rehabilitation services received by a qualifying employee, or of service in the armed forces of the United States by a veteran employee. The commissioner may impose a fee for such application as the commissioner deems appropriate.

(2) (A) Upon receipt of an application, the commissioner shall render a decision, in writing, on each completed application not later than thirty days after the date of its receipt by the commissioner. If the commissioner approves such application, the commissioner shall issue

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a certification letter to the taxpayer indicating that the credit will be available to be claimed by the taxpayer if the taxpayer and new, qualifying or veteran employee otherwise meets the requirements of this section.

(B) On and after January 1, 2014, the commissioner shall render a decision upon such completed applications and, if approved, issue such certification letters, as provided in subparagraph (A) of this subdivision, that pertain to qualifying or veteran employees who meet the requirements of this section, and with respect to whom credits pursuant to this section have previously been granted. The commissioner may, in his or her discretion, render a decision upon applications that pertain to new employees, with respect to whom credits pursuant to this section have previously been granted, when such applications are consistent with the economic development priorities of the state.

(f) (1) The total amount of credits granted under this section and sections 12-217ii, 12-217nn and 12-217oo shall not exceed twenty million dollars in any one fiscal year or forty million dollars over the duration of the job expansion tax credit program, including the two immediately succeeding income years after such credits are granted.

(2) If a taxpayer was issued an eligibility certificate by the commissioner prior to January 1, 2012, to receive a jobs creation tax credit pursuant to section 12-217ii, the provisions of the tax credit program pursuant to said section 12-217ii shall apply to such taxpayer for the duration of the eligibility certificate.

(3) If a taxpayer is issued a certification letter by the commissioner prior to January 1, 2013, to receive a qualified small business job creation tax credit pursuant to section 12-217nn, the provisions of the tax credit program pursuant to said section 12-217nn shall apply to such taxpayer for the duration of such certification.

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(4) If a taxpayer was issued a certification letter by the commissioner prior to January 1, 2012, to receive a vocational rehabilitation job creation tax credit pursuant to section 12-217oo, the provisions of the tax credit program pursuant to said section 12-217oo shall apply to such taxpayer for the duration of such certification.

Sec. 12. (*Effective from passage*) (a) The Commissioner of Revenue Services shall conduct a study of the personal income tax structure to consider the impact upon taxpayers, by state tax filing status, of the various tax rates and credits established pursuant to chapter 229 of the general statutes. Such study shall include (1) an analysis of the taxes and credits based on adjusted gross income imposed on each group of taxpayers at the same or equivalent income level, and whether such taxes and credits are the same or equivalent, (2) a comparison of the effect of basing the state personal income tax on federal adjusted gross income versus federal taxable income, and (3) consideration of how such tax rates and credits might be restructured to ensure that tax liability is shared equitably among all taxpayers, while maintaining the current state revenue levels.

(b) On or before January 15, 2014, the commissioner shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding on the results of the study required pursuant to subsection (a) of this section. Such report shall include suggestions for legislative changes, if such are found to be necessary to ensure an equitable personal income tax structure.

Sec. 13. Subsection (h) of section 12-217n of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(h) Any taxpayer, or in the case of a combined return, any combined

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group of taxpayers, that claims a credit under section 12-217j for any income year shall reduce the amount of research and development expenses that otherwise may be taken into account in computing the allowable credit under subsection (c) of this section for such income year by the amount of excess research and experimental expenditures, as computed under said section 12-217j, for which the credit thereunder is given. [Any taxpayer, or in the case of a combined return, any combined group of taxpayers, that claims a credit under section 12-217l for any income year shall reduce the amount of research and development expenses that otherwise may be taken into account in computing the allowable credit under subsection (c) of this section for such income year by the amount of excess grants to institutions of higher education in Connecticut, as computed under said section 12-217l, for which the credit thereunder is given.]

Sec. 14. Subsection (a) of section 16-245l of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(a) The Public Utilities Regulatory Authority shall establish and each electric distribution company shall collect a systems benefits charge to be imposed against all end use customers of each electric distribution company beginning January 1, 2000. The authority shall hold a hearing that shall be conducted as a contested case in accordance with chapter 54 to establish the amount of the systems benefits charge. The authority may revise the systems benefits charge or any element of said charge as the need arises. The systems benefits charge shall be used to fund (1) the expenses of the public education outreach program developed under subsections (a), (f) and (g) of section 16-244d other than expenses for authority staff, (2) the reasonable and proper expenses of the education outreach consultant pursuant to subsection (d) of section 16-244d, (3) the cost of hardship protection measures under sections 16-262c and 16-262d and other

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hardship protections, including, but not limited to, electric service bill payment programs, funding and technical support for energy assistance, fuel bank and weatherization programs and weatherization services, (4) the payment program to offset tax losses described in section 12-94d, (5) any sums paid to a resource recovery authority pursuant to subsection (b) of section 16-243e, (6) low income conservation programs approved by the Public Utilities Regulatory Authority, (7) displaced worker protection costs, (8) unfunded storage and disposal costs for spent nuclear fuel generated before January 1, 2000, approved by the appropriate regulatory agencies, (9) postretirement safe shutdown and site protection costs that are incurred in preparation for decommissioning, (10) decommissioning fund contributions, (11) the costs of temporary electric generation facilities incurred pursuant to section 16-19ss, (12) operating expenses for the Connecticut Energy Advisory Board, (13) costs associated with the Connecticut electric efficiency partner program established pursuant to section 16-243v, (14) reinvestments and investments in energy efficiency programs and technologies pursuant to section 16a-38l, costs associated with the electricity conservation incentive program established pursuant to section 119 of public act 07-242, and (15) legal, appraisal and purchase costs of a conservation or land use restriction and other related costs as the authority in its discretion deems appropriate, incurred by a municipality on or before January 1, 2000, to ensure the environmental, recreational and scenic preservation of any reservoir located within this state created by a pump storage hydroelectric generating facility. As used in this subsection, "displaced worker protection costs" means the reasonable costs incurred, prior to January 1, 2008, (A) by an electric supplier, exempt wholesale generator, electric company, an operator of a nuclear power generating facility in this state or a generation entity or affiliate arising from the dislocation of any employee other than an officer, provided such dislocation is a result of (i) restructuring of the electric generation market and such dislocation occurs on or after July 1, 1998, or (ii) the

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closing of a Title IV source or an exempt wholesale generator, as defined in 15 USC 79z-5a, on or after January 1, 2004, as a result of such source's failure to meet requirements imposed as a result of sections 22a-197 and 22a-198 and this section or those Regulations of Connecticut State Agencies adopted by the Department of Energy and Environmental Protection, as amended from time to time, in accordance with Executive Order Number 19, issued on May 17, 2000, and provided further such costs result from either the execution of agreements reached through collective bargaining for union employees or from the company's or entity's or affiliate's programs and policies for nonunion employees, and (B) by an electric distribution company or an exempt wholesale generator arising from the retraining of a former employee of an unaffiliated exempt wholesale generator, which employee was involuntarily dislocated on or after January 1, 2004, from such wholesale generator, except for cause. "Displaced worker protection costs" includes costs incurred or projected for severance, retraining, early retirement, outplacement, coverage for surviving spouse insurance benefits and related expenses. ["Displaced worker protection costs" does not include those costs included in determining a tax credit pursuant to section 12-217bb.]

Sec. 15. Subsection (b) of section 38a-91nn of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013*):

(b) Each captive insurance company shall pay to the Commissioner of Revenue Services, [in the month of March] on or before March first of each year, a tax at the rate of (1) two hundred fourteen thousandths of one per cent on the first twenty million dollars, (2) one hundred forty-three thousandths of one per cent on the next twenty million dollars, (3) forty-eight thousandths of one per cent on the next twenty million dollars, and (4) twenty-four thousandths of one per cent on each dollar thereafter, on assumed reinsurance premiums collected or

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contracted for on policies or contracts of insurance written by the captive insurance company during the year ending December thirty-first next preceding, provided no tax under this subsection shall apply to premiums for risks or portions of risks that are subject to taxation on a direct basis pursuant to subsection (a) of this section. No tax under this subsection shall be payable in connection with the receipt of assets in exchange for the assumption by a captive insurance company of loss reserves and other liabilities of another insurer under common ownership and control, if such transaction is part of a plan to discontinue the operations of such other insurer and if the intent of the parties to such transaction is to renew or maintain such business with the captive insurance company.

Sec. 16. Section 12-204f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2013, and applicable to estimated tax payments for calendar years commencing on and after January 1, 2014*):

(a) If any domestic insurance company has paid as an installment of estimated tax an amount in excess of the amount determined to be the correct amount of such installment, such amount shall be credited against any unpaid installment or against the tax. If the amount already paid, whether or not on the basis of installments, exceeds the amount determined to be the correct amount of the tax, such company shall be paid by the State Treasurer, upon order of the Comptroller, the amount of such overpayment. [The commissioner may prescribe regulations providing for the crediting against the estimated tax for any taxable year of the amount determined to be an overpayment of the premium tax for a preceding taxable year.]

(b) If any domestic insurance company has filed its tax return under this chapter for the calendar year on or before the due date of such return or, if an extension of time to file has been requested and granted, on or before the extended due date of such return, any

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overpayment reported on such return, if the company has elected to credit such overpayment against the company's estimated tax for the succeeding calendar year, shall be treated as if paid on the due date of the first required installment of estimated tax for such succeeding calendar year. Such overpayment shall be credited against the otherwise unpaid required installments in the order in which such installments are required to be paid under section 12-204c.

Sec. 17. (NEW) (*Effective July 1, 2015, and applicable to calendar years commencing on and after January 1, 2015*) An insurance company or health care center, as defined in section 38a-175 of the general statutes, may transfer any credit allowed against the tax imposed by chapter 207 of the general statutes to an affiliate, as defined in section 38a-1 of the general statutes, of the insurance company or health care center. Such credit may be taken by any such affiliate only against the affiliate's tax liability imposed under chapter 207 of the general statutes. The Commissioner of Revenue Services shall not allow any credit to an affiliate against such tax liability unless the insurance company or health care center and affiliate have filed such information as may be required on forms provided by the commissioner with respect to any such transfer on or before the due date of the tax return on which such credit would have been taken by the insurance company or health care center if no transfer had been made by such insurance company or health care center.

Sec. 18. Sections 12-217l, 12-217y, 12-217bb and 12-217hh of the general statutes are repealed. (*Effective July 1, 2013*)

Approved June 25, 2013