



General Assembly

February Session, 2016

***Raised Bill No. 5493***

LCO No. 2336



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

***AN ACT PHASING OUT THE AMBULATORY SURGICAL CENTER TAX.***

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

1 Section 1. Section 12-263i of the 2016 supplement of the general  
2 statutes is repealed and the following is substituted in lieu thereof  
3 (*Effective October 1, 2016, and applicable to calendar quarters commencing*  
4 *on or after said date*):

5 (a) As used in this section:

6 (1) "Ambulatory surgical center" means an entity included within  
7 the definition of said term that is set forth in 42 CFR 416.2 and that is  
8 licensed by the Department of Public Health as an outpatient surgical  
9 facility, and any other ambulatory surgical center that is Medicare  
10 certified;

11 (2) "Commissioner" means the Commissioner of Revenue Services;  
12 and

13 (3) "Department" means the Department of Revenue Services.

14 (b) (1) For each calendar quarter commencing on or after October 1,  
15 2015, and prior to October 1, 2016, there is hereby imposed a tax on  
16 each ambulatory surgical center in this state to be paid each calendar  
17 quarter. The tax imposed by this section shall be at the rate of six per  
18 cent of the gross receipts of each ambulatory surgical center, except  
19 that such tax shall not be imposed on any amount of such gross  
20 receipts that constitutes either (A) the first million dollars of gross  
21 receipts of the ambulatory surgical center in the applicable fiscal year,  
22 or (B) net patient revenue of a hospital that is subject to the tax  
23 imposed under this chapter.

24 (2) For each calendar quarter commencing on or after October 1,  
25 2016, and prior to October 1, 2017, there is hereby imposed a tax on  
26 each ambulatory surgical center in this state to be paid each calendar  
27 quarter. The tax imposed by this section shall be at the rate of four per  
28 cent of the gross receipts of each ambulatory surgical center, except  
29 that such tax shall not be imposed on any amount of such gross  
30 receipts that constitutes either (A) the first million dollars of gross  
31 receipts of the ambulatory surgical center in the applicable fiscal year,  
32 or (B) net patient revenue of a hospital that is subject to the tax  
33 imposed under this chapter.

34 (3) For each calendar quarter commencing on or after October 1,  
35 2017, and prior to October 1, 2018, there is hereby imposed a tax on  
36 each ambulatory surgical center in this state to be paid each calendar  
37 quarter. The tax imposed by this section shall be at the rate of two per  
38 cent of the gross receipts of each ambulatory surgical center, except  
39 that such tax shall not be imposed on any amount of such gross  
40 receipts that constitutes either (A) the first million dollars of gross  
41 receipts of the ambulatory surgical center in the applicable fiscal year,  
42 or (B) net patient revenue of a hospital that is subject to the tax  
43 imposed under this chapter.

44       (4) With respect to calendar quarters commencing on or after  
45       October 1, 2018, no tax shall be imposed by this section.

46       (5) Nothing in this section shall prohibit an ambulatory surgical  
47       center from seeking remuneration for the tax imposed by this section.

48       [(2)] (6) Each ambulatory surgical center shall, on or before January  
49       31, 2016, and thereafter on or before the last day of January, April, July  
50       and October of each year, until November 1, 2018, render to the  
51       commissioner a return, on forms prescribed or furnished by the  
52       commissioner, reporting the name and location of such ambulatory  
53       surgical center, the entire amount of gross receipts generated by such  
54       ambulatory surgical center during the calendar quarter ending on the  
55       last day of the preceding month and such other information as the  
56       commissioner deems necessary for the proper administration of this  
57       section. The tax imposed under this section shall be due and payable  
58       on the due date of such return. Each ambulatory surgical center shall  
59       be required to file such return electronically with the department and  
60       to make payment of such tax by electronic funds transfer in the  
61       manner provided by chapter 228g, regardless of whether such  
62       ambulatory surgical center would have otherwise been required to file  
63       such return electronically or to make such tax payment by electronic  
64       funds transfer under the provisions of chapter 228g.

65       (c) Whenever the tax imposed under this section is not paid when  
66       due, a penalty of ten per cent of the amount due and unpaid or fifty  
67       dollars, whichever is greater, shall be imposed and interest at the rate  
68       of one per cent per month or fraction thereof shall accrue on such tax  
69       from the due date of such tax until the date of payment.

70       (d) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and  
71       12-555a shall apply to the provisions of this section in the same manner  
72       and with the same force and effect as if the language of said sections  
73       had been incorporated in full into this section and had expressly  
74       referred to the tax imposed under this section, except to the extent that

75 any provision is inconsistent with a provision in this section.

76 (e) For the fiscal year ending June 30, 2016, and each fiscal year  
77 thereafter, the Comptroller is authorized to record as revenue for each  
78 fiscal year the amount of tax imposed under the provisions of this  
79 section prior to the end of each fiscal year and which tax is received by  
80 the Commissioner of Revenue Services not later than five business  
81 days after the last day of July immediately following the end of each  
82 fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2016, and applicable to calendar quarters commencing on or after said date</i>	the 2016 supplement12-263i

**Statement of Purpose:**

To phase out the ambulatory surgical center tax over a three-year period.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*