

**Proposed Substitute
Bill No. 5421**

LCO No. 3034

**AN ACT CONCERNING INCOME TAX REFUND CONTRIBUTIONS TO
SUPPORT THE ARTS.**

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

1 Section 1. Section 12-743 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2016*):

3 (a) Any taxpayer filing a return under this chapter may contribute
4 any part of a refund under this chapter to (1) the organ transplant
5 account established pursuant to section 17b-288, (2) the AIDS research
6 education account established pursuant to section 19a-32a, (3) the
7 endangered species, natural area preserves and watchable wildlife
8 account established pursuant to section 22a-27l, (4) the breast cancer
9 research and education account established pursuant to section 19a-
10 32b, (5) the safety net services account established pursuant to section
11 17b-112f, [or] (6) an individual savings plan established under the
12 Connecticut Higher Education Trust established pursuant to sections
13 3-22f to 3-22p, inclusive, or to the CHET Baby Scholars fund
14 established pursuant to section 3-22u, or (7) the support Connecticut
15 arts and culture account established pursuant to section 2 of this act.
16 Such contribution shall be made by indicating on the tax return, in a
17 manner provided for by the Commissioner of Revenue Services
18 pursuant to subsection (b) of this section, the amount to be contributed
19 to the account.

20 (b) (1) The Commissioner of Revenue Services shall revise the tax
21 return form to implement the provisions of subsection (a) of this
22 section, which form shall include spaces on the return in which
23 taxpayers may indicate their intention to make a contribution, in a
24 whole dollar amount, in accordance with this section. The
25 commissioner shall include in the instructions accompanying the tax
26 return a description of the purposes for which the organ transplant
27 account, the AIDS research education account, the endangered species,
28 natural area preserves and watchable wildlife account, the breast
29 cancer research and education account, the safety net services account,
30 [and] the Connecticut Higher Education Trust and the support
31 Connecticut arts and culture account were created.

32 (2) For purposes of facilitating the registration of a taxpayer as an
33 organ donor, the commissioner shall include information in the
34 instructions accompanying the tax return that (A) indicates the manner
35 by which a taxpayer may contact an organ donor registry organization,
36 or (B) provides electronic links to appropriate organ donor registry
37 organizations for such purpose.

38 (3) For purposes of facilitating the participation of a taxpayer in the
39 Connecticut Higher Education Trust and the CHET Baby Scholars
40 fund, the commissioner shall include spaces on the return, as provided
41 in subdivision (1) of this subsection as follows: (A) There shall be a
42 space indicating a taxpayer's intention to contribute any part of a
43 refund to someone known to the taxpayer who is a designated
44 beneficiary, as defined in section 3-22f, including a space for the
45 taxpayer to provide the name and Social Security number of such
46 designated beneficiary; and (B) there shall be a space indicating a
47 taxpayer's intention to contribute any part of a refund to the CHET
48 Baby Scholars fund, including a description of such fund and a
49 statement that such contribution shall not benefit a specific child. The
50 commissioner shall include information in the instructions
51 accompanying the tax return that indicates the manner by which the
52 taxpayer may contact the administrator of the Connecticut Higher
53 Education Trust and the CHET Baby Scholars fund, or provides

54 electronic links to such administrator for such purpose.

55 (c) A designated contribution of all or part of any refund shall be
56 irrevocable upon the filing of the return and shall be made in the full
57 amount designated if the refund found due the taxpayer upon the
58 initial processing of the return, and after any deductions required by
59 this chapter, is greater than or equal to the designated contribution. If
60 the refund due, as determined upon initial processing, and after any
61 deductions required by this chapter, is less than the designated
62 contribution, the contribution shall be made in the full amount of the
63 refund. The Commissioner of Revenue Services shall subtract the
64 amount of any contribution of all or part of any refund from the
65 amount of the refund initially found due the taxpayer and shall certify
66 the difference to the Secretary of the Office of Policy and Management
67 and the Treasurer for payment to the taxpayer in accordance with this
68 chapter. For the purposes of any subsequent determination of the
69 taxpayer's net tax payment, such contribution shall be considered a
70 part of the refund paid to the taxpayer.

71 (d) Except for any funds collected for purposes of subdivision (6) of
72 subsection (a) of this section, the Commissioner of Revenue Services,
73 after notification of and approval by the Secretary of the Office of
74 Policy and Management, may deduct and retain from the remaining
75 funds so collected an amount equal to the costs of implementing this
76 section and sections 17b-288, 19a-32a, 22a-27l, 19a-32b₂ [and] 17b-112f
77 and section 2 of this act but not to exceed seven and one-half per cent
78 of the funds contributed in any fiscal year and in no event shall exceed
79 the total cost of implementation of said sections.

80 Sec. 2. (NEW) (*Effective July 1, 2016*) There is established an account
81 to be known as the "support Connecticut arts and culture account"
82 which shall be a separate, nonlapsing account within the General
83 Fund. Any moneys collected under the contribution system established
84 under section 12-743 of the general statutes, as amended by this act,
85 shall be deposited by the Commissioner of Revenue Services into the
86 account. The account may also receive moneys from public and private

87 sources or from the federal government. All moneys deposited in the
88 account shall be used by the Department of Economic and Community
89 Development or persons acting under a contract with the department
90 to (1) encourage participation in and promotion, development,
91 acceptance and appreciation of artistic and cultural activities,
92 including, but not limited to, music, theater, dance, painting, sculpture,
93 architecture, literature, film and allied arts and crafts, and (2) promote
94 the income tax contribution system and the support Connecticut arts
95 and culture account in accordance with this section and section 12-743
96 of the general statutes, as amended by this act. Expenditures from the
97 account in any fiscal year for the promotion of the income tax
98 contribution system or the account shall not exceed ten per cent of the
99 amount of moneys raised during the previous fiscal year, provided
100 such limitation shall not apply to an expenditure of not more than
101 fifteen thousand dollars from the account on or before July 1, 2017, to
102 reimburse expenditures made on or before said date, with prior
103 written authorization of the Commissioner of Economic and
104 Community Development, by private organizations to promote the
105 income tax contribution system and the account.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2016</i>	12-743
Sec. 2	<i>July 1, 2016</i>	New section