



General Assembly

January Session, 2017

Committee Bill No. 273

LCO No. 6162



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT EXEMPTING CERTAIN PERSONAL PROPERTY AND SERVICES PURCHASED OR USED BY A WATER COMPANY FROM THE SALES AND USE TAXES.

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

1 Section 1. Section 12-412 of the general statutes is amended by
2 adding subdivision (122) as follows (*Effective July 1, 2017, and applicable*
3 *to sales occurring on or after July 1, 2017*):

4 (NEW) (122) Sales of and the storage, use or other consumption of
5 any personal property or any services to a water company, as defined
6 in section 16-1, for use in maintaining, operating, managing or
7 controlling any pond, lake, reservoir, stream, well or distributing plant
8 or system employed for the purpose of supplying water to fifty or
9 more consumers.

10 Sec. 2. Section 12-412 of the general statutes, as amended by section
11 202 of public act 16-3 of the May special session, is repealed and the
12 following is substituted in lieu thereof (*Effective July 1, 2018*):

13 Taxes imposed by this chapter shall not apply to the gross receipts

14 from the sale of and the storage, use or other consumption in this state
15 with respect to the following items:

16 (1) (A) Sales of tangible personal property or services to the United
17 States, the state of Connecticut or any of the political subdivisions
18 thereof, or its or their respective agencies; (B) sales of tangible personal
19 property or services used to develop property which the state of
20 Connecticut is under contract to purchase through a long-term
21 financing contract; (C) sales and use of any services or tangible
22 personal property to be incorporated into or used or otherwise
23 consumed in (i) the demolition, remediation or preparation of the
24 Adriaen's Landing site and the stadium facility site for purposes of the
25 overall project, each as defined in section 32-651, (ii) the construction of
26 the convention center, the Connecticut Center for Science and
27 Exploration, the stadium facility and the related parking facilities and
28 site preparation and infrastructure improvements, each as defined in
29 section 32-651, or (iii) the construction of any future capital
30 improvement to the convention center, the stadium facility or the
31 related parking facilities.

32 (2) Sales of tangible personal property or services which this state is
33 prohibited from taxing under the Constitution or laws of the United
34 States.

35 (3) (A) The sale, furnishing or service of gas, including bottled gas,
36 and electricity when delivered to consumers through mains, lines,
37 pipes or bottles for use (i) in any residential dwelling or (ii) directly in
38 agricultural production, fabrication of a finished product to be sold or
39 an industrial manufacturing plant, provided the exemption under this
40 subdivision (ii) shall only be allowed with respect to a metered
41 building, location or premise at which not less than seventy-five per
42 cent of the gas, including bottled gas, or electricity consumed at such
43 metered building, location or premise is used for the purpose of such
44 production, fabrication or manufacturing. Bottled gas as used in this
45 subsection means L.P. (propane) gas.

46 (B) The sale or furnishing of telephone service and community
47 antenna television and cable service, provided the exemption for
48 services described in this subparagraph shall not be applicable to any
49 such service rendered on or after January 1, 1990.

50 (C) The sale, furnishing or service of water, steam and telegraph
51 when delivered to consumers through mains, lines, pipes or bottles.

52 (D) The sale or furnishing of electricity, not subject to the exemption
53 under subparagraph (A) of this subsection, with respect to that portion
54 of the charges applicable to such electricity for any month of service
55 which is not in excess of one hundred fifty dollars.

56 (E) The sale, furnishing or service of gas, water, steam or electricity
57 for use directly in the furnishing of gas, water, steam or electricity
58 delivered to consumers through mains, lines or pipes.

59 (4) Sales of and the storage, use or other consumption of medicine
60 only by prescription as defined by federal or state law, including such
61 medicine provided for no consideration and the sales of syringes and
62 needles only by prescription. Sales of and the storage, use or other
63 consumption of materials, including materials used in packaging,
64 which become an ingredient or component part of medicine only by
65 prescription, as defined by federal or state law.

66 (5) (A) Sales of tangible personal property or services to and by
67 nonprofit charitable hospitals in this state, nonprofit nursing homes,
68 nonprofit rest homes and nonprofit residential care homes licensed by
69 the state pursuant to chapter 368v for the exclusive purposes of such
70 institutions except any such service transaction as described in
71 subparagraph (N) or (EE) of subdivision (37) of subsection (a) of
72 section 12-407.

73 (B) Sales of tangible personal property by any organization that is
74 exempt from federal income tax under Section 501(a) of the Internal
75 Revenue Code of 1986, or any subsequent corresponding internal

76 revenue code of the United States, as from time to time amended, and
77 that the United States Treasury Department has expressly determined,
78 by letter, to be an organization that is described in Section 501(c)(3) of
79 said internal revenue code, which sales are made on the premises of a
80 hospital.

81 (C) The sales of tangible personal property or services to and by an
82 acute care hospital, operating as a sole community hospital in this state
83 for the exclusive purposes of such sole community hospital. For
84 purposes of this subparagraph, "sole community hospital" has the
85 same meaning as "sole community hospital", as described in 42 CFR
86 412.92, as amended from time to time.

87 (6) Repealed by P.A. 03-2, S. 58.

88 (7) Former subsection (g) repealed by P.A. 80-71, S. 21, 30.

89 (8) Sales of tangible personal property or services to any
90 organization that is exempt from federal income tax under Section
91 501(a) of the Internal Revenue Code of 1986, or any subsequent
92 corresponding internal revenue code of the United States, as from time
93 to time amended, and that the United States Treasury Department has
94 expressly determined, by letter, to be an organization that is described
95 in Section 501(c)(3) or (13) of said internal revenue code. At the time of
96 the sale that is exempt under this subsection, the organization shall, in
97 order to qualify for said exemption, do one of the following: (A)
98 Present to the retailer (i) a copy of the United States Treasury
99 Department determination letter that was issued to such organization
100 and (ii) a certificate, in such form as the commissioner may prescribe,
101 certifying that a United States Treasury Department determination
102 letter has been issued to such organization and has not been revoked
103 and that the tangible personal property or services that are being
104 purchased from the retailer by such organization are to be used or
105 consumed exclusively for the purposes for which such organization
106 was established or (B) present to the retailer (i) a copy of the exemption
107 permit that was issued pursuant to this subsection by the

108 commissioner to such organization before July 1, 1995, after a
109 determination of eligibility by the commissioner and (ii) a certificate, in
110 such form as the commissioner may prescribe, certifying that an
111 exemption permit was issued pursuant to this subsection by the
112 commissioner to such organization before July 1, 1995, and was not
113 revoked and that the tangible personal property or services that are
114 being purchased from the retailer by such organization are to be used
115 or consumed exclusively for the purposes for which the organization
116 was established. The organization shall be liable for the tax otherwise
117 imposed if such tangible personal property or services are not used or
118 consumed exclusively for the purposes for which the organization was
119 established.

120 (9) Sales of food products, meals, candy, confectionery and
121 beverages, except alcoholic beverages, in a student cafeteria, dining-
122 hall, dormitory, fraternity or sorority maintained in a private, public or
123 parochial school, college or university, to members of such institutions
124 or organizations, including all sales of such items to such members at
125 such institutions or organizations using prepaid meal plan cards or
126 arrangements; and sales of food products, meals, candy, confectionery
127 and beverages to patients, residents or care recipients in hospitals,
128 residential care homes, assisted living facilities, senior centers, day care
129 centers, convalescent homes, nursing homes and rest homes.

130 (10) Repealed by June Sp. Sess. P.A. 91-3, S. 166, 168.

131 (11) Professional, insurance or personal service transactions, except
132 any such service transaction described in subdivision (2) of subsection
133 (a) of section 12-407, which involve sales as inconsequential elements
134 for which no separate charges are made.

135 (12) Repealed by June Sp. Sess. P.A. 91-3, S. 166, 168.

136 (13) Sales of food products for human consumption. "Food
137 products" include cereals and cereal products, milk and milk products,
138 oleomargarine, meat and meat products, fish and fish products, eggs

139 and egg products, vegetables and vegetable products, fruit and fruit
140 products, spices and salt, sugar and sugar products other than candy
141 and confectionery; coffee and coffee substitutes, tea, cocoa and cocoa
142 products other than candy and confectionery. "Food products" do not
143 include spirituous, malt or vinous liquors, soft drinks, sodas or
144 beverages such as are ordinarily dispensed at bars and soda fountains,
145 or in connection therewith, medicines except by prescription, tonics
146 and preparations in liquid, powdered, granular, tablet, capsule,
147 lozenge and pill form sold as dietary supplements or adjuncts. "Food
148 products" also do not include meals sold by an eating establishment or
149 caterer. "Meal" means food products which are furnished, prepared or
150 served in such a form and in such portions that they are ready for
151 immediate consumption. A meal as defined in this subsection includes
152 food products which are sold on a "take out" or "to go" basis and which
153 are actually packaged or wrapped. The sale of a meal, as defined in
154 this subsection, is a taxable sale. "Eating establishment" means a place
155 where meals are sold and includes a restaurant, cafeteria, grinder shop,
156 pizzeria, drive-in, fast food outlet, ice cream truck, hot dog cart,
157 refreshment stand, sandwich shop, private or social club, cocktail
158 lounge, tavern, diner, snack bar, or hotel or boarding house which
159 furnishes both lodging and meals to its guests.

160 (14) (A) Nonreturnable containers and returnable dairy product
161 containers when sold without the contents to persons who place the
162 contents in the container and sell the contents together with the
163 container; (B) containers when sold with the contents if the sales price
164 of the contents is not required to be included in the measure of the
165 taxes imposed by this chapter; (C) returnable containers when sold
166 with the contents in connection with a retail sale of the contents or
167 when resold for refilling. As used herein, "returnable containers"
168 means containers of a kind customarily returned by the buyer of the
169 contents for reuse, but does not mean nonrefillable beverage
170 containers, as defined in subdivision (10) of section 22a-243. All other
171 containers are "nonreturnable containers". Nothing in this subsection
172 shall be construed so as to tax the gross receipts from the sale of or the

173 storage, use or other consumption in this state of bags in which feed
174 for livestock and poultry, as defined in subdivision (12) of this section,
175 is customarily contained.

176 (15) Sales of and the storage, use or other consumption in this state
177 of motor vehicle fuel (A) for use in any motor vehicle licensed or
178 required to be licensed to operate upon the public highways of this
179 state, whether or not the tax imposed under chapter 221 has been paid
180 on such fuel, or (B) for any other use, if the tax imposed under chapter
181 221 has been paid on such fuel and has not been refunded under the
182 provisions of chapter 221.

183 (16) Sales of fuel used for heating purposes (i) in any residential
184 dwelling or (ii) in any building, location or premise utilized directly in
185 agricultural production, fabrication of a finished product to be sold or
186 an industrial manufacturing plant, provided the exemption under this
187 subdivision (ii) shall only be allowed with respect to a building,
188 location or premise in which not less than seventy-five per cent of the
189 fuel used in such building, location or premise is used for the purpose
190 of such production, fabrication or manufacturing.

191 (17) Former subsection (q) repealed by P.A. 83-18, S. 4, 5.

192 (18) Sales of and the storage or use of materials, rope, fishing nets,
193 tools and fuel or any substitute therefor, which become an ingredient
194 or component part of tangible personal property to be sold or which
195 are used directly in the fishing industry or in an industrial plant in the
196 actual fabrication of the finished product to be sold. Sales of and the
197 storage or use of materials, tools and fuel or any substitute therefor,
198 when such products are used directly in the furnishing of power to an
199 industrial manufacturing plant or in the furnishing of gas, water,
200 steam or electricity when delivered to consumers through mains, lines
201 or pipes.

202 (19) Sales of and the storage, use or other consumption of (A)
203 oxygen, blood or blood plasma when sold for medical use in humans

204 or animals; (B) artificial devices individually designed, constructed or
205 altered solely for the use of a particular handicapped person so as to
206 become a brace, support, supplement, correction or substitute for the
207 bodily structure, including the extremities of the individual, and repair
208 or replacement parts and repair services rendered to property
209 described in this subparagraph; (C) artificial limbs, artificial eyes and
210 other equipment worn as a correction or substitute for any functioning
211 portion of the body, custom-made wigs or hairpieces for persons with
212 medically diagnosed total and permanent hair loss as a result of
213 disease or the treatment of disease, artificial hearing aids when
214 designed to be worn on the person of the owner or user, closed circuit
215 television equipment used as a reading aid by persons who are
216 visually impaired and repair or replacement parts and repair services
217 rendered to property described in this subparagraph; (D) canes,
218 crutches, walkers, wheel chairs and inclined stairway chairlifts for the
219 use of invalids and handicapped persons, and repair or replacement
220 parts and repair services to property described in this subparagraph;
221 (E) any equipment used in support of or to supply vital life functions,
222 including oxygen supply equipment used for humans or animals,
223 kidney dialysis machines and any other such device used in necessary
224 support of vital life functions, and apnea monitors, and repair or
225 replacement parts and repair services rendered to property described
226 in this subparagraph; and (F) support hose that is specially designed to
227 aid in the circulation of blood and is purchased by a person who has a
228 medical need for such hose. Repair or replacement parts are exempt
229 whether purchased separately or in conjunction with the item for
230 which they are intended, and whether such parts continue the original
231 function or enhance the functionality of such item. As used in this
232 subdivision, "repair services" means services that are described in
233 subparagraph (Q) or (CC) of subdivision (37) of subsection (a) of
234 section 12-407.

235 (20) Sales of and the storage, use or other consumption, by a
236 manufacturer of aircraft located in this state, of flyable aircraft
237 complete with necessary equipment and modifications, but not

238 separate engines and parts thereof, sold to persons taking delivery and
239 using such aircraft as certificated or licensed carriers of persons or
240 property in interstate or foreign commerce under authority of the laws
241 of the United States or any foreign government, or sold to any foreign
242 government for use by such government outside of this state, or sold to
243 persons who are not residents of this state and who will not use such
244 aircraft in this state otherwise than in the removal of such aircraft from
245 this state.

246 (21) Sales of and the storage, use or other consumption of tangible
247 personal property acquired for incorporation into or used and
248 consumed in the operation of facilities for the treatment of industrial
249 waste before the discharge thereof into any waters of the state or into
250 any sewerage system emptying into such waters, the primary purpose
251 of which is the reduction, control or elimination of pollution of such
252 waters, certified as approved for such purpose by the Commissioner of
253 Energy and Environmental Protection. For the purposes of this
254 subdivision "industrial waste" means any harmful thermal effect or
255 any liquid, gaseous or solid substance or combination thereof resulting
256 from any process of industry, manufacture, trade or business or from
257 the development or recovery of any natural resource.

258 (22) Sales of and the storage, use or other consumption of tangible
259 personal property or supplies acquired for incorporation into or used
260 and consumed in the operation of facilities, the primary purpose of
261 which is the reduction, control or elimination of air pollution, certified
262 as approved for such purpose by the Commissioner of Energy and
263 Environmental Protection. Said commissioner may certify to a portion
264 of such tangible personal property or supplies acquired for
265 incorporation into such facilities to the extent that such portion shall
266 have as its primary purpose the reduction, control or elimination of air
267 pollution.

268 (23) Sales of United States and Connecticut state flags.

269 (24) Sales of municipal publications such as information booklets

270 and zoning regulations, tangible personal property sold by public
271 libraries, the sale of any property at auction by a municipality, and
272 book sales by library support groups.

273 (25) Repealed by P.A. 95-359, S. 18.

274 (26) Sales of items for not more than twenty dollars each by any
275 Connecticut eleemosynary organization, for purposes of youth
276 activities which such organization is formed to sponsor and support,
277 and by any accredited elementary or secondary school for purposes of
278 such school or of organized activities of the students enrolled therein.

279 (27) (A) Sales of any items for fifty cents or less from vending
280 machines; or (B) notwithstanding the provisions of subdivision (13) of
281 this section, meals sold through coin-operated vending machines or at
282 unattended "honor boxes".

283 (28) Repealed by June Sp. Sess. P.A. 91-3, S. 166, 168.

284 (29) (A) Sales of and the storage, use or other consumption of
285 tangible personal property acquired for incorporation into or used and
286 consumed in the operation of housing facilities for low and moderate
287 income families and persons and sales of and the acceptance, use or
288 other consumption of any service described in subdivision (2) of
289 section 12-407 that is used and consumed in the development,
290 construction, rehabilitation, renovation, repair or operation of housing
291 facilities for low and moderate income families and persons, provided
292 such facilities are constructed under the sponsorship of and owned or
293 operated by nonprofit housing organizations or housing authorities, as
294 defined in subsection (b) of section 8-39. The nonprofit housing
295 organization or housing authority sponsoring the construction of or
296 owning or operating such housing facility shall obtain from the
297 commissioner a letter of determination that the housing facility has, to
298 the satisfaction of said commissioner, met all the requirements for
299 exemption under this subsection. At the time of any sale or purchase
300 that is exempt under this subsection, the purchaser shall present to the

301 retailer a copy of the determination letter that was issued to the
302 nonprofit housing organization or housing authority together with a
303 certificate from the purchaser, in such form as the commissioner may
304 prescribe, certifying that the tangible personal property or services that
305 are being purchased from the retailer are to be used or consumed
306 exclusively for the purposes of incorporation into or in the
307 development, construction, rehabilitation, renovation, repair or
308 operation of the housing facility identified in the letter of
309 determination. For the purposes of this subsection, (i) "nonprofit
310 housing organization" means any organization which has as one of its
311 purposes the development, construction, sponsorship or ownership of
312 housing for low and moderate income families as stated in its charter,
313 if it is incorporated, or its constitution or bylaws, if it is
314 unincorporated, and which has received exemption from federal
315 income tax under the provisions of Section 501(c) of the Internal
316 Revenue Code, as amended from time to time, provided the charter of
317 such organization, if it is incorporated, or its constitution or bylaws, if
318 unincorporated, shall contain a provision that no officer, member or
319 employee thereof shall receive or at any future time may receive any
320 pecuniary profit from the operation thereof, except a reasonable
321 compensation for services in effecting the purposes of the
322 organization; (ii) "housing facilities" means facilities having as their
323 primary purpose the provision of safe and adequate housing and
324 related facilities for low and moderate income families and persons,
325 notwithstanding that said housing provides other dwelling
326 accommodations in addition to the primary purpose of providing
327 dwelling accommodations for low and moderate income families; (iii)
328 "related facilities" means those facilities defined in subsection (d) of
329 section 8-243; and (iv) "low and moderate income families" means
330 those families as defined in subsection (h) of said section 8-243.

331 (B) Sales of and the acceptance, use or other consumption of any
332 service described in subdivision (2) of section 12-407 that is used or
333 consumed in the development, construction, renovation or operation
334 of housing facilities for low and moderate income families and

335 persons, provided such facilities are owned or sponsored by a mutual
336 housing association, as defined in subsection (b) of section 8-214f, and
337 operated as mutual housing by such association at a location that was
338 conveyed to such association by the United States Secretary of
339 Housing and Urban Development prior to September 1, 1995.

340 (30) Sales and storage of any commodity in the form traded on any
341 contract market or other board of trade as defined in the Commodity
342 Exchange Act, as amended, provided this exemption shall not apply to
343 any commodity subsequently converted to use by a purchaser and in
344 such event such purchaser shall be liable for the tax under section 12-
345 411 unless otherwise exempt under any of the provisions of this
346 section.

347 (31) Sales of any printed material which has been manufactured in
348 Connecticut to the special order of a purchaser and which, within
349 thirty days following delivery to such purchaser, is to be delivered for
350 use outside Connecticut, provided such purchaser presents written
351 certification to the seller when such material is received by such
352 purchaser that such material shall be delivered for use outside
353 Connecticut within thirty days.

354 (32) Repealed by June Sp. Sess. P.A. 91-3, S. 166, 168 and June Sp.
355 Sess. P.A. 91-14, S. 27, 30.

356 (33) Former subsection (gg) repealed by P.A. 84-507, S. 3, 4.

357 (34) Sales of and the storage, use or other consumption of machinery
358 used directly in a manufacturing production process. The word
359 "machinery" as used in this subsection means the basic machine itself,
360 and includes all of its component parts and contrivances, such as belts,
361 pulleys, shafts, moving parts, operating structures and equipment or
362 devices, which component parts and contrivances are used or required
363 to control, regulate or operate the machinery or to enhance or alter its
364 productivity or functionality, whether such component parts and
365 contrivances are purchased separately or in conjunction with such

366 machine and all replacement and repair parts for the basic machine or
367 for its component parts and contrivances, whether such replacement or
368 repair parts are purchased separately or in conjunction with such
369 machine. For the purposes of this subsection, "machinery" includes
370 machinery used exclusively to control or monitor an activity occurring
371 during the manufacturing production process and machinery used
372 exclusively during the manufacturing production process to test or
373 measure materials and products being manufactured but shall not
374 include office equipment or data processing equipment other than
375 numerically controlled machinery used directly in the manufacturing
376 process.

377 (35) Sales of tangible personal property or services to any center of
378 service for elderly persons as described in subdivision (d) of section
379 17a-310.

380 (36) The sale of any motor vehicle driving service to the extent of
381 that proportionate part of gross receipts from such service rendered
382 which is directly related to actual driving performance outside the
383 state.

384 (37) Sales of and the storage, use or other consumption of any fuel
385 with respect to which the tax imposed under chapter 221 has been
386 refunded under subdivision (11) of subsection (a) of section 12-459.

387 (38) Sales of and the storage, use or other consumption of any
388 equipment designed exclusively for use by persons who are deaf or
389 blind for purposes of communication by telephone.

390 (39) Repealed by June Sp. Sess. P.A. 91-3, S. 166, 168.

391 (40) (A) Sales of and the storage, use or other consumption of any
392 vessel exclusively for use in commercial fishing and any machinery or
393 equipment exclusively for use on a commercial fishing vessel by a
394 fisherman engaged in commercial fishing as a trade or business and to
395 whom the Department of Revenue Services has issued a fisherman tax

396 exemption permit, provided (i) for the immediately preceding taxable
397 year, or (ii) on average, for the two immediately preceding taxable
398 years, not less than fifty per cent of the gross income of the purchaser,
399 as reported for federal income tax purposes, was derived from
400 commercial fishing, subject to proof satisfactory to the Commissioner
401 of Revenue Services.

402 (B) (i) The Commissioner of Revenue Services may issue a
403 fisherman tax exemption permit to an applicant, provided such
404 applicant has satisfied the commissioner that the applicant intends to
405 carry on commercial fishing as a trade or business for at least two
406 years, notwithstanding the fact that the applicant was not engaged in
407 commercial fishing as a trade or business in the immediately preceding
408 taxable year or, if the applicant was engaged in commercial fishing as a
409 trade or business in such immediately preceding taxable year,
410 notwithstanding the fact that, for such immediately preceding taxable
411 year, or, on average, for the two immediately preceding taxable years,
412 less than fifty per cent of the gross income of the applicant, as reported
413 for federal income tax purposes, was derived from commercial fishing.

414 (ii) Such applicant shall be liable for the tax otherwise imposed,
415 during the period commencing upon the issuance of the permit and
416 ending two years after the date of issuance of the permit, if commercial
417 fishing is not carried on as a trade or business by such applicant
418 during such entire period.

419 (iii) Such applicant shall also be liable for the tax otherwise
420 imposed, during the period commencing upon the issuance of the
421 permit and ending two years after the date of issuance of the permit, if
422 less than fifty per cent of the gross income of such applicant, as
423 reported for federal income tax purposes, was derived from such
424 commercial fishing for the immediately preceding taxable year, or, on
425 average, for the two immediately preceding taxable years.

426 (iv) Any applicant liable for tax under clause (ii) or (iii) of this
427 subparagraph shall not be eligible to be issued another permit under

428 clause (i) of this subparagraph.

429 (C) The Commissioner of Revenue Services may issue a fisherman
430 tax exemption permit to an applicant, notwithstanding the fact that, in
431 the applicant's immediately preceding taxable year, less than fifty per
432 cent of the gross income of the applicant, as reported for federal
433 income tax purposes, was derived from commercial fishing, provided
434 (i) such applicant purchased, during the applicant's current or
435 immediately preceding taxable year, a commercial fishing trade or
436 business from a seller who was issued a fisherman tax exemption
437 permit by said commissioner at the time of such purchase, and (ii) such
438 commercial fishing shall be carried on as a trade or business by such
439 applicant during the period commencing upon the purchase and
440 ending two years after the date of purchase. Such applicant shall be
441 liable for the tax otherwise imposed, during the period commencing
442 upon such purchase and ending two years after the date of purchase, if
443 such applicant does not carry on such commercial fishing as a trade or
444 business during the period commencing upon such purchase and
445 ending two years after the date of purchase.

446 (D) For purposes of this subdivision, "commercial fishing vessel"
447 shall include any vessel with a certificate of documentation issued by
448 the United States Coast Guard for coastwise fishery.

449 (41) Sales of services used to determine the probable consequences
450 in relation to human health of the consumption or other use of any
451 product, substance or element.

452 (42) Repealed by P.A. 85-240, S. 5, 6.

453 (43) Sales of any replacement parts for machinery to any business
454 entity located in any enterprise zone designated pursuant to section
455 32-70 for use within such zone.

456 (44) (A) Sales of and the storage, use or other consumption of any
457 filmed and taped television and radio programs and any materials

458 which become an ingredient or component part of films or tapes which
459 are used directly in the production and transmission of finished
460 programs (i) broadcast to the general public by a television or radio
461 station or (ii) used on or after October 1, 1986, for purposes of
462 accredited medical or surgical training, including any equipment used
463 for such purpose; (B) sales of and the storage, use, rental, lease or other
464 consumption of any motion picture or video production equipment or
465 sound recording equipment purchased or leased for use in this state
466 for production activities which become an ingredient or component
467 part of any master tapes, records, video tapes or film produced for
468 commercial entertainment, commercial advertising or commercial
469 educational purposes; or (C) sales of and the storage, use, rental or
470 lease of equipment, including, but not limited to, antennas used
471 directly in the production or broadcast of programs to the general
472 public by a television or radio station.

473 (45) Sales of and the storage or use of rare or antique coins, gold or
474 silver bullion and gold or silver legal tender of any nation, traded
475 according to its value as precious metal, provided such exemption
476 shall not be applicable with respect to any such sale, storage or use in
477 which the total value of such bullion or legal tender sold by the retailer
478 is less than one thousand dollars.

479 (46) Sales of home delivered meals to elderly, disabled and other
480 homebound persons.

481 (47) Repealed by P.A. 11-6, S. 166.

482 (48) Repealed by P.A. 11-6, S. 166.

483 (49) Any payment made by a lessee of a motor vehicle to a lessor for
484 the purpose of paying the property taxes on any such vehicle under a
485 lease which is otherwise subject to the taxes imposed by this chapter if
486 such lease requires the lessee to pay such property taxes and if a
487 separate statement of the amount of any such property tax payment is
488 contained in such lease or in any bill rendered pursuant to such lease.

489 (50) The leasing or rental of any motion picture film by the owner or
490 operator of a motion picture theater for purposes of display at such
491 theater.

492 (51) Repealed by P.A. 89-251, S. 202, 203.

493 (52) Repealed by P.A. 11-6, S. 166.

494 (53) Sales of certain disposable pads prepared for use in the manner
495 of a diaper or as an underpad, and commonly used by persons who
496 are incontinent.

497 (54) Sales of test strips and tablets, lancets and glucose monitoring
498 equipment for purposes of certain tests and monitoring required in the
499 care of diabetes and repair or replacement parts for such equipment,
500 whether such repair or replacements parts are purchased separately or
501 in conjunction with the sale of such equipment, and whether such
502 parts continue the original function or enhance the functionality of
503 such equipment.

504 (55) Sales of (A) tangible personal property by any funeral
505 establishment performing the primary services in preparation for and
506 the conduct of burial or cremation, provided any such property must
507 be used directly in the performance of such services and the total
508 amount of such exempt sales with respect to any single funeral may
509 not exceed two thousand five hundred dollars, or (B) caskets used for
510 burial or cremation.

511 (56) Sales of items for not more than one hundred dollars each by
512 any nursing home, rest home, residential care home, convalescent
513 home or any adult day care center approved for such purpose by the
514 Commissioner of Social Services, provided (1) such sales are made
515 through a gift shop located in such home or center and (2) any profits
516 from such sales are retained by such home or center for the benefit of
517 the patients, in the case of any such home, or persons using any such
518 adult day care center.

519 (57) Sales of any items purchased with supplemental nutrition
520 assistance program benefits.

521 (58) (A) Sales of any services rendered for purposes of (i) personnel
522 services, (ii) commercial or industrial marketing, development, testing
523 or research services, or (iii) business analysis and management
524 services, whenever, pursuant to a joint venture agreement, the
525 recipient of any such services is either a corporation, a partnership, or
526 a limited liability company, and such services are rendered by one or
527 more corporate shareholders, or a corporate partner or corporate
528 member in such joint venture, and in accordance with which, except as
529 provided in subparagraph (B) of this subdivision, the company
530 rendering such service must have an ownership interest equivalent to
531 not less than twenty-five per cent of total ownership in such joint
532 venture, provided (I) the purpose of such joint venture is directly
533 related to production or development of new or experimental products
534 or systems and the marketing and support thereof, (II) at least one of
535 the corporations participating in such joint venture shall have been
536 actively engaged in business in this state for not less than ten years,
537 and (III) exemption for such sales in accordance with this subsection,
538 with respect to any single joint venture, shall not be allowed for a
539 period in excess of twenty consecutive years from the date of such
540 venture's incorporation, formation or organization, or in the case of a
541 joint venture in existence prior to January 1, 1986, within the aircraft
542 industry, for a period in excess of forty consecutive years, and such
543 exemption shall be applicable to sales of such services rendered on or
544 after January 1, 1986.

545 (B) In the case of a joint venture in the aircraft industry, the
546 ownership interest percentage of each participant in such joint venture
547 shall be equal to the aggregate ownership interest percentage owned
548 directly or indirectly by every participant in such venture that is a
549 related member, as defined in subsection (a) of section 12-218c.

550 (59) Sales of and the storage, use or other consumption of any

551 aviation fuel used exclusively and directly in the experimental testing
552 of any product.

553 (60) The sale of any motor vehicle or vessel, as defined in section 15-
554 127, in this state when the purchaser of such motor vehicle or vessel is
555 not a resident of this state and does not maintain a permanent place of
556 abode in this state, provided such motor vehicle or vessel is not
557 presented for registration with the Department of Motor Vehicles in
558 this state and such purchaser submits a declaration, prescribed as to
559 form by the commissioner and bearing notice to the effect that false
560 statements made in such declaration are punishable, or other evidence
561 as may be requested by the Commissioner of Revenue Services
562 concerning such purchaser's residency or place of abode.

563 (61) Repealed by June Sp. Sess. P.A. 91-3, S. 166, 168.

564 (62) (A) Sales of any of the services enumerated in subparagraph (I),
565 (K) or (L) of subdivision (2) of subsection (a) of section 12-407 that are
566 rendered for a business entity affiliated with the business entity
567 rendering such service in such manner that (i) either business entity in
568 such transaction owns a controlling interest in the other business
569 entity, or (ii) a controlling interest in each business entity in such
570 transaction is owned by the same person or persons or business entity
571 or business entities.

572 (B) For purposes of this subdivision, (i) "business entity" means a
573 corporation, trust, estate, partnership, limited partnership, limited
574 liability partnership, limited liability company, single member limited
575 liability company, sole proprietorship, nonstock corporation or a
576 federally-recognized Indian tribe; (ii) "controlling interest" means, in
577 the case of a business entity that is a corporation, ownership of stock
578 possessing one hundred per cent of the total combined voting power
579 of all classes of stock entitled to vote or one hundred per cent of the
580 total value of shares of all classes of stock of such corporation; in the
581 case of a business entity that is a trust or estate, ownership of a
582 beneficial interest of one hundred per cent in such trust or estate; in the

583 case of a business entity that is a partnership, limited partnership or
584 limited liability partnership, ownership of one hundred per cent of the
585 profits interest or capital interest in such partnership, limited
586 partnership or limited liability partnership; in the case of a limited
587 liability company with more than one member, ownership of one
588 hundred per cent of the profits interest, capital interest or membership
589 interests in such limited liability company; in the case of a business
590 entity that is a sole proprietorship or single member limited liability
591 company, ownership of such sole proprietorship or single member
592 limited liability company; in the case of a business entity that is a
593 nonstock corporation with voting members, control of one hundred
594 per cent of all voting membership interests in such corporation; and in
595 the case of a business entity that is a nonstock corporation with no
596 voting members, control of one hundred per cent of the board of
597 directors of such corporation; (iii) whether a controlling interest in a
598 business entity is owned shall be determined in accordance with
599 Section 267 of the Internal Revenue Code of 1986, or any subsequent
600 corresponding internal revenue code of the United States, as from time
601 to time amended, provided where a controlling interest is owned in a
602 business entity other than a stock corporation, the term "stock" as used
603 in said Section 267 of the Internal Revenue Code means, in the case of a
604 partnership, limited partnership, limited liability partnership or
605 limited liability company treated as a partnership for federal income
606 tax purposes, the profits interest or capital interest in such partnership,
607 in the case of a business entity that is a trust or estate, the beneficial
608 interests in such trust or estate, and in the case of a business entity that
609 is a nonstock corporation, the voting membership interests in such
610 corporation, or if it has no voting members, the control of the board of
611 directors; (iv) a business entity has "control of" the board of directors of
612 a nonstock corporation if one hundred per cent of the voting members
613 of the board of directors are either representatives of, including ex-
614 officio directors, or persons appointed by such business entity, or
615 "control of" one hundred per cent of the voting membership interests
616 in a nonstock corporation if one hundred per cent of the voting

617 membership interests are held by the business entity or by
618 representatives of, including ex-officio members, or persons appointed
619 by such business entity.

620 (63) (A) Sales of and the storage, use or other consumption of
621 tangible personal property exclusively for use in agricultural
622 production, as defined in this subsection, by a farmer engaged in
623 agricultural production as a trade or business and to whom the
624 Department of Revenue Services has issued a farmer tax exemption
625 permit, provided such farmer's gross income from such agricultural
626 production, as reported for federal income tax purposes, shall have
627 been (i) not less than two thousand five hundred dollars for the
628 immediately preceding taxable year, or (ii) on average, not less than
629 two thousand five hundred dollars for the two immediately preceding
630 taxable years.

631 (B) The Commissioner of Revenue Services shall adopt regulations
632 in accordance with chapter 54 requiring periodic registration for
633 purposes of the issuance of farmer tax exemption permits, including (i)
634 a procedure related to the application for such permit, such application
635 to include a declaration, prescribed as to form by the Commissioner of
636 Revenue Services and bearing notice to the effect that false statements
637 made in such declaration are punishable, to be signed by the applicant,
638 and (ii) a form of notice concerning the penalty for misuse of such
639 permit.

640 (C) As used in this subsection, (i) "agricultural production" means
641 engaging, as a trade or business, in (I) the raising and harvesting of
642 any agricultural or horticultural commodity, (II) dairy farming, (III)
643 forestry, (IV) the raising, feeding, caring for, shearing, training or
644 management of livestock, including horses, bees, poultry, fur-bearing
645 animals or wildlife or (V) the raising and harvesting of fish, oysters,
646 clams, mussels or other molluscan shellfish; and (ii) "farmer" means
647 any person engaged in agricultural production as a trade or business.

648 (D) The Department of Revenue Services may issue a farmer tax

649 exemption permit to a farmer, notwithstanding the fact that, in the
650 farmer's immediately preceding taxable year, such farmer's gross
651 income from agricultural production engaged in as a trade or business
652 may have been less than two thousand five hundred dollars, provided
653 (i) such farmer purchased, during such farmer's current or
654 immediately preceding taxable year, an agricultural trade or business
655 from a seller who was issued a farmer tax exemption permit by such
656 department at the time of such purchase and such agricultural
657 production shall be carried on as a trade or business by such purchaser
658 during the period commencing upon the purchase and ending two
659 years after the date of purchase. Such purchaser shall be liable for the
660 tax otherwise imposed, during the period commencing upon such
661 purchase and ending two years after the date of purchase, if such
662 agricultural production is not carried on as a trade or business by such
663 purchaser during the period commencing upon such purchase and
664 ending two years after the date of purchase; or (ii) such farmer is a
665 veteran, as defined in section 27-103, who has never owned or leased
666 property for the purpose of commercial agricultural production or
667 who has owned or leased property for the purpose of commercial
668 agricultural production for less than two years. Such veteran farmer
669 shall be liable for the tax otherwise imposed, during the period
670 commencing upon issuance of a farmer tax exemption permit pursuant
671 to this subparagraph and ending two years after the date of such
672 issuance, if such agricultural production is not carried on as a trade or
673 business by such veteran farmer during the period commencing upon
674 such issuance and ending two years after the date of such issuance.

675 (E) (i) The Department of Revenue Services, under such regulations
676 as the Commissioner of Revenue Services may adopt in accordance
677 with the provisions of chapter 54, may issue a farmer tax exemption
678 permit to an applicant, provided such applicant has satisfied the
679 commissioner that the applicant intends to carry on agricultural
680 production as a trade or business for at least two years,
681 notwithstanding the fact that the applicant was not engaged in
682 agricultural production as a trade or business in the immediately

683 preceding taxable year or, if the applicant was engaged in agricultural
684 production as a trade or business in the immediately preceding taxable
685 year, notwithstanding the fact that the applicant's gross income from
686 such agricultural production, as reported for federal income tax
687 purposes, was less than two thousand five hundred dollars for the
688 immediately preceding taxable year or, on average, less than two
689 thousand five hundred dollars for the two immediately preceding
690 taxable years.

691 (ii) Such applicant shall be liable for the tax imposed under this
692 chapter during the period commencing upon the issuance of the
693 permit and ending two years after the date of issuance of the permit if
694 agricultural production is not carried on as a trade or business by such
695 applicant during such entire period.

696 (iii) Such applicant shall also be liable for the tax otherwise
697 imposed, during the period commencing upon the issuance of the
698 permit and ending two years after the date of issuance of the permit, if
699 (I) such applicant's gross income from such agricultural production, as
700 reported for federal income tax purposes, is less than two thousand
701 five hundred dollars for the immediately preceding taxable year or, on
702 average, less than two thousand five hundred dollars for the two
703 immediately preceding taxable years, and (II) such applicant's
704 expenses from such agricultural production, as reported for federal
705 income tax purposes, are less than two thousand five hundred dollars
706 for the immediately preceding taxable year or, on average, less than
707 two thousand five hundred dollars for the two immediately preceding
708 taxable years.

709 (iv) Any applicant liable for tax under clause (ii) or (iii) of this
710 subparagraph shall not be eligible to be issued another permit under
711 clause (i) of this subparagraph.

712 (64) Sales of and the storage, use or other consumption of
713 equipment used directly in the production and cleaning of computer
714 discs for purposes of creating and maintaining the atmospheric

715 environment necessary in the area immediately surrounding such
716 production and cleaning process, including with respect to such area,
717 climate control, air quality and a positive pressure mode adapted to
718 the particular climate and air quality requirements of such production
719 and cleaning process.

720 (65) The purchase and sale by metal casting foundries of molds,
721 dies, patterns and sand handling equipment.

722 (66) The sale by pattern shops of molds, dies and patterns to metal
723 casting foundries or their customers for use in such foundries, and the
724 purchase and use of such items by pattern shops in connection with
725 any such sales.

726 (67) Sales of and the storage, use or other consumption, prior to July
727 1, 2008, of a new motor vehicle which is exclusively powered by a
728 clean alternative fuel. As used in this subdivision and subdivisions (68)
729 and (69) of this section, "clean alternative fuel" means natural gas,
730 hydrogen or electricity when used as a motor vehicle fuel or propane
731 when used as a motor vehicle fuel if such a vehicle meets the federal
732 fleet emissions standards under the federal Clean Air Act or any
733 emissions standards adopted by the Commissioner of Energy and
734 Environmental Protection as part of the state's implementation plan
735 under said act.

736 (68) Sales of and the storage, use or other consumption, prior to July
737 1, 2008, of conversion equipment incorporated into or used in
738 converting vehicles powered by any other fuel to either exclusive use
739 of a clean alternative fuel or dual use of any other fuel and a clean
740 alternative fuel, including, but not limited to, storage cylinders,
741 cylinder brackets, regulated mixers, fill valves, pressure regulators,
742 solenoid valves, fuel gauges, electronic ignitions and alternative fuel
743 delivery lines.

744 (69) Sales of and the storage, use or other consumption, prior to July
745 1, 2008, of equipment incorporated into or used in a compressed

746 natural gas or hydrogen filling or electric recharging station for
747 vehicles powered by a clean alternative fuel, including, but not limited
748 to, compressors, storage cylinders, associated framing, tubing and
749 fittings, valves, fuel poles and fuel delivery lines used for clean
750 alternative fuel storage and filling facilities.

751 (70) (A) Sales of and the storage, use or other consumption of
752 commercial trucks, truck tractors, tractors and semitrailers, and
753 vehicles used in combination therewith, which (i) have a gross vehicle
754 weight rating in excess of twenty-six thousand pounds or (ii) are
755 operated actively and exclusively during the period commencing upon
756 its purchase and ending one year after the date of purchase for the
757 carriage of interstate freight pursuant to a certificate or permit issued
758 by the Interstate Commerce Commission or its successor agency. As
759 used in this subsection, "gross vehicle weight rating" means the value
760 specified by the manufacturer as the loaded weight of the single or
761 combination vehicle and, if the manufacturer has not specified a value
762 for a towed vehicle, means the value specified for the towing vehicle
763 plus the loaded weight of the towed unit.

764 (B) Each purchaser of a commercial truck, truck tractor, tractor or
765 semitrailer or vehicle used in combination therewith exempt from tax
766 pursuant to the provisions of subparagraph (A)(ii) of this subsection
767 shall, in order to qualify for said exemption, present to the retailer (i) a
768 copy of the certificate or permit that was issued by the Interstate
769 Commerce Commission or its successor agency to the purchaser and
770 (ii) a certificate, in such form as the commissioner may prescribe,
771 certifying that such commercial truck, truck tractor, tractor or
772 semitrailer or vehicle used in combination therewith will be operated
773 actively and exclusively for the carriage of interstate freight. The
774 purchaser shall be liable for the tax otherwise imposed if, during the
775 period commencing upon its purchase and ending one year after the
776 date of purchase, such commercial truck, truck tractor, tractor or
777 semitrailer or vehicle used in combination therewith is not operated
778 actively and exclusively for the carriage of interstate freight.

779 (71) Sales of and the storage, use or other consumption of
780 machinery, equipment, tools, materials and supplies used
781 predominantly in the production of printed material by a commercial
782 printer or publisher. For purposes of this subsection, "the production
783 of printed material" is defined to include all processes necessary to
784 convert manuscript copy into printed material, including but not
785 limited to, layout, color separation and typesetting.

786 (72) Sales of and the storage, use or other consumption of
787 machinery, equipment, tools, materials and supplies used
788 predominantly in the production of typesetting, color separation,
789 finished copy with type proofs and artwork or similar content
790 mounted for photomechanical reproduction, or other similar products
791 to be sold for use in the production of printed materials.

792 (73) The sale of any part of a machine purchased exclusively for the
793 purpose of assembling a machine for use directly in a manufacturing
794 production process, provided the purchaser submits a certified
795 statement at the time of such purchase, on a form prepared by the
796 Commissioner of Revenue Services, certifying that such part is
797 purchased exclusively for use in a machine to be assembled by the
798 purchaser, or someone acting on behalf of the purchaser, and that such
799 machine shall be used directly in a manufacturing production process.
800 The purchaser shall prepare a record of the use of such part which
801 shall be maintained by the purchaser for a period of not less than three
802 years following the date of purchase.

803 (74) (A) Sales of computer and data processing services rendered to
804 a customer (i) by a retailer which, on or after July 1, 1991, acquired the
805 operations of a data processing facility from the customer, provided
806 such customer operated the facility for its own use or (ii) by a retailer
807 which, on or after July 1, 1993, acquired the operations of the data
808 processing facility from the retailer described in subparagraph (A)(i) of
809 this subsection, provided such customer formerly operated the facility
810 for its own use. (B) Sales of computer and data processing services

811 rendered to a customer by a retailer which, on or after July 1, 1995,
812 acquired the data processing operations from the customer, provided
813 such customer formerly conducted such data processing operations for
814 its own use. Sales of and the storage, use or other consumption of
815 computers or data processing equipment, when sold to the retailer
816 described in this subparagraph and used by such retailer to provide
817 the services described in this subparagraph. The provisions in this
818 subparagraph shall not apply if the retailer is a related person, as
819 defined in section 12-217w, with respect to the customer or the
820 customer is a related person, as defined therein, with respect to the
821 retailer.

822 (75) Sales of and the storage, use or other consumption of aviation
823 fuel used exclusively for aviation purposes.

824 (76) Sales of and the storage, use or other consumption of repair or
825 replacement parts exclusively for use (A) in aircraft, or (B) in the
826 significant overhauling or rebuilding of aircraft or aircraft parts or
827 components on a factory basis.

828 (77) Sales of aircraft repair services when such services are rendered
829 in connection with (A) aircraft, or (B) the significant overhauling or
830 rebuilding of aircraft or aircraft parts or components on a factory basis.

831 (78) On or after July 1, 1993, sales of and the storage, use or other
832 consumption by an aircraft manufacturer operating an aircraft
833 manufacturing facility in this state of materials, tools, fuel, machinery
834 and equipment used in such facility. For purposes of this subsection,
835 (A) "machinery and equipment" means tangible personal property (i)
836 which is installed in an aircraft manufacturing facility operated by an
837 aircraft manufacturer and (ii) the predominant use of which is for the
838 manufacturing of aircraft or aircraft parts or components or for the
839 significant overhauling or rebuilding of aircraft or aircraft parts or
840 components on a factory basis and (B) "aircraft manufacturing facility"
841 means that portion of a plant, building or other real property
842 improvement used for the manufacturing of aircraft or aircraft parts or

843 components or for the significant overhauling or rebuilding of aircraft
844 or aircraft parts or components on a factory basis.

845 (79) Sales and the storage, use or other consumption of bunker fuel
846 oil, intermediate fuel, marine diesel oil and marine gas oil for use in
847 any vessel having a displacement exceeding four thousand dead
848 weight tons or for use in any vessel primarily engaged in interstate
849 commerce.

850 (80) (A) Sales and the storage, use or other consumption of special
851 equipment installed in a motor vehicle for the exclusive use of a person
852 with physical disabilities and repair or replacement parts for such
853 equipment, whether such repair or replacement parts are purchased
854 separately or in conjunction with such equipment, and whether such
855 parts continue the original function or enhance the functionality of
856 such equipment.

857 (B) When a motor vehicle in which special equipment exclusively
858 for the use of a person with physical disabilities has previously been
859 installed is sold by a licensed motor vehicle dealer for use by a person
860 with physical disabilities, the taxes imposed by this chapter shall not
861 apply to the portion of the sales price attributable to such equipment.
862 Unless established otherwise, the portion of the sales price attributable
863 to the motor vehicle shall be deemed to be the value determined
864 pursuant to subsection (b) of section 12-431.

865 (81) Sales of and the storage, use or other consumption of
866 machinery, equipment, tools and materials used exclusively in the
867 fabrication of optical lenses.

868 (82) (A) The sale of and the storage, use or other consumption of any
869 commercial motor vehicle, as defined in subparagraphs (A) and (B) of
870 subdivision (16) of section 14-1, that is operating pursuant to the
871 provisions of section 13b-88 or 13b-89, during the period commencing
872 upon its purchase and ending one year after the date of purchase,
873 provided seventy-five per cent of its revenue from its days in service is

874 derived from out-of-state trips or trips crossing state lines.

875 (B) Each purchaser of a commercial motor vehicle exempt from tax
876 pursuant to the provisions of this subsection shall, in order to qualify
877 for said exemption, present to the retailer a certificate, in such form as
878 the commissioner may prescribe, certifying that seventy-five per cent
879 of such vehicle's revenue from its days in service will be derived from
880 out-of-state trips or trips crossing state lines. The purchaser of the
881 motor vehicle shall be liable for the tax otherwise imposed if, during
882 the period commencing upon its purchase and ending one year after
883 the date of purchase, seventy-five per cent of the vehicle's revenue
884 from its days in service is not derived from out-of-state trips or trips
885 crossing state lines.

886 (83) (A) The sale of and the storage, use or other consumption of any
887 motor bus, as defined in section 14-1, that is operating pursuant to the
888 provisions of section 13b-88 or 13b-89, during the period commencing
889 upon its purchase and ending one year after the date of purchase
890 provided seventy-five per cent of its revenue from its days in service is
891 derived from out-of-state trips or trips crossing state lines.

892 (B) Each purchaser of a motor bus exempt from tax pursuant to the
893 provisions of this subsection shall, in order to qualify for said
894 exemption, present to the retailer a certificate, in such form as the
895 commissioner may prescribe, certifying that seventy-five per cent of
896 such bus's revenue from its days in service will be derived from out-of-
897 state trips or trips crossing state lines. The purchaser of the motor bus
898 shall be liable for the tax otherwise imposed if, during the period
899 commencing upon its purchase and ending one year after the date of
900 purchase, seventy-five per cent of the bus's revenue from its days in
901 service is not derived from out-of-state trips or trips crossing state
902 lines.

903 (84) Sales of tangible personal property and services to The
904 University of Connecticut Educational Properties, Incorporated, with
905 regard to Connecticut Technology Park.

906 (85) Sales of any landscaping and horticultural services, window
907 cleaning services or maintenance services, as described in
908 subparagraph (I) of subdivision (37) of subsection (a) of section 12-407,
909 on or after July 1, 1994, which are rendered to a person determined to
910 be eligible for, and currently receiving, total disability benefits under
911 the Social Security Act, provided such services are rendered at the
912 residence of such person.

913 (86) Sales of services by an affiliate participating in implementation
914 of the community economic development program established
915 pursuant to section 8-240k to another affiliate participating in said
916 program.

917 (87) Sales of items that are eligible benefits and that are made to an
918 eligible beneficiary pursuant to Title XVIII, 42 USC Section 1395 et seq.,
919 or Title XIX, 42 USC Section 1396 et seq., of the Social Security Act or
920 pursuant to the federal Civilian Health and Medical Program of the
921 Uniformed Services, 10 USC Section 1071 et seq.

922 (88) Sales of and the storage, use or other consumption of
923 machinery, equipment, tools and materials used exclusively in the
924 commercial processing of photographic film and paper.

925 (89) Sales of and the storage, use or other consumption of
926 machinery, equipment, tools, materials, supplies and fuel used directly
927 in the biotechnology industry. For the purposes of this subdivision,
928 "biotechnology" means the application of technologies, such as
929 recombinant DNA techniques, biochemistry, molecular and cellular
930 biology, genetics and genetic engineering, biological cell fusion
931 techniques, and new bioprocesses, using living organisms, or parts of
932 organisms, to produce or modify products, to improve plants or
933 animals, to identify targets for small molecule pharmaceutical
934 development, to transform biological systems into useful processes
935 and products or to develop microorganisms for specific uses.

936 (90) Repealed by P.A. 15-244, S. 222.

937 (91) Sales of and the storage, use or other consumption of safety
938 apparel. For the purposes of this subsection "safety apparel" means any
939 item of clothing or protective equipment worn by an employee for
940 protection during the course of the employee's employment.

941 (92) The sales and use of any services or tangible personal property
942 to be incorporated into or used or otherwise consumed in the
943 operation of any project of the Materials Innovation and Recycling
944 Authority established pursuant to section 22a-261 whether such
945 purchases are made directly by the authority or are reimbursed by the
946 authority to the lessee or operator of such project.

947 (93) Sales of tangible personal property or services to any tourism
948 district, as defined in section 10-397.

949 (94) Sales of tangible personal property by nonprofit organizations
950 at bazaars, fairs, picnics, tag sales or similar events to the extent of five
951 such events of a day's duration held during any calendar year.

952 (95) The sales or use of any services or tangible personal property to
953 be incorporated into or used or otherwise consumed in the operation
954 of a solid waste-to-energy facility, certified as approved for such
955 purpose by the Commissioner of Energy and Environmental
956 Protection, whether such purchases are made directly by an authority
957 or an operating committee, or are reimbursed by an authority or
958 operating committee to the lessee or operator of such facility.

959 (96) Sales of vegetable seeds suitable for planting to produce food
960 for human consumption.

961 (97) Repealed by P.A. 11-6, S. 166.

962 (98) Sales of tangible personal property by historical societies.

963 (99) Sales of and the storage, use or other consumption of, aircraft
964 having a maximum certificated takeoff weight of six thousand pounds
965 or more. "Certificated takeoff weight" means the maximum such

966 weight contained in the type certificate or airworthiness certificate.

967 (100) Sales of and the acceptance, use or other consumption of any
968 service described in subdivision (2) of subsection (a) of section 12-407
969 that is accepted, used or consumed in the development, construction,
970 rehabilitation, renovation or repair of housing facilities for low and
971 moderate income families and persons, provided such facilities are
972 situated in qualified census tracts or difficult development areas as
973 designated by the Secretary of the United States Department of
974 Housing and Urban Development and provided, further, that the
975 development of such facilities is assisted by an allocation of Low
976 Income Housing Tax Credits pursuant to Section 42 of the Internal
977 Revenue Code. For purposes of this subdivision, (A) "housing
978 facilities" means facilities having as their primary purpose the
979 provision of safe and adequate housing and related facilities for low
980 and moderate income families and persons, notwithstanding that said
981 housing provides other dwelling accommodations for low and
982 moderate income families; (B) "related facilities" means those facilities
983 defined in subsection (d) of section 8-243; and (C) "low and moderate
984 income families" means those families as defined in subsection (h) of
985 said section 8-243.

986 (101) Sales of and the storage, use or other consumption of firearm
987 safety devices. For purposes of this subdivision, "firearm safety
988 devices" shall include safes, lock boxes, trigger and barrel locks and
989 other items designed to enhance home firearm safety.

990 (102) Sales of and the storage, use or other consumption of bicycle
991 helmets. For the purposes of this subdivision, "bicycle" means any
992 vehicle propelled by the person riding the same by foot or hand power
993 and "helmet" means protective headgear which conforms to the
994 minimum specifications established by the American National
995 Standards Institute or the Snell Memorial Foundation's Standard for
996 Protective Headgear for Use in Bicycling.

997 (103) Sales of and the storage, use or other consumption of railroad

998 locomotives, track ballasts, ties, rails, machinery and equipment used
999 to maintain the railroad right-of-way which is used or operated
1000 exclusively for the carriage of freight.

1001 (104) Sales, use or other consumption of (A) calibration services for
1002 machinery, equipment or instrumentation used in a manufacturing
1003 production process; or (B) other sales, use or other consumption of
1004 services or compliance practices associated with registration and
1005 compliance of quality management and quality assurance standards as
1006 part of standards created by the International Organization of
1007 Standards. For purposes of this subdivision, "calibration services"
1008 means independent inspection services performed to verify accuracy
1009 in the provision, calibration or recalibration of equipment used to test,
1010 measure, monitor or gage any quality, process or environmental
1011 equipment used in conjunction with maintaining quality standards or
1012 meeting regulatory requirements.

1013 (105) Sales of shoe repair services.

1014 (106) Sales of services enumerated in subparagraph (J) of
1015 subdivision (37) of subsection (a) of section 12-407, on or after July 1,
1016 1999, which services are rendered to the central clearinghouse
1017 organized and operated under the direction of the Public Utilities
1018 Regulatory Authority, by the public utilities of this state for receiving
1019 and giving the notices required by section 16-349.

1020 (107) Sales of, and the storage, use or other consumption of, diesel
1021 fuel to be used exclusively in portable power system generators that
1022 are larger than one hundred fifty kilowatts.

1023 (108) Sales of child car seats.

1024 (109) Sales of college textbooks to full and part-time students
1025 enrolled at institutions of higher education or private occupational
1026 schools authorized pursuant to sections 10a-22a to 10a-22o, inclusive,
1027 provided the student presents a valid student identification card. For

1028 purposes of this subdivision, "college textbooks" means new or used
1029 books and related workbooks required or recommended for a course at
1030 an institution of higher education or a private occupational school
1031 authorized pursuant to sections 10a-22a to 10a-22o, inclusive.

1032 (110) On and after January 1, 2008, and prior to July 1, 2010, the sale
1033 of any passenger motor vehicle, as defined in section 14-1, that has a
1034 United States Environmental Protection Agency estimated city or
1035 highway gasoline mileage rating of at least forty miles per gallon.

1036 (111) Repealed by P.A. 11-6, S. 166.

1037 (112) Sales of equipment to a telecommunications company or
1038 community antenna television company, as defined under section 16-1,
1039 that is used to provide telecommunications, high-speed data
1040 transmission or broad-band Internet services which offer the capability
1041 to transmit information at a rate that is not less than two hundred
1042 kilobits per second in at least one direction.

1043 (113) (A) Sales to, and the storage, use or other consumption by, a
1044 fuel cell manufacturing facility in this state of materials, tools, fuel,
1045 machinery and equipment used in such facility.

1046 (B) For purposes of this subdivision, (i) "fuel cell" means a device
1047 that directly or indirectly produces electricity directly from hydrogen
1048 or hydrocarbon fuel through a noncombustive electro-chemical
1049 process, (ii) "machinery and equipment" means tangible personal
1050 property which is installed in a fuel cell manufacturing facility
1051 operated by a fuel cell manufacturer, and the predominant use of
1052 which is for the manufacturing of fuel cells, and (iii) "fuel cell
1053 manufacturing facility" means that portion of a plant, building or other
1054 real property improvement used for the manufacturing of fuel cell
1055 parts or components or for the significant overhauling or rebuilding of
1056 such parts or components on a factory basis.

1057 (114) (A) Sales of magazines, including publications which only

1058 contain puzzles, by subscription; (B) sales of newspapers.

1059 (115) On and after October 1, 2004, and prior to October 1, 2008, the
1060 sale of any hybrid passenger car that has a United States
1061 Environmental Protection Agency estimated highway gasoline mileage
1062 rating of at least forty miles per gallon. For purposes of this
1063 subdivision, "hybrid passenger car" means a passenger car that draws
1064 acceleration energy from two onboard sources of stored energy, which
1065 are both an internal combustion or heat engine using combustible fuel
1066 and a rechargeable energy storage system and, for a passenger car or
1067 light truck with a model year of 2004 or later, is certified to meet or
1068 exceed the tier II bin 5 low emission vehicle classification.

1069 (116) Sales of marine vessel brokerage services provided by marine
1070 vessel brokers selling such vessels for the owners.

1071 (117) (A) Sales and use of solar energy electricity generating systems
1072 and passive or active solar water or space heating systems and
1073 geothermal resource systems, including equipment related to such
1074 systems, and sales of services relating to the installation of such
1075 systems.

1076 (B) Sales of and the storage, use or other consumption of machinery,
1077 equipment, tools, materials, supplies and fuel used directly in the
1078 renewable energy and clean energy technology industries. As used in
1079 this subdivision, "renewable energy and clean energy technology
1080 industries" means industries that apply technologies to produce,
1081 improve or develop solar energy electricity generating systems,
1082 passive or active solar water or space heating systems, geothermal
1083 resource systems and wind power electric generation systems,
1084 including equipment related to such systems.

1085 (118) Sales and use of ice storage systems used for cooling,
1086 including equipment related to such systems, and sales of services
1087 relating to the installation of such systems by a utility ratepayer who is
1088 billed by such utility on a time-of-service metering basis.

1089 (119) Repealed by P.A. 15-244, S. 222.

1090 (120) On and after April 1, 2015, sales of the following
1091 nonprescription drugs or medicines available for purchase for use in or
1092 on the body: Vitamin or mineral concentrates; dietary supplements;
1093 natural or herbal drugs or medicines; products intended to be taken for
1094 coughs, cold, asthma or allergies, or antihistamines; laxatives;
1095 antidiarrheal medicines; analgesics; antibiotic, antibacterial, antiviral
1096 and antifungal medicines; antiseptics; astringents; anesthetics;
1097 steroidal medicines; anthelmintics; emetics and antiemetics; antacids;
1098 and any medication prepared to be used in the eyes, ears or nose.
1099 Nonprescription drugs or medicines shall not include cosmetics,
1100 dentrifices, mouthwash, shaving and hair care products, soaps or
1101 deodorants.

1102 (121) Sales of tangible personal property or services to, and the
1103 storage, use or other consumption of tangible personal property or
1104 services by, a Connecticut credit union, as defined in section 36a-2.

1105 (122) Sales of and the storage, use or other consumption of any
1106 personal property or any services to a water company, as defined in
1107 section 16-1, for use in maintaining, operating, managing or controlling
1108 any pond, lake, reservoir, stream, well or distributing plant or system
1109 employed for the purpose of supplying water to fifty or more
1110 consumers.

1111 ~~[(122)]~~ (123) Sales of feminine hygiene products.

1112 ~~[(123)]~~ (124) Sales of disposable or reusable diapers.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2017, and applicable to sales occurring on or after July 1, 2017</i>	12-412

Sec. 2	July 1, 2018	12-412
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Statement of Purpose:

To exempt from the sales and use taxes certain personal property and services purchased or used by a water company.

[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.]

Co-Sponsors: SEN. FASANO, 34th Dist.; REP. GRESKO, 121st Dist.
REP. HOYDICK, 120th Dist.

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