



General Assembly

Amendment

January Session, 2017

LCO No. 6754



Offered by:

REP. PISCOPO, 76th Dist.

SEN. MINER, 30th Dist.

To: House Bill No. 5618

File No. 383

Cal. No. 278

**"AN ACT CONCERNING AN INCREASE IN THE HANDLING FEE
FOR BOTTLE REDEMPTION CENTERS."**

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective October 1, 2017*) (a) For purposes of this
4 section:

5 (1) "Early recycling fee beverage" means any beverage that is a juice,
6 tea, sports drink, spirit or alcohol;

7 (2) "Beverage container" means the individual, separate, sealed
8 glass, metal or plastic bottle, can, jar or carton containing an early
9 recycling fee beverage, but does not include a bottle, can, jar or carton
10 of more than fifty milliliters in size if containing a spirit or alcohol;

11 (3) "Consumer" means every person who purchases a beverage in a
12 beverage container for use or consumption;

13 (4) "Dealer" means every person who engages in the sale of early
14 recycling fee beverages in beverage containers to a consumer;

15 (5) "Distributor" means every person who engages in the sale of
16 early recycling fee beverages in beverage containers to a dealer in this
17 state including any manufacturer who engages in such sale and
18 includes a dealer who engages in the sale of early recycling fee
19 beverages in beverage containers on which no recycling fee has been
20 collected prior to retail sale;

21 (6) "Manufacturer" means every person bottling, canning or
22 otherwise filling beverage containers for sale to distributors or dealers
23 or, in the case of private label brands, the owner of the private label
24 trademark;

25 (7) "Place of business of a dealer" means the fixed location at which
26 a dealer sells or offers for sale early recycling fee beverages in beverage
27 containers to consumers;

28 (8) "Use or consumption" includes the exercise of any right or power
29 over an early recycling fee beverage incident to the ownership thereof,
30 other than the sale or the keeping or retention of an early recycling fee
31 beverage for the purposes of sale; and

32 (9) "Recycling fee initiator" means the first dealer to collect the
33 recycling fee on a beverage container sold to any person within this
34 state.

35 (b) Every beverage container containing an early recycling fee
36 beverage sold or offered for sale in this state by a dealer to a consumer,
37 except for any such beverage containers sold or offered for sale for
38 consumption on an interstate passenger carrier, shall have a recycling
39 fee. Such recycling fee shall not be less than four cents.

40 (c) Each recycling fee initiator shall open a special interest-bearing
41 account at a Connecticut branch of a financial institution, as defined in
42 section 45a-557a of the general statutes, to the credit of the recycling

43 fee initiator. Each recycling fee initiator shall deposit in such account
44 an amount equal to the recycling fee established pursuant to
45 subsection (b) of this section for each beverage container sold by such
46 recycling fee initiator. Such deposit shall be made not more than one
47 month after the date such beverage container is sold. All interest,
48 dividends and returns earned on the special account shall be paid
49 directly into such account. Such moneys shall be kept separate and
50 apart from all other moneys in the possession of the recycling fee
51 initiator. The amount required to be deposited pursuant to this section,
52 when deposited, shall be held to be a special fund in trust for the state.

53 (d) Each recycling fee initiator shall submit a quarterly report for the
54 immediately preceding calendar quarter, on or before the last day of
55 the month next succeeding the close of such quarter. Each such report
56 shall be submitted to the Commissioner of Revenue Services, on a form
57 prescribed by the Commissioner of Revenue Services, and with such
58 information as the Commissioner of Revenue Services deems
59 necessary, including, but not limited to, the following information: (1)
60 The balance in the special account at the beginning of the quarter for
61 which the report is prepared, (2) all recycling fees credited to such
62 account during such quarter, including all recycling fees paid to the
63 deposit initiator and all interest, dividends or returns received on such
64 account, (3) all withdrawals from such account during such quarter,
65 including all service charges and overdraft charges on such account
66 and all payments made pursuant to subsection (c) of this section, and
67 (4) the balance in such account at the close of the quarter for which the
68 report is prepared. Such quarterly report shall be filed electronically
69 with the Commissioner of Revenue Services, in the manner provided
70 by chapter 228g of the general statutes.

71 (e) On or before January 31, 2018, each recycling fee initiator shall
72 pay the balance outstanding in the special account that is attributable
73 to the period from October 1, 2017, to January 30, 2018, inclusive, to the
74 Commissioner of Revenue Services for deposit in the General Fund.
75 Subsequently, the balance outstanding in the special account that is
76 attributable to the immediately preceding calendar quarter shall be

77 paid by the recycling fee initiator on or before the last day of the
78 month next succeeding the close of such quarter to the Commissioner
79 of Revenue Services for deposit in the General Fund. If the amount of
80 the required payment pursuant to this subdivision is not paid on or
81 before the due date, a penalty of ten per cent of the amount due and
82 unpaid, or fifty dollars, whichever is greater, shall be imposed. The
83 amount due and unpaid shall bear interest at the rate of one per cent
84 per month or fraction thereof, from the due date. Any such penalty or
85 interest shall not be paid from funds maintained in such special
86 account. Such required payment shall be made by electronic funds
87 transfer to the Commissioner of Revenue Services, in the manner
88 provided by chapter 228g of the general statutes.

89 (f) The Commissioner of Revenue Services may examine the
90 accounts and records of any recycling fee initiator maintained under
91 this section and any related accounts and records, including receipts,
92 disbursements and such other items as the Commissioner of Revenue
93 Services deems appropriate.

94 (g) The Attorney General may, independently or upon complaint of
95 the Commissioner of Energy and Environmental Protection or the
96 Commissioner of Revenue Services, institute any appropriate action or
97 proceeding to enforce any provision of this section.

98 (h) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and
99 12-555a of the general statutes shall be deemed to apply to the
100 provisions of this section, except any provision of sections 12-548, 12-
101 550 to 12-554, inclusive, and 12-555a of the general statutes that is
102 inconsistent with the provision in this section.

103 (i) Any payment required pursuant to this section shall be treated as
104 a tax for purposes of sections 12-30b, 12-33a, 12-35a, 12-39g and 12-39h
105 of the general statutes.

106 (j) For the period commencing October 1, 2017, and ending July 1,
107 2018, the Commissioner of Revenue Services shall make any recycling
108 fees collected pursuant to this section available for payment to the

109 redemption centers established pursuant to section 22a-245 of the
110 general statutes, as amended by this act, in a manner that enables any
111 dealer or operator of such redemption center to realize a handling fee
112 of two and one-half cents for each container of beer or other malt
113 beverage and three cents for each container of mineral waters, soda
114 water, and similar carbonated soft drink or noncarbonated beverage
115 returned for redemption, in accordance with the provisions of sections
116 22a-243 to 22a-246, inclusive, of the general statutes, as amended by
117 this act.

118 (k) Any person who violates any provision of this section shall be
119 fined by the Commissioner of Revenue Services or the Commissioner
120 of Energy and Environmental Protection, as applicable, not less than
121 fifty dollars nor more than one hundred dollars, and for a second
122 offense shall be fined not less than one hundred dollars nor more than
123 two hundred dollars and for a third or subsequent offense shall be
124 fined not less than two hundred fifty dollars or more than five
125 hundred dollars.

126 Sec. 502. (NEW) (*Effective October 1, 2017*) Notwithstanding the
127 provisions of section 22a-245a of the general statutes, as amended by
128 this act, any balance in a special interest-bearing account established
129 pursuant to section 22a-245a of the general statutes, as amended by
130 this act, as of March 31, 2018, and as of June 30, 2018, shall be held in
131 trust for the state by the deposit initiator and shall be used to refund
132 deposits to dealers until August 31, 2018. Any remaining balance in
133 any such account as of September 1, 2018, shall be paid to the
134 Commissioner of Revenue Services for deposit in the General Fund.

135 Sec. 503. Section 22a-243 of the general statutes is repealed and the
136 following is substituted in lieu thereof (*Effective July 1, 2018*):

137 For purposes of sections 22a-243 to 22a-245c, inclusive, as amended
138 by this act:

139 (1) "Carbonated beverage" means beer or other malt beverages, and
140 mineral waters, soda water and similar carbonated soft drinks in liquid

141 form and intended for human consumption;

142 (2) "Noncarbonated beverage" means, juice, tea, sports drink, spirit
143 or liquor and water, including flavored water, nutritionally enhanced
144 water and any beverage that is identified through the use of letters,
145 words or symbols on such beverage's product label as a type of water,
146 but excluding [juice and] mineral water;

147 (3) "Beverage container" means the individual, separate, sealed
148 glass, metal or plastic bottle, can, jar or carton containing a carbonated
149 or noncarbonated beverage, but does not include a bottle, can, jar or
150 carton (A) three liters or more in size if containing a noncarbonated
151 beverage, [or] (B) made of high-density polyethylene, or (C) more than
152 fifty milliliters in size if containing a spirit or liquor;

153 (4) "Consumer" means every person who purchases a beverage in a
154 beverage container for use or consumption;

155 (5) "Dealer" means every person who engages in the sale of
156 beverages in beverage containers to a consumer;

157 (6) "Distributor" means every person who engages in the sale of
158 beverages in beverage containers to a dealer in this state including any
159 manufacturer who engages in such sale and includes a dealer who
160 engages in the sale of beverages in beverage containers on which no
161 [deposit] recycling fee has been collected prior to retail sale;

162 (7) "Manufacturer" means every person bottling, canning or
163 otherwise filling beverage containers for sale to distributors or dealers
164 or, in the case of private label brands, the owner of the private label
165 trademark;

166 [(8) "Place of business of a dealer" means the fixed location at which
167 a dealer sells or offers for sale beverages in beverage containers to
168 consumers;

169 (9) "Redemption center" means any facility established to redeem
170 empty beverage containers from consumers or to collect and sort

171 empty beverage containers from dealers and to prepare such
172 containers for redemption by the appropriate distributors;]

173 [(10)] (8) "Use or consumption" includes the exercise of any right or
174 power over a beverage incident to the ownership thereof, other than
175 the sale or the keeping or retention of a beverage for the purposes of
176 sale; and

177 [(11) "Nonrefillable beverage container" means a beverage container
178 which is not designed to be refilled and reused in its original shape;
179 and]

180 [(12) "Deposit initiator"] (9) "Recycling fee initiator" means the [first
181 distributor to collect the deposit] dealer who collects the recycling fee
182 on a beverage container sold to any person within this state.

183 Sec. 504. Section 22a-244 of the general statutes is repealed and the
184 following is substituted in lieu thereof (*Effective July 1, 2018*):

185 (a) (1) [Every] For the period beginning July 1, 2018, and ending July
186 1, 2025, every beverage container containing a carbonated beverage
187 sold or offered for sale to a consumer by a dealer in this state, except
188 for any such beverage containers sold or offered for sale for
189 consumption on an interstate passenger carrier, shall have a [refund
190 value] recycling fee. Such [refund value] recycling fee shall not be less
191 than [five] four cents and shall be a uniform amount throughout the
192 distribution process in this state. (2) [Every] For the period beginning
193 July 1, 2018, and ending July 1, 2025, every beverage container
194 containing a noncarbonated beverage sold or offered for sale in this
195 state shall have a [refund value] recycling fee, except for beverage
196 containers containing a noncarbonated beverage that are [(A)] sold or
197 offered for sale for consumption on an interstate passenger carrier. [, or
198 (B) that comprise any dealer's existing inventory as of March 31, 2009.
199 Such refund value] Such recycling fee shall not be less than [five] four
200 cents. [and shall be a uniform amount throughout the distribution
201 process in this state.]

202 [(b) Every beverage container sold or offered for sale in this state,
203 that has a refund value pursuant to subsection (a) of this section, shall
204 clearly indicate by embossing or by a stamp or by a label or other
205 method securely affixed to the beverage container (1) either the refund
206 value of the container or the words "return for deposit" or "return for
207 refund" or other words as approved by the Department of Energy and
208 Environmental Protection, and (2) either the word "Connecticut" or the
209 abbreviation "Ct.", provided this subdivision shall not apply to glass
210 beverage containers permanently marked or embossed with a brand
211 name.]

212 [(c)] (b) No person shall sell or offer for sale in this state any metal
213 beverage container (1) a part of which is designed to be detached in
214 order to open such container, or (2) that is connected to another
215 beverage container by a device constructed of a material which does
216 not decompose by photodegradation, chemical degradation or
217 biodegradation within a reasonable time after exposure to the
218 elements.

219 Sec. 505. Section 22a-245a of the general statutes is repealed and the
220 following is substituted in lieu thereof (*Effective July 1, 2018*):

221 (a) Each [deposit] recycling fee initiator shall open a special interest-
222 bearing account at a Connecticut branch of a financial institution, as
223 defined in section 45a-557a, to the credit of the [deposit] recycling fee
224 initiator. Each [deposit] recycling fee initiator shall deposit in such
225 account an amount equal to the [refund value] recycling fee
226 established pursuant to subsection (a) of section 22a-244, as amended
227 by this act, for each beverage container sold by such [deposit] recycling
228 fee initiator. Such [deposit] recycling fee shall be made not more than
229 one month after the date such beverage container is sold. [, provided
230 for any beverage container sold during the period from December 1,
231 2008, to December 31, 2008, inclusive, such deposit shall be made not
232 later than January 5, 2009.] All interest, dividends and returns earned
233 on the special account shall be paid directly into such account. Such
234 moneys shall be kept separate and apart from all other moneys in the

235 possession of the [deposit] recycling fee initiator. The amount required
236 to be deposited pursuant to this section, when deposited, shall be held
237 to be a special fund in trust for the state.

238 [(b) (1) Any reimbursement of the refund value for a redeemed
239 beverage container shall be paid from the deposit initiator's special
240 account, with such payment to be computed, subject to the provisions
241 of subdivision (2) of this subsection, under the cash receipts and
242 disbursements method of accounting, as described in Section 446(c)(1)
243 of the Internal Revenue Code of 1986, or any subsequent
244 corresponding Internal Revenue Code of the United States, as
245 amended from time to time.

246 (2) A deposit initiator may petition the Commissioner of Revenue
247 Services for an alternate method of accounting by filing with such
248 deposit initiator's return a statement of objections and other proposed
249 alternate method of accounting, as such deposit initiator believes
250 proper and equitable under the circumstances, that is accompanied by
251 supporting details and proof. The Commissioner of Revenue Services
252 shall promptly notify such deposit initiator whether the proposed
253 alternate method is accepted as reasonable and equitable and, if so
254 accepted, shall adjust such deposit initiator's return and payment of
255 reimbursement accordingly.]

256 [(c)] (b) (1) [Each deposit initiator shall submit a report on March 15,
257 2009, for the period from December 1, 2008, to February 28, 2009,
258 inclusive.] Each [deposit] recycling fee initiator shall submit a report
259 on [July 31, 2009] October 31, 2018, for the period from [March 1, 2009,
260 to June 30, 2009] July 1, 2018, to September 30, 2018, inclusive, and
261 thereafter shall submit a quarterly report for the immediately
262 preceding calendar quarter one month after the close of such quarter.
263 Each such report shall be submitted to the Commissioner of Energy
264 and Environmental Protection, on a form prescribed by the
265 commissioner and with such information as the commissioner deems
266 necessary, including, but not limited to: (A) The balance in the special
267 account at the beginning of the quarter for which the report is

268 prepared; (B) a list of all [deposits] recycling fees credited to such
269 account during such quarter, including all [refund values] recycling
270 fees paid to the [deposit] recycling fee initiator and all interest,
271 dividends or returns received on the account; (C) a list of all
272 withdrawals from such account during such quarter, all service
273 charges and overdraft charges on the account and all payments made
274 pursuant to subsection [(d)] (c) of this section; and (D) the balance in
275 the account at the close of the quarter for which the report is prepared.

276 (2) Each [deposit] recycling fee initiator shall submit a report on
277 October 31, [2010] 2018, for the calendar quarter beginning July 1,
278 [2010] 2018. Subsequently, each [deposit] recycling fee initiator shall
279 submit a quarterly report for the immediately preceding calendar
280 quarter, on or before the last day of the month next succeeding the
281 close of such quarter. Each such report shall be submitted to the
282 Commissioner of Revenue Services, on a form prescribed by the
283 Commissioner of Revenue Services, and with such information as the
284 Commissioner of Revenue Services deems necessary, including, but
285 not limited to, the following information: (A) The balance in the special
286 account at the beginning of the quarter for which the report is
287 prepared, (B) all [deposits] recycling fees credited to such account
288 during such quarter, including all [refund values] recycling fees paid
289 to the [deposit] recycling fee initiator and all interest, dividends or
290 returns received on such account, (C) all withdrawals from such
291 account during such quarter, including all service charges and
292 overdraft charges on such account and all payments made pursuant to
293 subsection [(d)] (c) of this section, and (D) the balance in such account
294 at the close of the quarter for which the report is prepared. Such
295 quarterly report shall be filed electronically with the Commissioner of
296 Revenue Services, in the manner provided by chapter 228g.

297 [(d) (1) On or before April 30, 2009, each deposit initiator shall pay
298 the balance outstanding in the special account that is attributable to the
299 period from December 1, 2008, to March 31, 2009, inclusive, to the
300 Commissioner of Energy and Environmental Protection for deposit in
301 the General Fund. Thereafter, the balance outstanding in the special

302 account that is attributable to the immediately preceding calendar
303 quarter shall be paid by the deposit initiator one month after the close
304 of such quarter to the Commissioner of Energy and Environmental
305 Protection for deposit in the General Fund. If the amount of the
306 required payment pursuant to this subdivision is not paid by the date
307 seven days after the due date, a penalty of ten per cent of the amount
308 due shall be added to the amount due. The amount due shall bear
309 interest at the rate of one and one-half per cent per month or fraction
310 thereof, from the due date. Any such penalty or interest shall not be
311 paid from funds maintained in the special account.]

312 [(2)] (c) On or before October 31, [2010] 2018, each [deposit]
313 recycling fee initiator shall pay the balance outstanding in the special
314 account that is attributable to the period from July 1, [2010] 2018, to
315 September 30, [2010] 2018, inclusive, to the Commissioner of Revenue
316 Services for deposit in the General Fund. Subsequently, the balance
317 outstanding in the special account that is attributable to the
318 immediately preceding calendar quarter shall be paid by the [deposit]
319 recycling fee initiator on or before the last day of the month next
320 succeeding the close of such quarter to the Commissioner of Revenue
321 Services for deposit in the General Fund. The recycling fee initiator
322 shall deduct from each quarterly payment due to the commissioner an
323 amount equal to the recycling fees charged to dealers that are
324 determined to be permanently uncollectable during the preceding
325 calendar quarter. If the amount of the required payment pursuant to
326 this subdivision is not paid on or before the due date, a penalty of ten
327 per cent of the amount due and unpaid, or fifty dollars, whichever is
328 greater, shall be imposed. The amount due and unpaid shall bear
329 interest at the rate of one per cent per month or fraction thereof, from
330 the due date. Any such penalty or interest shall not be paid from funds
331 maintained in such special account. Such required payment shall be
332 made by electronic funds transfer to the Commissioner of Revenue
333 Services, in the manner provided by chapter 228g.

334 [(e) If moneys deposited in the special account are insufficient to
335 pay for withdrawals authorized pursuant to subsection (b) of this

336 section, the amount of such deficiency shall be subtracted from the
337 next succeeding payment or payments due pursuant to subsection (d)
338 of this section until the amount of the deficiency has been subtracted in
339 full.]

340 [(f)] (d) The Commissioner of Revenue Services may examine the
341 accounts and records of any [deposit] recycling fee initiator maintained
342 under this section or [sections] section 22a-243 [to 22a-245, inclusive,]
343 or 22a-244, as amended by this act, and any related accounts and
344 records, including receipts, disbursements and such other items as the
345 Commissioner of Revenue Services deems appropriate.

346 [(g)] (e) The Attorney General may, independently or upon
347 complaint of the Commissioner of Energy and Environmental
348 Protection or the Commissioner of Revenue Services, institute any
349 appropriate action or proceeding to enforce any provision of this
350 section. [or any regulation adopted pursuant to section 22a-245 to
351 implement the provisions of this section.]

352 [(h)] (f) The provisions of sections 12-548, 12-550 to 12-554, inclusive,
353 and 12-555a shall be deemed to apply to the provisions of this section,
354 except any provision of sections 12-548, 12-550 to 12-554, inclusive, and
355 12-555a that is inconsistent with the provision in this section.

356 [(i)] (g) Any payment required pursuant to this section shall be
357 treated as a tax for purposes of sections 12-30b, 12-33a, 12-35a, 12-39g
358 and 12-39h.

359 [(j)] Not later than July 1, 2010, the Department of Energy and
360 Environmental Protection or successor agency shall establish a
361 procedure that allows each such deposit initiator to take a credit
362 against any payment made pursuant to subsection (d) of this section in
363 the amount of the deposits refunded on beverage containers which
364 such deposit initiator donated for any charitable purpose.]

365 Sec. 506. Section 22a-245b of the general statutes is repealed and the
366 following is substituted in lieu thereof (*Effective July 1, 2018*):

367 Any manufacturer who bottles and sells two hundred fifty thousand
368 or fewer beverage containers containing a noncarbonated beverage
369 that are twenty ounces or less in size each calendar year may apply to
370 the Commissioner of Energy and Environmental Protection for an
371 exemption from the requirements of sections 22a-244 [to] and 22a-245a,
372 [inclusive] as amended by this act, with regard to such beverage
373 containers containing noncarbonated beverages. Such application shall
374 be accompanied by a sworn affidavit signed by such manufacturer or
375 such manufacturer's authorized agent certifying such manufacturer
376 bottles and sells two hundred fifty thousand or fewer of such beverage
377 containers per calendar year. [Any such application filed on or before
378 April 1, 2009, shall be deemed automatically approved and such
379 exemption shall remain valid until December 31, 2009.] Not later than
380 [November 1, 2009] October 31, 2018, and each year thereafter, each
381 such manufacturer or such manufacturer's authorized agent may
382 apply to the commissioner for an exemption in accordance with this
383 section on a form prescribed by the commissioner. The commissioner
384 shall approve each such application not later than thirty days after the
385 receipt of the application by the commissioner, provided the applicant
386 satisfies the requirements of this section.

387 Sec. 507. Section 22a-245c of the general statutes is repealed and the
388 following is substituted in lieu thereof (*Effective July 1, 2018*):

389 Any manufacturer, dealer or distributor of beverage containers
390 containing noncarbonated beverages may apply to the Governor or the
391 Secretary of the Office of Policy and Management for a delay in the
392 implementation of the requirements imposed by the provisions of
393 sections 22a-244 [to] and 22a-245a, [inclusive] as amended by this act,
394 with regard to such beverage containers containing noncarbonated
395 beverages. Such application may be on a form prescribed by the
396 Governor or the secretary. The Governor or the secretary may delay
397 the implementation of such requirements upon the showing of undue
398 hardship to the industries affected by such requirements, but in no
399 case shall such requirements be implemented later than October 1,
400 [2009] 2019.

401 Sec. 508. Section 22a-246 of the general statutes is repealed and the
402 following is substituted in lieu thereof (*Effective July 1, 2018*):

403 Any person who violates any provision of section 22a-244 [, 22a-245]
404 or 22a-245a, as amended by this act, shall be fined not less than fifty
405 dollars nor more than one hundred dollars, and for a second offense
406 shall be fined not less than one hundred dollars nor more than two
407 hundred dollars and for a third or subsequent offense shall be fined
408 not less than two hundred fifty dollars or more than five hundred
409 dollars.

410 Sec. 509. Subsection (b) of section 22a-251 of the general statutes is
411 repealed and the following is substituted in lieu thereof (*Effective July*
412 *1, 2018*):

413 (b) The provisions of sections 22a-247 to 22a-249, inclusive, and 22a-
414 250 shall be in addition to and shall not supersede any provision of
415 [sections] section 22a-243 [to 22a-245, inclusive] or 22a-244, as
416 amended by this act.

417 Sec. 510. Subdivision (8) of section 12-407 of the general statutes is
418 repealed and the following is substituted in lieu thereof (*Effective July*
419 *1, 2018*):

420 (8) (A) "Sales price" means the total amount for which tangible
421 personal property is sold by a retailer, the total amount of rent for
422 which occupancy of a room is transferred by an operator, the total
423 amount for which any service described in subdivision (2) of this
424 subsection is rendered by a retailer or the total amount of payment or
425 periodic payments for which tangible personal property is leased by a
426 retailer, valued in money, whether paid in money or otherwise, which
427 amount is due and owing to the retailer or operator and, subject to the
428 provisions of subdivision (1) of section 12-408, whether or not actually
429 received by the retailer or operator, without any deduction on account
430 of any of the following: (i) The cost of the property sold; (ii) the cost of
431 materials used, labor or service cost, interest charged, losses or any
432 other expenses; (iii) for any sale occurring on or after July 1, 1993, any

433 charges by the retailer to the purchaser for shipping or delivery,
434 notwithstanding whether such charges are separately stated in a
435 written contract, or on a bill or invoice rendered to such purchaser or
436 whether such shipping or delivery is provided by the retailer or a third
437 party. The provisions of subparagraph (A) (iii) of this subdivision shall
438 not apply to any item exempt from taxation pursuant to section 12-412.
439 Such total amount includes any services that are a part of the sale;
440 except as otherwise provided in subparagraph (B)(v) or (B)(vi) of this
441 subdivision, any amount for which credit is given to the purchaser by
442 the retailer, and all compensation and all employment-related
443 expenses, whether or not separately stated, paid to or on behalf of
444 employees of a retailer of any service described in subdivision (2) of
445 this subsection.

446 (B) "Sales price" does not include any of the following: (i) Cash
447 discounts allowed and taken on sales; (ii) any portion of the amount
448 charged for property returned by purchasers, which upon rescission of
449 the contract of sale is refunded either in cash or credit, provided the
450 property is returned within ninety days from the date of purchase; (iii)
451 the amount of any tax, not including any manufacturers' or importers'
452 excise tax, imposed by the United States upon or with respect to retail
453 sales whether imposed upon the retailer or the purchaser; (iv) the
454 amount charged for labor rendered in installing or applying the
455 property sold, provided such charge is separately stated and exclusive
456 of such charge for any service rendered within the purview of
457 subparagraph (I) of subdivision (37) of this subsection; (v) unless the
458 provisions of subdivision (4) of section 12-430 or of section 12-430a are
459 applicable, any amount for which credit is given to the purchaser by
460 the retailer, provided such credit is given solely for property of the
461 same kind accepted in part payment by the retailer and intended by
462 the retailer to be resold; (vi) the full face value of any coupon used by a
463 purchaser to reduce the price paid to a retailer for an item of tangible
464 personal property, whether or not the retailer will be reimbursed for
465 such coupon, in whole or in part, by the manufacturer of the item of
466 tangible personal property or by a third party; (vii) the amount

467 charged for separately stated compensation, fringe benefits, workers'
468 compensation and payroll taxes or assessments paid to or on behalf of
469 employees of a retailer who has contracted to manage a service
470 recipient's property or business premises and renders management
471 services described in subparagraph (I) or (J) of subdivision (37) of this
472 subsection, provided, the employees perform such services solely for
473 the service recipient at its property or business premises and "sales
474 price" shall include the separately stated compensation, fringe benefits,
475 workers' compensation and payroll taxes or assessments paid to or on
476 behalf of any employee of the retailer who is an officer, director or
477 owner of more than five per cent of the outstanding capital stock of the
478 retailer. Determination whether an employee performs services solely
479 for a service recipient at its property or business premises for purposes
480 of this subdivision shall be made by reference to such employee's
481 activities during the time period beginning on the later of the
482 commencement of the management contract, the date of the
483 employee's first employment by the retailer or the date which is six
484 months immediately preceding the date of such determination; (viii)
485 the amount charged for separately stated compensation, fringe
486 benefits, workers' compensation and payroll taxes or assessments paid
487 to or on behalf of (I) a leased employee, or (II) a worksite employee by
488 a professional employer organization pursuant to a professional
489 employer agreement. For purposes of this subparagraph, an employee
490 shall be treated as a leased employee if the employee is provided to the
491 client at the commencement of an agreement with an employee leasing
492 organization under which at least seventy-five per cent of the
493 employees provided to the client at the commencement of such initial
494 agreement qualify as leased employees pursuant to Section 414(n) of
495 the Internal Revenue Code of 1986, or any subsequent corresponding
496 internal revenue code of the United States, as from time to time
497 amended, or the employee is added to the client's workforce by the
498 employee leasing organization subsequent to the commencement of
499 such initial agreement and qualifies as a leased employee pursuant to
500 Section 414(n) of said Internal Revenue Code of 1986 without regard to
501 subparagraph (B) of paragraph (2) thereof. A leased employee, or a

502 worksite employee subject to a professional employer agreement, shall
503 not include any employee who is hired by a temporary help service
504 and assigned to support or supplement the workforce of a temporary
505 help service's client; (ix) any amount received by a retailer from a
506 purchaser as the battery deposit that is required to be paid under
507 subsection (a) of section 22a-245h; the [refund value] recycling fee of a
508 beverage container that is required to be paid under subsection (a) of
509 section 22a-244, as amended by this act; or a deposit that is required by
510 law to be paid by the purchaser to the retailer and that is required by
511 law to be refunded to the purchaser by the retailer when the same or
512 similar tangible personal property is delivered as required by law to
513 the retailer by the purchaser, if such amount is separately stated on the
514 bill or invoice rendered by the retailer to the purchaser; and (x) the
515 amount charged for separately stated compensation, fringe benefits,
516 workers' compensation and payroll taxes or assessments paid to a
517 media payroll services company, as defined in this subsection.

518 Sec. 511. (NEW) (*Effective July 1, 2018*) (a) There is established a
519 separate, nonlapsing account within the General Fund, known as the
520 "recycling fee account". The Commissioner of Revenue Services shall
521 credit two cents of every recycling fee received by the commissioner in
522 accordance with the provisions of sections 22a-244 and 22a-245a of the
523 general statutes, as amended by this act, to the recycling fee account.
524 Said account may also receive funds from private or public sources,
525 including the federal government or a municipal government.

526 (b) Within the recycling fee account, there shall be the following
527 subaccounts, the: (1) Collectors' subaccount, (2) tipping fee subaccount,
528 and (3) beverage container reuse subaccount. The commissioner shall
529 credit the recycling fees received in the recycling fee account, pursuant
530 to subsection (a) of this section, equally among each of the three
531 subaccounts established pursuant to this subsection.

532 (c) Any funds credited to the collectors' subaccount in accordance
533 with the provisions of subsection (b) of this section shall be utilized to
534 make payments to collectors registered to haul solid waste pursuant to

535 section 22a-220a of the general statutes. Such payments shall be made
536 in a manner that reflects any verifiable increased volume in the
537 number of beverage containers, as defined in section 22a-243 of the
538 general statutes, as amended by this act, that a collector hauls as a
539 result of the provisions of section 12 of this act. The Commissioners of
540 Revenue Services and Energy and Environmental Protection shall
541 determine the terms and amount of any such payment, including, but
542 not limited to, the frequency of any such payments. The Commissioner
543 of Energy and Environmental Protection, in consultation with the
544 Commissioner of Revenue Services, may adopt regulations, in
545 accordance with the provisions of chapter 54 of the general statutes, to
546 implement the provisions of this subsection.

547 (d) Any funds credited to the tipping fee subaccount in accordance
548 with the provisions of subsection (b) of this section shall be utilized to
549 make payments to municipalities that realize an increase in tipping
550 fees paid by such municipalities that are verifiably attributable to the
551 provisions of section 12 of this act. The Commissioners of Revenue
552 Services and Energy and Environmental Protection shall determine the
553 terms and amount of any such payment, including, but not limited to,
554 the frequency of any such payments. The Commissioner of Energy and
555 Environmental Protection, in consultation with the Commissioner of
556 Revenue Services, may adopt regulations, in accordance with the
557 provisions of chapter 54 of the general statutes, to implement the
558 provisions of this subsection. Nothing in this subsection shall be
559 deemed to affect the payment of any grant to a municipality pursuant
560 to section 22a-219b or 22a-219c of the general statutes.

561 (e) Any funds credited to the beverage container reuse subaccount
562 in accordance with the provisions of subsection (b) of this section shall
563 be utilized by the Commissioner of Energy and Environmental
564 Protection and the Recycle CT Foundation, Inc. to fund the
565 development of reuses for beverage containers, as defined in section
566 22a-243 of the general statutes, as amended by this act, that are
567 recycled in accordance with the provisions of section 22a-241b of the
568 general statutes. Such funds shall be expended to fund research,

569 projects, purposes, including but not limited to, industry and
 570 businesses, and other efforts that result in the reuse of such beverage
 571 containers in this state. The Commissioner of Energy and
 572 Environmental Protection, in consultation with the Recycle CT
 573 Foundation Council, shall determine the requirements and terms for
 574 any funds awarded to any person pursuant to the provisions of this
 575 subsection, including, but not limited to, the amount of any funds
 576 awarded pursuant to this subsection. In developing such requirements,
 577 the commissioner may consult with Connecticut Innovations,
 578 Incorporated. Such quasi-public agency shall provide the
 579 commissioner with any information that the commissioner determines
 580 is necessary for the performance of the commissioner's responsibilities
 581 pursuant to this subsection. The Commissioner of Energy and
 582 Environmental Protection may adopt regulations in accordance with
 583 the provisions of chapter 54 of the general statutes to implement the
 584 provisions of this subsection.

585 Sec. 512. Section 22a-245 of the general statutes is repealed. (*Effective*
 586 *July 1, 2018*)"

This act shall take effect as follows and shall amend the following sections:		
Sec. 501	<i>October 1, 2017</i>	New section
Sec. 502	<i>October 1, 2017</i>	New section
Sec. 503	<i>July 1, 2018</i>	22a-243
Sec. 504	<i>July 1, 2018</i>	22a-244
Sec. 505	<i>July 1, 2018</i>	22a-245a
Sec. 506	<i>July 1, 2018</i>	22a-245b
Sec. 507	<i>July 1, 2018</i>	22a-245c
Sec. 508	<i>July 1, 2018</i>	22a-246
Sec. 509	<i>July 1, 2018</i>	22a-251(b)
Sec. 510	<i>July 1, 2018</i>	12-407(8)
Sec. 511	<i>July 1, 2018</i>	New section
Sec. 512	<i>July 1, 2018</i>	Repealer section