



Senate Bill No. 261

Public Act No. 18-80

***AN ACT EXTENDING THE MANUFACTURING APPRENTICESHIP
TAX CREDIT TO PASS-THROUGH ENTITIES.***

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

Section 1. Subsection (a) of section 12-217g of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2018, and applicable to income and taxable years commencing on or after January 1, 2018*):

(a) (1) There shall be allowed a credit for any taxpayer against the tax imposed under this chapter or chapter 229, other than the liability imposed by section 12-707, for any income or taxable year with respect to each apprenticeship in the manufacturing trades commenced by such taxpayer in such year under a qualified apprenticeship training program as described in this section, certified in accordance with regulations adopted by the Labor Commissioner and registered with the Connecticut State Apprenticeship Council established under section 31-22n, in an amount equal to six dollars per hour multiplied by the total number of hours worked during the income or taxable year by apprentices in the first half of a two-year term of apprenticeship and the first three-quarters of a four-year term of apprenticeship, provided the amount of credit allowed for any income or taxable year with respect to each such apprenticeship may not

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exceed seven thousand five hundred dollars or fifty per cent of actual wages paid in such [income] year to an apprentice in the first half of a two-year term of apprenticeship or in the first three-quarters of a four-year term of apprenticeship, whichever is less.

(2) (A) Effective for income years commencing on [and] or after January 1, 2015, for purposes of this subsection, "taxpayer" includes an affected business entity, as defined in section 12-284b. [Any] For income years commencing on or after January 1, 2015, but prior to January 1, 2018, any affected business entity allowed a credit under this subsection may sell, assign or otherwise transfer such credit, in whole or in part, to one or more taxpayers to offset any state tax due or otherwise payable by such taxpayers under this chapter, or, with respect to income years commencing on or after January 1, 2016, but prior to January 1, 2018, chapter 212 or 227, provided such credit may be sold, assigned or otherwise transferred, in whole or in part, not more than three times.

(B) Effective for income years commencing on or after January 1, 2018, if the taxpayer is an S corporation or an entity treated as a partnership for federal income tax purposes, the shareholders or partners of such taxpayer may claim the credit under this subsection. If the taxpayer is a single member limited liability company that is disregarded as an entity separate from its owner, the limited liability company's owner may claim the credit under this subsection.

Vetoed June 6, 2018