

OFFICE OF FISCAL ANALYSIS

Legislative Office Building, Room 5200

Hartford, CT 06106 ◊ (860) 240-0200

<http://www.cga.ct.gov/ofa>

sHB-7340

AN ACT CONCERNING THE USE OF VEIL PIERCING TO DETERMINE THE PERSONAL RESPONSIBILITY OF AN INTEREST HOLDER OF A DOMESTIC ENTITY FOR THE DEBTS, OBLIGATIONS OR OTHER LIABILITIES OF SUCH ENTITY AND THE RESPONSIBILITY OF A DOMESTIC ENTITY FOR THE DEBTS, OBLIGATIONS OR OTHER LIABILITIES OF AN INTEREST HOLDER OF SUCH ENTITY.

As Amended by House "A" (LCO 7835)

House Calendar No.: 492

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill codifies a court methodology for determination of personal liability on interest holders of a corporation and does not result in a fiscal impact.

House "A" lowers the evidentiary standard that must be met for the court to find that a statutory limitation on interest holder liability may be disregarded on the basis of a veil piercing claim and does not result in a fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None