



General Assembly

January Session, 2019

Committee Bill No. 5600

LCO No. 7417



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING A STUDY OF THE TAX IMPLICATIONS OF ALLOWING BENEFIT LIMITED LIABILITY COMPANIES UNDER STATE LAW.

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

1 Section 1. (*Effective from passage*) (a) The Commissioner of Revenue
2 Services shall study the potential tax implications of allowing
3 companies to organize as benefit limited liability companies under
4 state law. Such study shall evaluate (1) what other states have done
5 with regard to benefit limited liability companies, (2) whether and to
6 what extent such ability to organize may improve the state's tax
7 competitiveness, (3) whether and to what extent such ability to
8 organize may attract benefit corporations in surrounding states to this
9 state, and (4) the projected revenue gains and losses associated with
10 allowing companies to organize as benefit limited liability companies
11 in this state.

12 (b) Not later than February 1, 2020, the commissioner shall submit a
13 report, in accordance with the provisions of section 11-4a of the general
14 statutes, to the joint standing committees of the General Assembly

15 having cognizance of matters relating to finance, revenue and bonding
16 and commerce. Such report shall summarize the results of the
17 evaluations conducted pursuant to subsection (a) of this section and
18 include any recommendations by or considerations from the
19 commissioner related to benefit limited liability companies.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Statement of Purpose:

To require the Commissioner of Revenue Services to study the potential tax implications of allowing companies to organize as benefit limited liability companies under state law and submit a report to the legislative finance and commerce committees.

[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: REP. DAVIS C., 57th Dist.

H.B. 5600