



General Assembly

January Session, 2019

**Raised Bill No. 7415**

LCO No. 7093



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

***AN ACT CONCERNING A SURCHARGE ON CAPITAL GAINS.***

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

1 Section 1. (NEW) (*Effective January 1, 2020*) (a) For taxable years  
2 commencing on or after January 1, 2020, there is imposed a surcharge  
3 on a taxpayer, excluding trusts or estates, whose Connecticut adjusted  
4 gross income is equal to or greater than the threshold amount specified  
5 in section 12-700 of the general statutes for imposition of the highest  
6 marginal rate on such taxpayer. Such surcharge shall be at the rate of  
7 two per cent of the net gain from the sale or exchange of capital assets,  
8 as determined for federal income tax purposes, that are includable in  
9 such taxpayer's Connecticut adjusted gross income and are derived  
10 from or connected with sources within this state. The surcharge shall  
11 be in addition to any other tax, fee or surcharge for which the taxpayer  
12 is liable.

13 (b) Each taxpayer subject to the surcharge shall file a report, in  
14 accordance with the provisions of subsection (a) of section 12-719 of  
15 the general statutes, with the Commissioner of Revenue Services in

16 such form and containing such information as the commissioner may  
17 prescribe. Such return shall accurately set forth the amount of the net  
18 gain calculated pursuant to subsection (a) of this section for the  
19 preceding taxable year and the amount of the taxpayer's surcharge  
20 liability for such year. A person required to file a report shall, without  
21 assessment, notice or demand, pay any surcharge due thereon to the  
22 commissioner on or before the date specified in subsection (a) of  
23 section 12-719 of the general statutes, determined without regard to  
24 any extension of time for filing the report.

25 (c) If any person fails to pay the amount of the surcharge reported  
26 due on a report within the time specified, there shall be imposed a  
27 penalty equal to ten per cent of such amount due and unpaid, or fifty  
28 dollars, whichever is greater. Such amount shall bear interest at the  
29 rate of one per cent per month or fraction thereof, from the due date of  
30 such surcharge until the date of payment. Subject to the provisions of  
31 section 12-3a of the general statutes, the commissioner may waive all  
32 or part of the penalties provided under this section when it is proven  
33 to the commissioner's satisfaction that the failure to pay any surcharge  
34 was due to reasonable cause and was not intentional or due to neglect.

35 (d) The provisions of sections 12-550 to 12-554, inclusive, and  
36 sections 12-555a, 12-723, 12-728, 12-729 and 12-733 of the general  
37 statutes shall apply to the provisions of this section in the same  
38 manner and with the same force and effect as if the language of said  
39 sections had been incorporated in full into this section and had  
40 expressly referred to the surcharge under this section, except to the  
41 extent that any provision is inconsistent with a provision in this  
42 section.

43 (e) The commissioner may adopt regulations, in accordance with the  
44 provisions of chapter 54 of the general statutes, to implement the  
45 provisions of this section.

46 (f) At the close of each fiscal year commencing with the fiscal year

47 ending June 30, 2020, the Comptroller is authorized to record as  
48 revenue for such fiscal year the amount of the surcharge imposed  
49 under the provisions of this section that is received by the  
50 commissioner not later than five business days from the last day of  
51 July immediately following the end of such fiscal year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2020</i>	New section

**Statement of Purpose:**

To impose a two per cent surcharge on the net gain from the sale or exchange of capital assets for certain taxpayers.

*[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.]*