



General Assembly

January Session, 2019

Governor's Bill No. 877

LCO No. 4566



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:

SEN. LOONEY, 11th Dist.

SEN. DUFF, 25th Dist.

REP. ARESIMOWICZ, 30th Dist.

REP. RITTER M., 1st Dist.

AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE GOVERNOR'S BUDGET.

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

1 Section 1. (NEW) (*Effective from passage and applicable to taxable years*
2 *commencing on or after January 1, 2023*) (a) (1) As used in this section,
3 "property tax" and "motor vehicle" have the same meanings as
4 provided in section 12-704c of the general statutes, as amended by this
5 act.

6 (2) For the purposes of this section, property tax first becomes due,
7 if due and payable in a single installment, on the date designated by
8 the legislative body of the municipality as the date on which such
9 installment shall be due and payable and, if due and payable in two or
10 more installments, on the date designated by the legislative body of
11 the municipality as the date on which such installment shall be due

12 and payable or, at the election of the taxpayer, on the date designated
13 by the legislative body of the municipality as the date on which any
14 earlier installment of such tax shall be due and payable.

15 (b) For taxable years commencing on or after January 1, 2023, any
16 resident of this state, as defined in subdivision (1) of subsection (a) of
17 section 12-701 of the general statutes, subject to the tax under chapter
18 229 of the general statutes for any taxable year shall be entitled to a
19 credit in determining the amount of tax liability under chapter 229 of
20 the general statutes, for all or a portion, as permitted by this section, of
21 the amount of property tax, as defined in this section, first becoming
22 due and actually paid during such taxable year by such person on such
23 person's primary residence or motor vehicle in accordance with the
24 provisions of this section, provided in the case of a person who files a
25 return under the federal income tax for such taxable year as an
26 unmarried individual, a married individual filing separately or a head
27 of household, one motor vehicle shall be eligible for such credit and in
28 the case of persons who file a return under federal income tax for such
29 taxable year as married individuals filing jointly, no more than two
30 motor vehicles shall be eligible for a credit under the provisions of this
31 section. The credit allowed under this section shall be in addition to
32 the credit allowed under section 12-704c of the general statutes, as
33 amended by this act, for which a resident is eligible.

34 (c) (1) The credit allowed under this section shall be calculated by
35 determining the amount by which a taxpayer's property tax paid
36 during the taxable year exceeds six and one-half per cent of such
37 taxpayer's Connecticut adjusted gross income and multiplying such
38 excess amount by 0.333.

39 (2) The credit allowed under this section shall not exceed one
40 thousand two hundred dollars. In the case of any persons who file a
41 return under the federal income tax for such taxable year as married
42 individuals filing a joint return, the credit allowed, in the aggregate,
43 shall not exceed such amount for each such taxable year.

44 (d) The credit allowed under the provisions of this section shall be
45 available for any person renting a primary residence in the state. Such
46 renter shall be entitled to the credit in accordance with the provisions
47 of this section and the amount of the credit shall be calculated as
48 though the renter paid the property tax on such primary residence in
49 an amount equal to eighteen per cent of the total amount of rent,
50 exclusive of any interest, fees, deposits or charges, actually paid by the
51 renter during the taxable year for which the credit is claimed.

52 (e) The credit allowed under the provisions of this section shall be
53 available for any person leasing a motor vehicle pursuant to a written
54 agreement for a term of more than one year. Such lessee shall be
55 entitled to the credit in accordance with the provisions of this section
56 for the taxes actually paid by the lessor or lessee on such leased
57 vehicle, provided the lessee was lawfully in possession of the motor
58 vehicle at such time when the taxes first became due. The lessor shall
59 provide the lessee with documentation establishing, to the satisfaction
60 of the Commissioner of Revenue Services, the amount of property tax
61 paid during the time period in which the lessee was lawfully in
62 possession of the motor vehicle. The lessor of the motor vehicle shall
63 not be entitled to a credit under the provisions of this section.

64 (f) The credit may only be used to reduce a qualifying taxpayer's tax
65 liability for the year for which such credit is applicable and shall not be
66 used to reduce such tax liability to less than zero.

67 (g) The amount of tax due pursuant to sections 12-705 and 12-722 of
68 the general statutes shall be calculated without regard to this credit.

69 Sec. 2. Section 12-704c of the general statutes is repealed and the
70 following is substituted in lieu thereof (*Effective from passage*):

71 (a) Any resident of this state, as defined in subdivision (1) of
72 subsection (a) of section 12-701, subject to the tax under this chapter for
73 any taxable year shall be entitled to a credit in determining the amount
74 of tax liability under this chapter, for all or a portion, as permitted by

75 this section, of the amount of property tax, as defined in this section,
76 first becoming due and actually paid during such taxable year by such
77 person on such person's primary residence or motor vehicle in
78 accordance with the provisions of this section, provided in the case of a
79 person who files a return under the federal income tax for such taxable
80 year as an unmarried individual, a married individual filing separately
81 or a head of household, one motor vehicle shall be eligible for such
82 credit and in the case of [a husband and wife] persons who file a return
83 under federal income tax for such taxable year as married individuals
84 filing jointly, no more than two motor vehicles shall be eligible for a
85 credit under the provisions of this section.

86 (b) (1) The credit allowed under this section shall not exceed (A) [for
87 taxable years commencing on or after January 1, 2006, but prior to
88 January 1, 2011, five hundred dollars; (B)] for taxable years
89 commencing on or after January 1, 2011, but prior to January 1, 2016,
90 three hundred dollars; and [(C)] (B) for taxable years commencing on
91 or after January 1, 2016, two hundred dollars. In the case of any
92 [husband and wife] persons who file a return under the federal income
93 tax for such taxable year as married individuals filing a joint return,
94 the credit allowed, in the aggregate, shall not exceed such [amounts]
95 amount for each such taxable year.

96 (2) Notwithstanding the provisions of subsection (a) of this section,
97 for the taxable years commencing January 1, 2017, and January 1, 2018,
98 the credit under this section shall be allowed only for a resident of this
99 state (A) who has attained age sixty-five before the close of the
100 applicable taxable year, or (B) who files a return under the federal
101 income tax for the applicable taxable year validly claiming one or more
102 dependents.

103 [(c) (1) (A) For taxable years commencing prior to January 1, 2000, in
104 the case of any such taxpayer who files under the federal income tax
105 for such taxable year as an unmarried individual whose Connecticut
106 adjusted gross income exceeds fifty-two thousand five hundred

107 dollars, the amount of the credit that exceeds one hundred dollars shall
108 be reduced by ten per cent for each ten thousand dollars, or fraction
109 thereof, by which the taxpayer's Connecticut adjusted gross income
110 exceeds said amount.

111 (B) For taxable years commencing on or after January 1, 2000, but
112 prior to January 1, 2001, in the case of any such taxpayer who files
113 under the federal income tax for such taxable year as an unmarried
114 individual whose Connecticut adjusted gross income exceeds fifty-
115 three thousand five hundred dollars, the amount of the credit that
116 exceeds one hundred dollars shall be reduced by ten per cent for each
117 ten thousand dollars, or fraction thereof, by which the taxpayer's
118 Connecticut adjusted gross income exceeds said amount.

119 (C) For taxable years commencing on or after January 1, 2001, but
120 prior to January 1, 2004, in the case of any such taxpayer who files
121 under the federal income tax for such taxable year as an unmarried
122 individual whose Connecticut adjusted gross income exceeds fifty-four
123 thousand five hundred dollars, the amount of the credit shall be
124 reduced by ten per cent for each ten thousand dollars, or fraction
125 thereof, by which the taxpayer's Connecticut adjusted gross income
126 exceeds said amount.

127 (D) For taxable years commencing on or after January 1, 2004, but
128 prior to January 1, 2007, in the case of any such taxpayer who files
129 under the federal income tax for such taxable year as an unmarried
130 individual whose Connecticut adjusted gross income exceeds fifty-five
131 thousand dollars, the amount of the credit shall be reduced by ten per
132 cent for each ten thousand dollars, or fraction thereof, by which the
133 taxpayer's Connecticut adjusted gross income exceeds said amount.

134 (E) For taxable years commencing on or after January 1, 2007, but
135 prior to January 1, 2008, in the case of any such taxpayer who files
136 under the federal income tax for such taxable year as an unmarried
137 individual whose Connecticut adjusted gross income exceeds fifty-five

138 thousand five hundred dollars, the amount of the credit shall be
139 reduced by ten per cent for each ten thousand dollars, or fraction
140 thereof, by which the taxpayer's Connecticut adjusted gross income
141 exceeds said amount.

142 (F) For taxable years commencing on or after January 1, 2008, but
143 prior to January 1, 2011, in the case of any such taxpayer who files
144 under the federal income tax for such taxable year as an unmarried
145 individual whose Connecticut adjusted gross income exceeds fifty-six
146 thousand five hundred dollars, the amount of the credit shall be
147 reduced by ten per cent for each ten thousand dollars, or fraction
148 thereof, by which the taxpayer's Connecticut adjusted gross income
149 exceeds said amount.]

150 [(G)] (c) (1) (A) For taxable years commencing on or after January 1,
151 2011, but prior to January 1, 2013, in the case of any such taxpayer who
152 files under the federal income tax for such taxable year as an
153 unmarried individual whose Connecticut adjusted gross income
154 exceeds fifty-six thousand five hundred dollars, the amount of the
155 credit shall be reduced by fifteen per cent for each ten thousand
156 dollars, or fraction thereof, by which the taxpayer's Connecticut
157 adjusted gross income exceeds said amount.

158 [(H)] (B) For taxable years commencing on or after January 1, 2013,
159 but prior to January 1, 2014, in the case of any such taxpayer who files
160 under the federal income tax for such taxable year as an unmarried
161 individual whose Connecticut adjusted gross income exceeds sixty
162 thousand five hundred dollars, the amount of the credit shall be
163 reduced by fifteen per cent for each ten thousand dollars, or fraction
164 thereof, by which the taxpayer's Connecticut adjusted gross income
165 exceeds said amount.

166 [(I)] (C) For taxable years commencing on or after January 1, 2014,
167 but prior to January 1, 2016, in the case of any such taxpayer who files
168 under the federal income tax for such taxable year as an unmarried

169 individual whose Connecticut adjusted gross income exceeds forty-
170 seven thousand five hundred dollars, the amount of the credit shall be
171 reduced by fifteen per cent for each ten thousand dollars, or fraction
172 thereof, by which the taxpayer's Connecticut adjusted gross income
173 exceeds said amount.

174 ~~[(J)]~~ (D) For taxable years commencing on or after January 1, 2016, in
175 the case of any such taxpayer who files under the federal income tax
176 for such taxable year as an unmarried individual whose Connecticut
177 adjusted gross income exceeds forty-nine thousand five hundred
178 dollars, the amount of the credit shall be reduced by fifteen per cent for
179 each ten thousand dollars, or fraction thereof, by which the taxpayer's
180 Connecticut adjusted gross income exceeds said amount.

181 (2) In the case of any such taxpayer who files under the federal
182 income tax for such taxable year as a married individual filing
183 separately whose Connecticut adjusted gross income exceeds thirty-
184 five thousand two hundred fifty dollars, the amount of the credit shall
185 be reduced by fifteen per cent for each five thousand dollars, or
186 fraction thereof, by which the taxpayer's Connecticut adjusted gross
187 income exceeds said amount.

188 (3) In the case of a taxpayer who files under the federal income tax
189 for such taxable year as a head of household whose Connecticut
190 adjusted gross income exceeds fifty-four thousand five hundred
191 dollars, the amount of the credit shall be reduced by fifteen per cent for
192 each ten thousand dollars or fraction thereof, by which the taxpayer's
193 Connecticut adjusted gross income exceeds said amount.

194 (4) In the case of a taxpayer who files under federal income tax for
195 such taxable year as married individuals filing jointly whose
196 Connecticut adjusted gross income exceeds seventy thousand five
197 hundred dollars, the amount of the credit shall be reduced by fifteen
198 per cent for each ten thousand dollars, or fraction thereof, by which the
199 taxpayer's Connecticut adjusted gross income exceeds said amount.

200 (d) The credit allowed under the provisions of this section shall be
201 available for any person leasing a motor vehicle pursuant to a written
202 agreement for a term of more than one year. Such lessee shall be
203 entitled to the credit in accordance with the provisions of this section
204 for the taxes actually paid by the lessor or lessee on such leased
205 vehicle, provided the lessee was lawfully in possession of the motor
206 vehicle at such time when the taxes first became due. The lessor shall
207 provide the lessee with documentation establishing, to the satisfaction
208 of the Commissioner of Revenue Services, the amount of property tax
209 paid during the time period in which the lessee was lawfully in
210 possession of the motor vehicle. The lessor of the motor vehicle shall
211 not be entitled to a credit under the provisions of this section.

212 (e) The credit may only be used to reduce [such] a qualifying
213 taxpayer's tax liability for the year for which such credit is applicable
214 and shall not be used to reduce such tax liability to less than zero.

215 (f) The amount of tax due pursuant to sections 12-705 and 12-722
216 shall be calculated without regard to this credit.

217 (g) For the purposes of this section: (1) "Property tax" means the
218 amount of property tax, exclusive of any interest, fees or charges
219 thereon, for which a taxpayer is liable, or in the case of any [husband
220 and wife] persons who file a return under the federal income tax for
221 such taxable year as married individuals filing a joint return, for which
222 [the husband or wife] either or both spouses are liable, to a
223 Connecticut political subdivision on the taxpayer's primary residence
224 or motor vehicles; (2) "motor vehicle" means a motor vehicle, as
225 defined in section 14-1, [which] that is privately owned or leased; and
226 (3) property tax first becomes due, if due and payable in a single
227 installment, on the date designated by the legislative body of the
228 municipality as the date on which such installment shall be due and
229 payable and, if due and payable in two or more installments, on the
230 date designated by the legislative body of the municipality as the date
231 on which such installment shall be due and payable or, at the election

232 of the taxpayer, on the date designated by the legislative body of the
233 municipality as the date on which any earlier installment of such tax
234 shall be due and payable.

235 Sec. 3. Subparagraph (B) of subdivision (20) of subsection (a) of
236 section 12-701 of the general statutes is repealed and the following is
237 substituted in lieu thereof (*Effective from passage and applicable to taxable*
238 *years commencing on or after January 1, 2019*):

239 (B) There shall be subtracted therefrom:

240 (i) To the extent properly includable in gross income for federal
241 income tax purposes, any income with respect to which taxation by
242 any state is prohibited by federal law;

243 (ii) To the extent allowable under section 12-718, exempt dividends
244 paid by a regulated investment company;

245 (iii) To the extent properly includable in gross income for federal
246 income tax purposes, the amount of any refund or credit for
247 overpayment of income taxes imposed by this state, or any other state
248 of the United States or a political subdivision thereof, or the District of
249 Columbia;

250 (iv) To the extent properly includable in gross income for federal
251 income tax purposes and not otherwise subtracted from federal
252 adjusted gross income pursuant to clause (x) of this subparagraph in
253 computing Connecticut adjusted gross income, any tier 1 railroad
254 retirement benefits;

255 (v) To the extent any additional allowance for depreciation under
256 Section 168(k) of the Internal Revenue Code for property placed in
257 service after September 27, 2017, was added to federal adjusted gross
258 income pursuant to subparagraph (A)(ix) of this subdivision in
259 computing Connecticut adjusted gross income, twenty-five per cent of
260 such additional allowance for depreciation in each of the four

261 succeeding taxable years;

262 (vi) To the extent properly includable in gross income for federal
263 income tax purposes, any interest income from obligations issued by or
264 on behalf of the state of Connecticut, any political subdivision thereof,
265 or public instrumentality, state or local authority, district or similar
266 public entity created under the laws of the state of Connecticut;

267 (vii) To the extent properly includable in determining the net gain
268 or loss from the sale or other disposition of capital assets for federal
269 income tax purposes, any gain from the sale or exchange of obligations
270 issued by or on behalf of the state of Connecticut, any political
271 subdivision thereof, or public instrumentality, state or local authority,
272 district or similar public entity created under the laws of the state of
273 Connecticut, in the income year such gain was recognized;

274 (viii) Any interest on indebtedness incurred or continued to
275 purchase or carry obligations or securities the interest on which is
276 subject to tax under this chapter but exempt from federal income tax,
277 to the extent that such interest on indebtedness is not deductible in
278 determining federal adjusted gross income and is attributable to a
279 trade or business carried on by such individual;

280 (ix) Ordinary and necessary expenses paid or incurred during the
281 taxable year for the production or collection of income which is subject
282 to taxation under this chapter but exempt from federal income tax, or
283 the management, conservation or maintenance of property held for the
284 production of such income, and the amortizable bond premium for the
285 taxable year on any bond the interest on which is subject to tax under
286 this chapter but exempt from federal income tax, to the extent that
287 such expenses and premiums are not deductible in determining federal
288 adjusted gross income and are attributable to a trade or business
289 carried on by such individual;

290 (x) (I) For [taxable years commencing prior to January 1, 2019, for] a
291 person who files a return under the federal income tax as an

292 unmarried individual whose federal adjusted gross income for such
293 taxable year is less than fifty thousand dollars, or as a married
294 individual filing separately whose federal adjusted gross income for
295 such taxable year is less than fifty thousand dollars, or for a husband
296 and wife who file a return under the federal income tax as married
297 individuals filing jointly whose federal adjusted gross income for such
298 taxable year is less than sixty thousand dollars or a person who files a
299 return under the federal income tax as a head of household whose
300 federal adjusted gross income for such taxable year is less than sixty
301 thousand dollars, an amount equal to the Social Security benefits
302 includable for federal income tax purposes; and

303 (II) For [taxable years commencing prior to January 1, 2019, for] a
304 person who files a return under the federal income tax as an
305 unmarried individual whose federal adjusted gross income for such
306 taxable year is fifty thousand dollars or more, or as a married
307 individual filing separately whose federal adjusted gross income for
308 such taxable year is fifty thousand dollars or more, or for a husband
309 and wife who file a return under the federal income tax as married
310 individuals filing jointly whose federal adjusted gross income from
311 such taxable year is sixty thousand dollars or more or for a person who
312 files a return under the federal income tax as a head of household
313 whose federal adjusted gross income for such taxable year is sixty
314 thousand dollars or more, an amount equal to the difference between
315 the amount of Social Security benefits includable for federal income tax
316 purposes and the lesser of twenty-five per cent of the Social Security
317 benefits received during the taxable year, or twenty-five per cent of the
318 excess described in Section 86(b)(1) of the Internal Revenue Code;

319 [(III) For the taxable year commencing January 1, 2019, and each
320 taxable year thereafter, for a person who files a return under the
321 federal income tax as an unmarried individual whose federal adjusted
322 gross income for such taxable year is less than seventy-five thousand
323 dollars, or as a married individual filing separately whose federal
324 adjusted gross income for such taxable year is less than seventy-five

325 thousand dollars, or for a husband and wife who file a return under
326 the federal income tax as married individuals filing jointly whose
327 federal adjusted gross income for such taxable year is less than one
328 hundred thousand dollars or a person who files a return under the
329 federal income tax as a head of household whose federal adjusted
330 gross income for such taxable year is less than one hundred thousand
331 dollars, an amount equal to the Social Security benefits includable for
332 federal income tax purposes; and

333 (IV) For the taxable year commencing January 1, 2019, and each
334 taxable year thereafter, for a person who files a return under the
335 federal income tax as an unmarried individual whose federal adjusted
336 gross income for such taxable year is seventy-five thousand dollars or
337 more, or as a married individual filing separately whose federal
338 adjusted gross income for such taxable year is seventy-five thousand
339 dollars or more, or for a husband and wife who file a return under the
340 federal income tax as married individuals filing jointly whose federal
341 adjusted gross income from such taxable year is one hundred
342 thousand dollars or more or for a person who files a return under the
343 federal income tax as a head of household whose federal adjusted
344 gross income for such taxable year is one hundred thousand dollars or
345 more, an amount equal to the difference between the amount of Social
346 Security benefits includable for federal income tax purposes and the
347 lesser of twenty-five per cent of the Social Security benefits received
348 during the taxable year, or twenty-five per cent of the excess described
349 in Section 86(b)(1) of the Internal Revenue Code;]

350 (xi) To the extent properly includable in gross income for federal
351 income tax purposes, any amount rebated to a taxpayer pursuant to
352 section 12-746;

353 (xii) To the extent properly includable in the gross income for
354 federal income tax purposes of a designated beneficiary, any
355 distribution to such beneficiary from any qualified state tuition
356 program, as defined in Section 529(b) of the Internal Revenue Code,

357 established and maintained by this state or any official, agency or
358 instrumentality of the state;

359 (xiii) To the extent allowable under section 12-701a, contributions to
360 accounts established pursuant to any qualified state tuition program,
361 as defined in Section 529(b) of the Internal Revenue Code, established
362 and maintained by this state or any official, agency or instrumentality
363 of the state;

364 (xiv) To the extent properly includable in gross income for federal
365 income tax purposes, the amount of any Holocaust victims' settlement
366 payment received in the taxable year by a Holocaust victim;

367 (xv) To the extent properly includable in gross income for federal
368 income tax purposes of an account holder, as defined in section 31-
369 51ww, interest earned on funds deposited in the individual
370 development account, as defined in section 31-51ww, of such account
371 holder;

372 (xvi) To the extent properly includable in the gross income for
373 federal income tax purposes of a designated beneficiary, as defined in
374 section 3-123aa, interest, dividends or capital gains earned on
375 contributions to accounts established for the designated beneficiary
376 pursuant to the Connecticut Homecare Option Program for the Elderly
377 established by sections 3-123aa to 3-123ff, inclusive;

378 (xvii) To the extent properly includable in gross income for federal
379 income tax purposes, any income received from the United States
380 government as retirement pay for a retired member of (I) the Armed
381 Forces of the United States, as defined in Section 101 of Title 10 of the
382 United States Code, or (II) the National Guard, as defined in Section
383 101 of Title 10 of the United States Code;

384 (xviii) To the extent properly includable in gross income for federal
385 income tax purposes for the taxable year, any income from the
386 discharge of indebtedness in connection with any reacquisition, after

387 December 31, 2008, and before January 1, 2011, of an applicable debt
388 instrument or instruments, as those terms are defined in Section 108 of
389 the Internal Revenue Code, as amended by Section 1231 of the
390 American Recovery and Reinvestment Act of 2009, to the extent any
391 such income was added to federal adjusted gross income pursuant to
392 subparagraph (A)(xi) of this subdivision in computing Connecticut
393 adjusted gross income for a preceding taxable year;

394 (xix) To the extent not deductible in determining federal adjusted
395 gross income, the amount of any contribution to a manufacturing
396 reinvestment account established pursuant to section 32-9zz in the
397 taxable year that such contribution is made;

398 (xx) To the extent properly includable in gross income for federal
399 income tax purposes, (I) for the taxable year commencing January 1,
400 2015, ten per cent of the income received from the state teachers'
401 retirement system, and (II) for the taxable years commencing on and
402 after January 1, 2016, [January 1, 2017, and January 1, 2018,] twenty-
403 five per cent of the income received from the state teachers' retirement
404 system; [, and (III) for the taxable year commencing January 1, 2019,
405 and each taxable year thereafter, fifty per cent of the income received
406 from the state teachers' retirement system or the percentage, if
407 applicable, pursuant to clause (xxi) of this subparagraph;]

408 [(xxi) To the extent properly includable in gross income for federal
409 income tax purposes, except for retirement benefits under clause (iv) of
410 this subparagraph and retirement pay under clause (xvii) of this
411 subparagraph, for a person who files a return under the federal income
412 tax as an unmarried individual whose federal adjusted gross income
413 for such taxable year is less than seventy-five thousand dollars, or as a
414 married individual filing separately whose federal adjusted gross
415 income for such taxable year is less than seventy-five thousand dollars,
416 or as a head of household whose federal adjusted gross income for
417 such taxable year is less than seventy-five thousand dollars, or for a
418 husband and wife who file a return under the federal income tax as

419 married individuals filing jointly whose federal adjusted gross income
420 for such taxable year is less than one hundred thousand dollars, (I) for
421 the taxable year commencing January 1, 2019, fourteen per cent of any
422 pension or annuity income, (II) for the taxable year commencing
423 January 1, 2020, twenty-eight per cent of any pension or annuity
424 income, (III) for the taxable year commencing January 1, 2021, forty-
425 two per cent of any pension or annuity income, (IV) for the taxable
426 year commencing January 1, 2022, fifty-six per cent of any pension or
427 annuity income, (V) for the taxable year commencing January 1, 2023,
428 seventy per cent of any pension or annuity income, (VI) for the taxable
429 year commencing January 1, 2024, eighty-four per cent of any pension
430 or annuity income, and (VII) for the taxable year commencing January
431 1, 2025, and each taxable year thereafter, any pension or annuity
432 income;]

433 [(xxii)] (xxi) The amount of lost wages and medical, travel and
434 housing expenses, not to exceed ten thousand dollars in the aggregate,
435 incurred by a taxpayer during the taxable year in connection with the
436 donation to another person of an organ for organ transplantation
437 occurring on or after January 1, 2017;

438 [(xxiii)] (xxii) To the extent properly includable in gross income for
439 federal income tax purposes, the amount of any financial assistance
440 received from the Crumbling Foundations Assistance Fund or paid to
441 or on behalf of the owner of a residential building pursuant to sections
442 8-442 and 8-443; [, and]

443 [(xxiv)] (xxiii) To the extent properly includable in gross income for
444 federal income tax purposes, the amount calculated pursuant to
445 subsection (b) of section 12-704g for income received by a general
446 partner of a venture capital fund, as defined in 17 CFR 275.203(l)-1, as
447 amended from time to time; and

448 [(xxv)] (xxiv) To the extent any portion of a deduction under Section
449 179 of the Internal Revenue Code was added to federal adjusted gross

450 income pursuant to subparagraph (A)(xiv) of this subdivision in
451 computing Connecticut adjusted gross income, twenty-five per cent of
452 such disallowed portion of the deduction in each of the four
453 succeeding taxable years.

454 Sec. 4. Section 12-701 of the general statutes is amended by adding
455 subsection (d) as follows (*Effective from passage*):

456 (NEW) (d) The provisions of section 12-722 shall not apply to any
457 additional tax due as a result of the changes made to subparagraph (B)
458 of subdivision (20) of subsection (a) of this section pursuant to section
459 3 of this act for any taxable year commencing prior to the effective date
460 of section 3 of this act.

461 Sec. 5. Subdivision (8) of subsection (b) of section 12-214 of the
462 general statutes is repealed and the following is substituted in lieu
463 thereof (*Effective from passage and applicable to income years commencing*
464 *on or after January 1, 2019*):

465 (8) (A) With respect to income years commencing on or after
466 January 1, 2018, [and prior to January 1, 2019,] any company subject to
467 the tax imposed in accordance with subsection (a) of this section shall
468 pay, for such income year, except when the tax so calculated is equal to
469 two hundred fifty dollars, an additional tax in an amount equal to ten
470 per cent of the tax calculated under said subsection (a) for such income
471 year, without reduction of the tax so calculated by the amount of any
472 credit against such tax. The additional amount of tax determined
473 under this subsection for any income year shall constitute a part of the
474 tax imposed by the provisions of said subsection (a) and shall become
475 due and be paid, collected and enforced as provided in this chapter.

476 (B) Any company whose gross income for the income year was less
477 than one hundred million dollars shall not be subject to the additional
478 tax imposed under subparagraph (A) of this subdivision. This
479 exception shall not apply to taxable members of a combined group that
480 files a combined unitary tax return.

481 Sec. 6. Section 12-214 of the general statutes is amended by adding
482 subsection (d) as follows (*Effective from passage*):

483 (NEW) (d) The provisions of section 12-242d shall not apply to any
484 additional tax due as a result of the changes made to subdivision (8) of
485 subsection (b) of this section pursuant to section 5 of this act for any
486 income year commencing prior to the effective date of section 5 of this
487 act.

488 Sec. 7. Subsection (b) of section 12-284b of the general statutes is
489 repealed and the following is substituted in lieu thereof (*Effective from*
490 *passage and applicable to taxable years commencing on or after January 1,*
491 *2019*):

492 (b) Each limited liability company, limited liability partnership,
493 limited partnership and S corporation shall be liable for the tax
494 imposed by this section for each taxable year or portion thereof that
495 such company, partnership or corporation is an affected business
496 entity. For taxable years commencing prior to January 1, 2013, each
497 affected business entity shall annually, on or before the fifteenth day of
498 the fourth month following the close of its taxable year, pay to the
499 Commissioner of Revenue Services a tax in the amount of two
500 hundred fifty dollars. For taxable years commencing on or after
501 January 1, 2013, but prior to January 1, 2019, each affected business
502 entity shall, on or before the fifteenth day of the fourth month
503 following the close of every other taxable year, pay to the
504 Commissioner of Revenue Services a tax in the amount of two
505 hundred fifty dollars.

506 Sec. 8. Subdivision (2) of subsection (e) of section 12-217jj of the
507 general statutes is repealed and the following is substituted in lieu
508 thereof (*Effective from passage and applicable to taxable years commencing*
509 *on or after January 1, 2019*):

510 (2) Notwithstanding the provisions of subdivision (1) of this
511 subsection, any entity that is not subject to tax under this chapter or

512 chapter 207 shall not be subject to the limitations on the transfer of
513 credits provided in subparagraphs (B) and (C) of said subdivision (1),
514 provided such entity owns not less than fifty per cent, directly or
515 indirectly, of a business entity, [subject to tax under] as defined in
516 section 12-284b, as amended by this act.

517 Sec. 9. Section 12-640 of the general statutes is repealed and the
518 following is substituted in lieu thereof (*Effective from passage and*
519 *applicable to gifts made on or after January 1, 2019*):

520 For [the calendar year 1991 and each year thereafter] calendar years
521 commencing January 1, 1991, but prior to January 1, 2019, a tax
522 computed as provided in section 12-642, as amended by this act, is
523 hereby imposed on the transfer of property by gift during such taxable
524 year by any individual resident or nonresident provided, for the
525 calendar year commencing January 1, 1991, such tax shall be imposed
526 only on those gifts [which are] that were transferred on or after
527 September 1, 1991.

528 Sec. 10. Section 12-642 of the general statutes is repealed and the
529 following is substituted in lieu thereof (*Effective from passage*):

530 (a) (1) With respect to calendar years commencing prior to January
531 1, 2001, the tax imposed by section 12-640, as amended by this act, for
532 the calendar year shall be at a rate of the taxable gifts made by the
533 donor during the calendar year set forth in the following schedule:

T1	Amount of Taxable Gifts	Rate of Tax
T2	Not over \$25,000	1%
T3	Over \$25,000	\$250, plus 2% of the excess
T4	but not over \$50,000	over \$25,000
T5	Over \$50,000	\$750, plus 3% of the excess
T6	but not over \$75,000	over \$50,000
T7	Over \$75,000	\$1,500, plus 4% of the excess
T8	but not over \$100,000	over \$75,000

T9	Over \$100,000	\$2,500, plus 5% of the excess
T10	but not over \$200,000	over \$100,000
T11	Over \$200,000	\$7,500, plus 6% of the excess
T12		over \$200,000

534 (2) With respect to the calendar years commencing January 1, 2001,
 535 January 1, 2002, January 1, 2003, and January 1, 2004, the tax imposed
 536 by section 12-640, as amended by this act, for each such calendar year
 537 shall be at a rate of the taxable gifts made by the donor during the
 538 calendar year set forth in the following schedule:

T13	Amount of Taxable Gifts	Rate of Tax
T14	Over \$25,000	\$250, plus 2% of the excess
T15	but not over \$50,000	over \$25,000
T16	Over \$50,000	\$750, plus 3% of the excess
T17	but not over \$75,000	over \$50,000
T18	Over \$75,000	\$1,500, plus 4% of the excess
T19	but not over \$100,000	over \$75,000
T20	Over \$100,000	\$2,500, plus 5% of the excess
T21	but not over \$675,000	over \$100,000
T22	Over \$675,000	\$31,250, plus 6% of the excess
T23		over \$675,000

539 (3) With respect to Connecticut taxable gifts, as defined in section
 540 12-643, as amended by this act, made by a donor during a calendar
 541 year commencing on or after January 1, 2005, but prior to January 1,
 542 2010, including the aggregate amount of all Connecticut taxable gifts
 543 made by the donor during all calendar years commencing on or after
 544 January 1, 2005, but prior to January 1, 2010, the tax imposed by
 545 section 12-640, as amended by this act, for the calendar year shall be at
 546 the rate set forth in the following schedule, with a credit allowed
 547 against such tax for any tax previously paid to this state pursuant to
 548 this subdivision:

T24	Amount of Taxable Gifts	Rate of Tax
T25	Not over \$2,000,000	None
T26	Over \$2,000,000	
T27	but not over \$2,100,000	5.085% of the excess over \$0
T28	Over \$2,100,000	\$106,800 plus 8% of the excess
T29	but not over \$2,600,000	over \$2,100,000
T30	Over \$2,600,000	\$146,800 plus 8.8% of the excess
T31	but not over \$3,100,000	over \$2,600,000
T32	Over \$3,100,000	\$190,800 plus 9.6% of the excess
T33	but not over \$3,600,000	over \$3,100,000
T34	Over \$3,600,000	\$238,800 plus 10.4% of the excess
T35	but not over \$4,100,000	over \$3,600,000
T36	Over \$4,100,000	\$290,800 plus 11.2% of the excess
T37	but not over \$5,100,000	over \$4,100,000
T38	Over \$5,100,000	\$402,800 plus 12% of the excess
T39	but not over \$6,100,000	over \$5,100,000
T40	Over \$6,100,000	\$522,800 plus 12.8% of the excess
T41	but not over \$7,100,000	over \$6,100,000
T42	Over \$7,100,000	\$650,800 plus 13.6% of the excess
T43	but not over \$8,100,000	over \$7,100,000
T44	Over \$8,100,000	\$786,800 plus 14.4% of the excess
T45	but not over \$9,100,000	over \$8,100,000
T46	Over \$9,100,000	\$930,800 plus 15.2% of the excess
T47	but not over \$10,100,000	over \$9,100,000
T48	Over \$10,100,000	\$1,082,800 plus 16% of the excess
T49		over \$10,100,000

549 (4) With respect to Connecticut taxable gifts, as defined in section
550 12-643, as amended by this act, made by a donor during a calendar
551 year commencing on or after January 1, 2010, but prior to January 1,
552 2011, including the aggregate amount of all Connecticut taxable gifts
553 made by the donor during all calendar years commencing on or after
554 January 1, 2005, the tax imposed by section 12-640, as amended by this
555 act, for the calendar year shall be at the rate set forth in the following

556 schedule, with a credit allowed against such tax for any tax previously
 557 paid to this state pursuant to this subdivision or pursuant to
 558 subdivision (3) of this subsection, provided such credit shall not
 559 exceed the amount of tax imposed by this section:

T50	Amount of Taxable Gifts	Rate of Tax
T51	Not over \$3,500,000	None
T52	Over \$3,500,000	7.2% of the excess
T53	but not over \$3,600,000	over \$3,500,000
T54	Over \$3,600,000	\$7,200 plus 7.8% of the excess
T55	but not over \$4,100,000	over \$3,600,000
T56	Over \$4,100,000	\$46,200 plus 8.4% of the excess
T57	but not over \$5,100,000	over \$4,100,000
T58	Over \$5,100,000	\$130,200 plus 9.0% of the excess
T59	but not over \$6,100,000	over \$5,100,000
T60	Over \$6,100,000	\$220,200 plus 9.6% of the excess
T61	but not over \$7,100,000	over \$6,100,000
T62	Over \$7,100,000	\$316,200 plus 10.2% of the excess
T63	but not over \$8,100,000	over \$7,100,000
T64	Over \$8,100,000	\$418,200 plus 10.8% of the excess
T65	but not over \$9,100,000	over \$8,100,000
T66	Over \$9,100,000	\$526,200 plus 11.4% of the excess
T67	but not over \$10,100,000	over \$9,100,000
T68	Over \$10,100,000	\$640,200 plus 12% of the excess
T69		over \$10,100,000

560 (5) With respect to Connecticut taxable gifts, as defined in section
 561 12-643, as amended by this act, made by a donor during a calendar
 562 year commencing on or after January 1, 2011, but prior to January 1,
 563 2018, including the aggregate amount of all Connecticut taxable gifts
 564 made by the donor during all calendar years commencing on or after
 565 January 1, 2005, the tax imposed by section 12-640, as amended by this
 566 act, for the calendar year shall be at the rate set forth in the following
 567 schedule, with a credit allowed against such tax for any tax previously

568 paid to this state pursuant to this subdivision or pursuant to
 569 subdivision (3) or (4) of this subsection, provided such credit shall not
 570 exceed the amount of tax imposed by this section:

T70	Amount of Taxable Gifts	Rate of Tax
T71	Not over \$2,000,000	None
T72	Over \$2,000,000	7.2% of the excess
T73	but not over \$3,600,000	over \$2,000,000
T74	Over \$3,600,000	\$115,200 plus 7.8% of the excess
T75	but not over \$4,100,000	over \$3,600,000
T76	Over \$4,100,000	\$154,200 plus 8.4% of the excess
T77	but not over \$5,100,000	over \$4,100,000
T78	Over \$5,100,000	\$238,200 plus 9.0% of the excess
T79	but not over \$6,100,000	over \$5,100,000
T80	Over \$6,100,000	\$328,200 plus 9.6% of the excess
T81	but not over \$7,100,000	over \$6,100,000
T82	Over \$7,100,000	\$424,200 plus 10.2% of the excess
T83	but not over \$8,100,000	over \$7,100,000
T84	Over \$8,100,000	\$526,200 plus 10.8% of the excess
T85	but not over \$9,100,000	over \$8,100,000
T86	Over \$9,100,000	\$634,200 plus 11.4% of the excess
T87	but not over \$10,100,000	over \$9,100,000
T88	Over \$10,100,000	\$748,200 plus 12% of the excess
T89		over \$10,100,000

571 (6) With respect to Connecticut taxable gifts, as defined in section
 572 12-643, as amended by this act, made by a donor during a calendar
 573 year commencing on or after January 1, 2018, but prior to January 1,
 574 2019, including the aggregate amount of all Connecticut taxable gifts
 575 made by the donor during all calendar years commencing on or after
 576 January 1, 2005, the tax imposed by section 12-640, as amended by this
 577 act, for the calendar year shall be at the rate set forth in the following
 578 schedule, with a credit allowed against such tax for any tax previously
 579 paid to this state pursuant to this subdivision or pursuant to

580 subdivision (3), (4) or (5) of this subsection, provided such credit shall
 581 not exceed the amount of tax imposed by this section:

T90	Amount of Taxable Gifts	Rate of Tax
T91	Not over \$2,600,000	None
T92	Over \$2,600,000	7.2% of the excess
T93	but not over \$3,600,000	over \$2,600,000
T94	Over \$3,600,000	\$72,000 plus 7.8% of the excess
T95	but not over \$4,100,000	over \$3,600,000
T96	Over \$4,100,000	\$111,000 plus 8.4% of the excess
T97	but not over \$5,100,000	over \$4,100,000
T98	Over \$5,100,000	\$195,000 plus 10% of the excess
T99	but not over \$6,100,000	over \$5,100,000
T100	Over \$6,100,000	\$295,000 plus 10.4% of the excess
T101	but not over \$7,100,000	over \$6,100,000
T102	Over \$7,100,000	\$399,000 plus 10.8% of the excess
T103	but not over \$8,100,000	over \$7,100,000
T104	Over \$8,100,000	\$507,000 plus 11.2% of the excess
T105	but not over \$9,100,000	over \$8,100,000
T106	Over \$9,100,000	\$619,000 plus 11.6% of the excess
T107	but not over \$10,100,000	over \$9,100,000
T108	Over \$10,100,000	\$735,000 plus 12% of the excess
T109		over \$10,100,000

582 [(7) With respect to Connecticut taxable gifts, as defined in section
 583 12-643, made by a donor during a calendar year commencing on or
 584 after January 1, 2019, but prior to January 1, 2020, including the
 585 aggregate amount of all Connecticut taxable gifts made by the donor
 586 during all calendar years commencing on or after January 1, 2005, the
 587 tax imposed by section 12-640 for the calendar year shall be at the rate
 588 set forth in the following schedule, with a credit allowed against such
 589 tax for any tax previously paid to this state pursuant to this
 590 subdivision or pursuant to subdivision (3), (4), (5) or (6) of this
 591 subsection, provided such credit shall not exceed the amount of tax

592 imposed by this section:

T110	Amount of Taxable Gifts	Rate of Tax
T111	Not over \$3,600,000	None
T112	Over \$3,600,000	7.8% of the excess
T113	but not over \$4,100,000	over \$3,600,000
T114	Over \$4,100,000	\$39,000 plus 8.4% of the excess
T115	but not over \$5,100,000	over \$4,100,000
T116	Over \$5,100,000	\$123,000 plus 10% of the excess
T117	but not over \$6,100,000	over \$5,100,000
T118	Over \$6,100,000	\$223,000 plus 10.4% of the excess
T119	but not over \$7,100,000	over \$6,100,000
T120	Over \$7,100,000	\$327,000 plus 10.8% of the excess
T121	but not over \$8,100,000	over \$7,100,000
T122	Over \$8,100,000	\$435,000 plus 11.2% of the excess
T123	but not over \$9,100,000	over \$8,100,000
T124	Over \$9,100,000	\$547,000 plus 11.6% of the excess
T125	but not over \$10,100,000	over \$9,100,000
T126	Over \$10,100,000	\$663,000 plus 12% of the excess
T127		over \$10,100,000

593 (8) With respect to Connecticut taxable gifts, as defined in section
 594 12-643, made by a donor during a calendar year commencing on or
 595 after January 1, 2020, but prior to January 1, 2021, including the
 596 aggregate amount of all Connecticut taxable gifts made by the donor
 597 during all calendar years commencing on or after January 1, 2005, the
 598 tax imposed by section 12-640 for the calendar year shall be at the rate
 599 set forth in the following schedule, with a credit allowed against such
 600 tax for any tax previously paid to this state pursuant to this
 601 subdivision or pursuant to subdivision (3), (4), (5), (6) or (7) of this
 602 subsection, provided such credit shall not exceed the amount of tax
 603 imposed by this section:

T128	Amount of Taxable Gifts	Rate of Tax
------	-------------------------	-------------

T129	Not over \$5,100,000	None
T130	Over \$5,100,000	10% of the excess
T131	but not over \$6,100,000	over \$5,100,000
T132	Over \$6,100,000	\$100,000 plus 10.4% of the excess
T133	but not over \$7,100,000	over \$6,100,000
T134	Over \$7,100,000	\$204,000 plus 10.8% of the excess
T135	but not over \$8,100,000	over \$7,100,000
T136	Over \$8,100,000	\$312,000 plus 11.2% of the excess
T137	but not over \$9,100,000	over \$8,100,000
T138	Over \$9,100,000	\$424,000 plus 11.6% of the excess
T139	but not over \$10,100,000	over \$9,100,000
T140	Over \$10,100,000	\$540,000 plus 12% of the excess
T141		over \$10,100,000

604 (9) With respect to Connecticut taxable gifts, as defined in section
 605 12-643, made by a donor during a calendar year commencing on or
 606 after January 1, 2021, but prior to January 1, 2022, including the
 607 aggregate amount of all Connecticut taxable gifts made by the donor
 608 during all calendar years commencing on or after January 1, 2005, the
 609 tax imposed by section 12-640 for the calendar year shall be at the rate
 610 set forth in the following schedule, with a credit allowed against such
 611 tax for any tax previously paid to this state pursuant to this
 612 subdivision or pursuant to subdivision (3), (4), (5), (6), (7) or (8) of this
 613 subsection, provided such credit shall not exceed the amount of tax
 614 imposed by this section:

T142	Amount of Taxable Gifts	Rate of Tax
T143	Not over \$7,100,000	None
T144	Over \$7,100,000	10.8% of the excess
T145	but not over \$8,100,000	over \$7,100,000
T146	Over \$8,100,000	\$108,000 plus 11.2% of the excess
T147	but not over \$9,100,000	over \$8,100,000
T148	Over \$9,100,000	\$220,000 plus 11.6% of the excess
T149	but not over \$10,100,000	over \$9,100,000
T150	Over \$10,100,000	\$336,000 plus 12% of the excess

T151 over \$10,100,000

615 (10) With respect to Connecticut taxable gifts, as defined in section
616 12-643, made by a donor during a calendar year commencing on or
617 after January 1, 2022, but prior to January 1, 2023, including the
618 aggregate amount of all Connecticut taxable gifts made by the donor
619 during all calendar years commencing on or after January 1, 2005, the
620 tax imposed by section 12-640 for the calendar year shall be at the rate
621 set forth in the following schedule, with a credit allowed against such
622 tax for any tax previously paid to this state pursuant to this
623 subdivision or pursuant to subdivision (3), (4), (5), (6), (7), (8) or (9) of
624 this subsection, provided such credit shall not exceed the amount of
625 tax imposed by this section:

T152	Amount of Taxable Gifts	Rate of Tax
T153	Not over \$9,100,000	None
T154	Over \$9,100,000	11.6% of the excess
T155	but not over \$10,100,000	over \$9,100,000
T156	Over \$10,100,000	\$116,000 plus 12% of the excess
T157		over \$10,100,000

626 (11) With respect to Connecticut taxable gifts, as defined in section
627 12-643, made by a donor during a calendar year commencing on or
628 after January 1, 2023, including the aggregate amount of all
629 Connecticut taxable gifts made by the donor during all calendar years
630 commencing on or after January 1, 2005, the tax imposed by section 12-
631 640 for the calendar year shall be at the rate set forth in the following
632 schedule, with a credit allowed against such tax for any tax previously
633 paid to this state pursuant to this subdivision or pursuant to
634 subdivision (3), (4), (5), (6), (7), (8), (9) or (10) of this subsection,
635 provided such credit shall not exceed the amount of tax imposed by
636 this section:

T158	Amount of Taxable Gifts	Rate of Tax
------	-------------------------	-------------

T159	Not over the	None
T160	federal basic exclusion amount	
T161	Over the	12% of the excess over the
T162	federal basic exclusion amount	federal basic exclusion amount]

637 (b) The tax imposed by section 12-640, as amended by this act, shall
 638 be paid by the donor. If the gift tax is not paid when due the donee of
 639 any gift shall be personally liable for the tax to the extent of the value
 640 of the gift.

641 (c) [(1)] With respect to Connecticut taxable gifts, as defined in
 642 section 12-643, as amended by this act, made by a donor during a
 643 calendar year commencing on or after January 1, 2016, but prior to
 644 January 1, 2019, the aggregate amount of tax imposed by section 12-
 645 640, as amended by this act, for all calendar years commencing on or
 646 after January 1, 2016, shall not exceed twenty million dollars.

647 [(2) With respect to Connecticut taxable gifts, as defined in section
 648 12-643, made by a donor during a calendar year commencing on or
 649 after January 1, 2019, the aggregate amount of tax imposed by section
 650 12-640 for all calendar years commencing on or after January 1, 2016,
 651 shall not exceed fifteen million dollars.]

652 Sec. 11. Subdivision (3) of section 12-643 of the general statutes is
 653 repealed and the following is substituted in lieu thereof (*Effective from*
 654 *passage and applicable to estates of decedents dying on or after January 1,*
 655 *2019*):

656 (3) "Connecticut taxable gifts" means taxable gifts made during a
 657 calendar year commencing on or after January 1, 2005, but prior to
 658 January 1, 2019, that are, (A) for residents of this state, taxable gifts,
 659 wherever located, but excepting gifts of real estate or tangible personal
 660 property located outside this state, and (B) for nonresidents of this
 661 state, gifts of real estate or tangible personal property located within
 662 this state.

663 Sec. 12. Subsections (a) to (e), inclusive, of section 12-391 of the
664 general statutes are repealed and the following is substituted in lieu
665 thereof (*Effective from passage and applicable to estates of decedents dying on*
666 *or after January 1, 2019*):

667 (a) With respect to estates of decedents who die prior to January 1,
668 2005, and except as otherwise provided in section 59 of public act 03-1
669 of the June 30 special session, a tax is imposed upon the transfer of the
670 estate of each person who at the time of death was a resident of this
671 state. The amount of the tax shall be the amount of the federal credit
672 allowable for estate, inheritance, legacy and succession taxes paid to
673 any state or the District of Columbia under the provisions of the
674 federal internal revenue code in force at the date of such decedent's
675 death in respect to any property owned by such decedent or subject to
676 such taxes as part of or in connection with the estate of such decedent.
677 If real or tangible personal property of such decedent is located outside
678 this state and is subject to estate, inheritance, legacy, or succession
679 taxes by any state or states, other than the state of Connecticut, or by
680 the District of Columbia for which such federal credit is allowable, the
681 amount of tax due under this section shall be reduced by the lesser of:
682 (1) The amount of any such taxes paid to such other state or states or
683 said district and allowed as a credit against the federal estate tax; or (2)
684 an amount computed by multiplying such federal credit by a fraction,
685 (A) the numerator of which is the value of that part of the decedent's
686 gross estate over which such other state or states or said district have
687 jurisdiction for estate tax purposes to the same extent to which this
688 state would assert jurisdiction for estate tax purposes under this
689 chapter with respect to the residents of such other state or states or
690 said district, and (B) the denominator of which is the value of the
691 decedent's gross estate. Property of a resident estate over which this
692 state has jurisdiction for estate tax purposes includes real property
693 situated in this state, tangible personal property having an actual situs
694 in this state, and intangible personal property owned by the decedent,
695 regardless of where it is located. The amount of any estate tax imposed

696 under this subsection shall also be reduced, but not below zero, by the
697 amount of any tax that is imposed under chapter 216 and that is
698 actually paid to this state.

699 (b) With respect to the estates of decedents who die prior to January
700 1, 2005, and except as otherwise provided in section 59 of public act 03-
701 1 of the June 30 special session, a tax is imposed upon the transfer of
702 the estate of each person who at the time of death was a nonresident of
703 this state, the amount of which shall be computed by multiplying (1)
704 the federal credit allowable for estate, inheritance, legacy, and
705 succession taxes paid to any state or states or the District of Columbia
706 under the provisions of the federal internal revenue code in force at the
707 date of such decedent's death in respect to any property owned by
708 such decedent or subject to such taxes as a part of or in connection
709 with the estate of such decedent by (2) a fraction, (A) the numerator of
710 which is the value of that part of the decedent's gross estate over which
711 this state has jurisdiction for estate tax purposes and (B) the
712 denominator of which is the value of the decedent's gross estate.
713 Property of a nonresident estate over which this state has jurisdiction
714 for estate tax purposes includes real property situated in this state and
715 tangible personal property having an actual situs in this state. The
716 amount of any estate tax imposed under this subsection shall also be
717 reduced, but not below zero, by the amount of any tax that is imposed
718 under chapter 216 and that is actually paid to this state.

719 (c) For purposes of this section and section 12-392, as amended by
720 this act:

721 (1) (A) "Connecticut taxable estate" means, with respect to the
722 estates of decedents dying on or after January 1, 2005, but prior to
723 January 1, 2010, (i) the gross estate less allowable deductions, as
724 determined under Chapter 11 of the Internal Revenue Code, plus (ii)
725 the aggregate amount of all Connecticut taxable gifts, as defined in
726 section 12-643, as amended by this act, made by the decedent for all
727 calendar years beginning on or after January 1, 2005, but prior to

728 January 1, 2010. The deduction for state death taxes paid under Section
729 2058 of said code shall be disregarded.

730 (B) "Connecticut taxable estate" means, with respect to the estates of
731 decedents dying on or after January 1, 2010, but prior to January 1,
732 2015, (i) the gross estate less allowable deductions, as determined
733 under Chapter 11 of the Internal Revenue Code, plus (ii) the aggregate
734 amount of all Connecticut taxable gifts, as defined in section 12-643, as
735 amended by this act, made by the decedent for all calendar years
736 beginning on or after January 1, 2005, but prior to January 1, 2015. The
737 deduction for state death taxes paid under Section 2058 of said code
738 shall be disregarded.

739 (C) "Connecticut taxable estate" means, with respect to the estates of
740 decedents dying on or after January 1, 2015, but prior to January 1,
741 2019, (i) the gross estate less allowable deductions, as determined
742 under Chapter 11 of the Internal Revenue Code, plus (ii) the aggregate
743 amount of all Connecticut taxable gifts, as defined in section 12-643, as
744 amended by this act, made by the decedent for all calendar years
745 beginning on or after January 1, 2005, but prior to January 1, 2019,
746 other than Connecticut taxable gifts that are includable in the gross
747 estate for federal estate tax purposes of the decedent, plus (iii) the
748 amount of any tax paid to this state pursuant to section 12-642, as
749 amended by this act, by the decedent or the decedent's estate on any
750 gift made by the decedent or the decedent's spouse during the three-
751 year period preceding the date of the decedent's death. The deduction
752 for state death taxes paid under Section 2058 of the Internal Revenue
753 Code shall be disregarded.

754 (D) "Connecticut taxable estate" means, with respect to the estates of
755 decedents dying on or after January 1, 2019, (i) the gross estate less
756 allowable deductions, as determined under Chapter 11 of the Internal
757 Revenue Code, plus (ii) the aggregate amount of all taxable gifts, as
758 defined in section 12-643, as amended by this act, made by the
759 decedent for all calendar years beginning on or after January 1, 2005,

760 but prior to January 1, 2019, other than Connecticut taxable gifts that
761 are includable in the gross estate for federal tax purposes of the
762 decedent, plus (iii) the amount of any tax paid to this state pursuant to
763 section 12-642, as amended by this act, by the decedent or the
764 decedent's estate on any gift made by the decedent or the decedent's
765 spouse during the three-year period preceding the date of the
766 decedent's death, plus (iv) the amount of any taxable gift, as defined in
767 Section 2503 of the Internal Revenue Code, excluding any taxable gift
768 made when the decedent was a nonresident or that is real property or
769 tangible personal property having an actual situs outside this state at
770 the time the gift was made, that is (I) made on or after January 1, 2019,
771 (II) not otherwise included in the decedent's gross estate, and (III)
772 made during the three-year period preceding the date of the decedent's
773 death. The deduction for state death taxes paid under Section 2058 of
774 the Internal Revenue Code shall be disregarded.

775 (2) "Internal Revenue Code" means the Internal Revenue Code of
776 1986, or any subsequent corresponding internal revenue code of the
777 United States, as amended from time to time, except in the event of
778 repeal of the federal estate tax, then all references to the Internal
779 Revenue Code in this section shall mean the Internal Revenue Code as
780 in force on the day prior to the effective date of such repeal.

781 (3) "Gross estate" means the gross estate, for federal estate tax
782 purposes.

783 (4) "Federal basic exclusion amount" means the dollar amount
784 published annually by the Internal Revenue Service at which a
785 decedent would be required to file a federal estate tax return based on
786 the value of the decedent's gross estate and federally taxable gifts.

787 (d) (1) (A) With respect to the estates of decedents who die on or
788 after January 1, 2005, but prior to January 1, 2010, a tax is imposed
789 upon the transfer of the estate of each person who at the time of death
790 was a resident of this state. The amount of the tax shall be determined

791 using the schedule in subsection (g) of this section. A credit shall be
792 allowed against such tax for any taxes paid to this state pursuant to
793 section 12-642, as amended by this act, for Connecticut taxable gifts
794 made on or after January 1, 2005, but prior to January 1, 2010.

795 (B) With respect to the estates of decedents who die on or after
796 January 1, 2010, but prior to January 1, 2015, a tax is imposed upon the
797 transfer of the estate of each person who at the time of death was a
798 resident of this state. The amount of the tax shall be determined using
799 the schedule in subsection (g) of this section. A credit shall be allowed
800 against such tax for any taxes paid to this state pursuant to section 12-
801 642, as amended by this act, for Connecticut taxable gifts made on or
802 after January 1, 2005, but prior to January 1, 2015, provided such credit
803 shall not exceed the amount of tax imposed by this section.

804 (C) With respect to the estates of decedents who die on or after
805 January 1, 2015, but prior to January 1, 2016, a tax is imposed upon the
806 transfer of the estate of each person who at the time of death was a
807 resident of this state. The amount of the tax shall be determined using
808 the schedule in subsection (g) of this section. A credit shall be allowed
809 against such tax for (i) any taxes paid to this state pursuant to section
810 12-642, as amended by this act, by the decedent or the decedent's estate
811 for Connecticut taxable gifts made on or after January 1, 2005, but prior
812 to January 1, 2016, and (ii) any taxes paid by the decedent's spouse to
813 this state pursuant to section 12-642, as amended by this act, for
814 Connecticut taxable gifts made by the decedent on or after January 1,
815 2005, but prior to January 1, 2016, that are includable in the gross estate
816 of the decedent, provided such credit shall not exceed the amount of
817 tax imposed by this section.

818 (D) With respect to the estates of decedents who die on or after
819 January 1, 2016, but prior to January 1, 2019, a tax is imposed upon the
820 transfer of the estate of each person who at the time of death was a
821 resident of this state. The amount of the tax shall be determined using
822 the schedule in subsection (g) of this section. A credit shall be allowed

823 against such tax for (i) any taxes paid to this state pursuant to section
824 12-642, as amended by this act, by the decedent or the decedent's estate
825 for Connecticut taxable gifts made on or after January 1, 2005, but prior
826 to January 1, 2019, and (ii) any taxes paid by the decedent's spouse to
827 this state pursuant to section 12-642, as amended by this act, for
828 Connecticut taxable gifts made by the decedent on or after January 1,
829 2005, but prior to January 1, 2019, that are includable in the gross estate
830 of the decedent, provided such credit shall not exceed the amount of
831 tax imposed by this section. In no event shall the amount of tax
832 payable under this section exceed twenty million dollars. Such twenty-
833 million-dollar limit shall be reduced by the amount of (I) any taxes
834 paid to this state pursuant to section 12-642, as amended by this act, by
835 the decedent or the decedent's estate for Connecticut taxable gifts
836 made on or after January 1, 2016, and (II) any taxes paid by the
837 decedent's spouse to this state pursuant to section 12-642, as amended
838 by this act, for Connecticut taxable gifts made by the decedent on or
839 after January 1, 2016, but prior to January 1, 2019, that are includable in
840 the gross estate of the decedent, but in no event shall the amount be
841 reduced below zero.

842 (E) With respect to the estates of decedents who die on or after
843 January 1, 2019, a tax is imposed upon the transfer of the estate of each
844 person who at the time of death was a resident of this state. The
845 amount of the tax shall be determined using the schedule in subsection
846 (g) of this section. A credit shall be allowed against such tax for (i) any
847 taxes paid to this state pursuant to section 12-642, as amended by this
848 act, by the decedent or the decedent's estate for Connecticut taxable
849 gifts made on or after January 1, 2005, and (ii) any taxes paid by the
850 decedent's spouse to this state pursuant to section 12-642, as amended
851 by this act, for Connecticut taxable gifts made by the decedent on or
852 after January 1, 2005, that are includable in the gross estate of the
853 decedent, provided such credit shall not exceed the amount of tax
854 imposed by this section. In no event shall the amount of tax payable
855 under this section exceed fifteen million dollars. Such fifteen-million-

856 dollar limit shall be reduced by the amount of (I) any taxes paid to this
857 state pursuant to section 12-642, as amended by this act, by the
858 decedent or the decedent's estate for Connecticut taxable gifts made on
859 or after January 1, 2016, and (II) any taxes paid by the decedent's
860 spouse to this state pursuant to section 12-642, as amended by this act,
861 for Connecticut taxable gifts made by the decedent on or after January
862 1, 2016, that are includable in the gross estate of the decedent, but in no
863 event shall the amount be reduced below zero.

864 (2) If real or tangible personal property of such decedent is located
865 outside this state, the amount of tax due under this section shall be
866 reduced by an amount computed by multiplying the tax otherwise due
867 pursuant to subdivision (1) of this subsection, without regard to the
868 credit allowed for any taxes paid to this state pursuant to section 12-
869 642, as amended by this act, by a fraction, (A) the numerator of which
870 is the value of that part of the decedent's gross estate attributable to
871 real or tangible personal property located outside of the state, and (B)
872 the denominator of which is the value of the decedent's gross estate.

873 (3) For a resident estate, the state shall have the power to levy the
874 estate tax upon real property situated in this state, tangible personal
875 property having an actual situs in this state and intangible personal
876 property included in the gross estate of the decedent, regardless of
877 where it is located. The state is permitted to calculate the estate tax and
878 levy said tax to the fullest extent permitted by the Constitution of the
879 United States.

880 (e) (1) (A) With respect to the estates of decedents who die on or
881 after January 1, 2005, but prior to January 1, 2010, a tax is imposed
882 upon the transfer of the estate of each person who at the time of death
883 was a nonresident of this state. The amount of such tax shall be
884 computed by multiplying (i) the amount of tax determined using the
885 schedule in subsection (g) of this section by (ii) a fraction, the
886 numerator of which is the value of that part of the decedent's gross
887 estate over which this state has jurisdiction for estate tax purposes, and

888 the denominator of which is the value of the decedent's gross estate. A
889 credit shall be allowed against such tax for any taxes paid to this state
890 pursuant to section 12-642, as amended by this act, for Connecticut
891 taxable gifts made on or after January 1, 2005, but prior to January 1,
892 2010.

893 (B) With respect to the estates of decedents who die on or after
894 January 1, 2010, but prior to January 1, 2016, a tax is imposed upon the
895 transfer of the estate of each person who at the time of death was a
896 nonresident of this state. The amount of such tax shall be computed by
897 multiplying (i) the amount of tax determined using the schedule in
898 subsection (g) of this section by (ii) a fraction, the numerator of which
899 is the value of that part of the decedent's gross estate over which this
900 state has jurisdiction for estate tax purposes, and the denominator of
901 which is the value of the decedent's gross estate. A credit shall be
902 allowed against such tax for any taxes paid to this state pursuant to
903 section 12-642, as amended by this act, for Connecticut taxable gifts
904 made on or after January 1, 2005, but prior to January 1, 2016, provided
905 such credit shall not exceed the amount of tax imposed by this section.

906 (C) With respect to the estates of decedents who die on or after
907 January 1, 2016, but prior to January 1, 2019, a tax is imposed upon the
908 transfer of the estate of each person who at the time of death was a
909 nonresident of this state. The amount of such tax shall be computed by
910 multiplying (i) the amount of tax determined using the schedule in
911 subsection (g) of this section by (ii) a fraction, the numerator of which
912 is the value of that part of the decedent's gross estate over which this
913 state has jurisdiction for estate tax purposes, and the denominator of
914 which is the value of the decedent's gross estate. A credit shall be
915 allowed against such tax for any taxes paid to this state pursuant to
916 section 12-642, as amended by this act, for Connecticut taxable gifts
917 made on or after January 1, 2005, but prior to January 1, 2019, provided
918 such credit shall not exceed the amount of tax imposed by this section.
919 In no event shall the amount of tax payable under this section exceed
920 twenty million dollars. Such twenty-million-dollar limit shall be

921 reduced by the amount of (I) any taxes paid to this state pursuant to
922 section 12-642, as amended by this act, by the decedent or the
923 decedent's estate for Connecticut taxable gifts made on or after January
924 1, 2016, but prior to January 1, 2019, and (II) any taxes paid by the
925 decedent's spouse to this state pursuant to section 12-642, as amended
926 by this act, for Connecticut taxable gifts made by the decedent on or
927 after January 1, 2016, but prior to January 1, 2019, that are includable in
928 the gross estate of the decedent, but in no event shall the amount be
929 reduced below zero.

930 (D) With respect to the estates of decedents who die on or after
931 January 1, 2019, a tax is imposed upon the transfer of the estate of each
932 person who at the time of death was a nonresident of this state. The
933 amount of such tax shall be computed by multiplying the amount of
934 tax determined using the schedule in subsection (g) of this section by a
935 fraction, the numerator of which is the value of that part of the
936 decedent's gross estate over which this state has jurisdiction for estate
937 tax purposes, and the denominator of which is the value of the
938 decedent's gross estate. A credit shall be allowed against such tax for
939 (i) any taxes paid to this state pursuant to section 12-642, as amended
940 by this act, by the decedent or the decedent's estate for Connecticut
941 taxable gifts made on or after January 1, 2005, and (ii) any taxes paid
942 by the decedent's spouse to this state pursuant to section 12-642, as
943 amended by this act, for Connecticut taxable gifts made by the
944 decedent on or after January 1, 2005, that are includable in the gross
945 estate of the decedent, provided such credit shall not exceed the
946 amount of tax imposed by this section. In no event shall the amount of
947 tax payable under this section exceed fifteen million dollars. Such
948 fifteen-million-dollar limit shall be reduced by the amount of (I) any
949 taxes paid to this state pursuant to section 12-642, as amended by this
950 act, by the decedent or the decedent's estate for Connecticut taxable
951 gifts made on or after January 1, 2016, and (II) any taxes paid by the
952 decedent's spouse to this state pursuant to section 12-642, as amended
953 by this act, for Connecticut taxable gifts made by the decedent on or

954 after January 1, 2016, that are includable in the gross estate of the
955 decedent, but in no event shall the amount be reduced below zero.

956 (2) For a nonresident estate, the state shall have the power to levy
957 the estate tax upon all real property situated in this state and tangible
958 personal property having an actual situs in this state. The state is
959 permitted to calculate the estate tax and levy said tax to the fullest
960 extent permitted by the Constitution of the United States.

961 Sec. 13. Subsections (a) and (b) of section 12-392 of the general
962 statutes are repealed and the following is substituted in lieu thereof
963 (*Effective from passage and applicable to estates of decedents dying on or after*
964 *January 1, 2019*):

965 (a) (1) (A) For the estates of decedents dying prior to July 1, 2009, the
966 tax imposed by this chapter shall become due at the date of the taxable
967 transfer and shall become payable, and shall be paid, without
968 assessment, notice or demand, to the Commissioner of Revenue
969 Services at the expiration of nine months from the date of death. For
970 the estates of decedents dying on or after July 1, 2009, but prior to
971 January 1, 2019, the tax imposed by this chapter shall become due at
972 the date of the taxable transfer and shall become payable and shall be
973 paid, without assessment, notice or demand, to the commissioner at
974 the expiration of six months from the date of death. For the estates of
975 decedents dying on or after January 1, 2019, the tax imposed by this
976 chapter shall become due at the date of the taxable transfer and shall
977 become payable and shall be paid, without assessment, notice or
978 demand, to the commissioner at the expiration of nine months from
979 the date of death.

980 (B) Executors, administrators, trustees, grantees, donees,
981 beneficiaries and surviving joint owners shall be liable for the tax and
982 for any interest or penalty thereon until it is paid, notwithstanding any
983 provision of chapter 802b, except that no executor, administrator,
984 trustee, grantee, donee, beneficiary or surviving joint owner shall be

985 liable for a greater sum than the value of the property actually received
986 by him or her. If the amount of tax reported to be due on the return is
987 not paid [, for the estates of decedents dying prior to July 1, 2009,
988 within such nine months, or for the estates of decedents dying on or
989 after July 1, 2009, within such six months] within the time period set
990 forth in subparagraph (A) of this subdivision, there shall be imposed a
991 penalty equal to ten per cent of such amount due and unpaid, or fifty
992 dollars, whichever is greater. Such amount shall bear interest at the
993 rate of one per cent per month or fraction thereof from the due date of
994 such tax until the date of payment. Subject to the provisions of section
995 12-3a, the commissioner may waive all or part of the penalties
996 provided under this chapter when it is proven to the commissioner's
997 satisfaction that the failure to pay any tax was due to reasonable cause
998 and was not intentional or due to neglect.

999 (2) The Commissioner of Revenue Services may, for reasonable
1000 cause shown, extend the time for payment. The commissioner may
1001 require the filing of a tentative return and the payment of the tax
1002 reported to be due thereon in connection with such extension. Any
1003 additional tax [which] that may be found to be due on the filing of a
1004 return as allowed by such extension shall bear interest at the rate of
1005 one per cent per month or fraction thereof from the original due date
1006 of such tax to the date of actual payment.

1007 (3) (A) Whenever there is a claimed overpayment of the tax imposed
1008 by this chapter, the Commissioner of Revenue Services shall return to
1009 the fiduciary or transferee the overpayment which shall bear interest at
1010 the rate of two-thirds of one per cent per month or fraction thereof,
1011 such interest commencing, for the estates of decedents dying prior to
1012 July 1, 2009, or on or after January 1, 2019, from the expiration of nine
1013 months after the death of the transferor or date of payment, whichever
1014 is later, or, for the estates of decedents dying on or after July 1, 2009,
1015 but prior to January 1, 2019, from the expiration of six months after the
1016 death of the transferor or date of payment, whichever is later, as
1017 provided in subparagraphs (B) and (C) of this subdivision.

1018 (B) In case of such overpayment pursuant to a tax return, no interest
1019 shall be allowed or paid under this subdivision on such overpayment
1020 for any month or fraction thereof prior to (i) the ninety-first day after
1021 the last day prescribed for filing the tax return associated with such
1022 overpayment, determined without regard to any extension of time for
1023 filing, or (ii) the ninety-first day after the date such return was filed,
1024 whichever is later.

1025 (C) In case of such overpayment pursuant to an amended tax return,
1026 no interest shall be allowed or paid under this subdivision on such
1027 overpayment for any month or fraction thereof prior to the ninety-first
1028 day after the date such amended tax return was filed.

1029 (b) (1) The tax imposed by this chapter shall be reported on a tax
1030 return which shall be filed on or before the date fixed for paying the
1031 tax, determined without regard to any extension of time for paying the
1032 tax. The commissioner shall design a form of return and forms for such
1033 additional statements or schedules as the commissioner may require to
1034 be filed. Such forms shall provide for the setting forth of such facts as
1035 the commissioner deems necessary for the proper enforcement of this
1036 chapter. The commissioner shall furnish appropriate forms to each
1037 taxpayer upon application or otherwise as the commissioner deems
1038 necessary. Failure to receive a form shall not relieve any person from
1039 the obligation to file a return under the provisions of this chapter. In
1040 any case in which the commissioner believes that it would be
1041 advantageous to him or her in the administration of the tax imposed
1042 by this chapter, the commissioner may require that a true copy of the
1043 federal estate tax return made to the Internal Revenue Service be
1044 provided.

1045 (2) Any tax return or other document, including any amended tax
1046 return under section 12-398, that is required to be filed under this
1047 chapter shall be filed, and shall be treated as filed, only if filed with (A)
1048 the Commissioner of Revenue Services, if required under subdivision
1049 (3) of this subsection, and (B) (i) the court of probate for the district

1050 within which the decedent resided at the date of his or her death, or,
1051 (ii) if the decedent died a nonresident of this state, in the court of
1052 probate for the district within which real estate or tangible personal
1053 property of the decedent is situated. The return shall contain a
1054 statement, to be signed under penalty of false statement by the person
1055 who is required to make and file the return under this chapter, that the
1056 return has been filed with the Commissioner of Revenue Services, if
1057 required under subdivision (3) of this subsection, and the appropriate
1058 court of probate.

1059 (3) (A) A tax return shall be filed, in the case of every decedent who
1060 died prior to January 1, 2005, and at the time of death was (i) a resident
1061 of this state, or (ii) a nonresident of this state whose gross estate
1062 includes any real property situated in this state or tangible personal
1063 property having an actual situs in this state, whenever the personal
1064 representative of the estate is required by the laws of the United States
1065 to file a federal estate tax return.

1066 (B) A tax return shall be filed, in the case of every decedent who dies
1067 on or after January 1, 2005, but prior to January 1, 2010, and at the time
1068 of death was (i) a resident of this state, or (ii) a nonresident of this state
1069 whose gross estate includes any real property situated in this state or
1070 tangible personal property having an actual situs in this state. If the
1071 decedent's Connecticut taxable estate is over two million dollars, such
1072 tax return shall be filed with the Commissioner of Revenue Services
1073 and a copy of such return shall be filed with the court of probate for
1074 the district within which the decedent resided at the date of his or her
1075 death or, if the decedent died a nonresident of this state, the court of
1076 probate for the district within which such real property or tangible
1077 personal property is situated. If the decedent's Connecticut taxable
1078 estate is two million dollars or less, such return shall be filed with the
1079 court of probate for the district within which the decedent resided at
1080 the date of his or her death or, if the decedent died a nonresident of
1081 this state, the court of probate for the district within which such real
1082 property or tangible personal property is situated, and no such return

1083 shall be filed with the Commissioner of Revenue Services. The judge of
1084 probate for the district in which such return is filed shall review each
1085 such return and shall issue a written opinion to the estate
1086 representative in each case in which the judge determines that the
1087 estate is not subject to tax under this chapter.

1088 (C) A tax return shall be filed, in the case of every decedent who
1089 dies on or after January 1, 2010, but prior to January 1, 2011, and at the
1090 time of death was (i) a resident of this state, or (ii) a nonresident of this
1091 state whose gross estate includes any real property situated in this
1092 state or tangible personal property having an actual situs in this state.
1093 If the decedent's Connecticut taxable estate is over three million five
1094 hundred thousand dollars, such tax return shall be filed with the
1095 Commissioner of Revenue Services and a copy of such return shall be
1096 filed with the court of probate for the district within which the
1097 decedent resided at the date of his or her death or, if the decedent died
1098 a nonresident of this state, the court of probate for the district within
1099 which such real property or tangible personal property is situated. If
1100 the decedent's Connecticut taxable estate is three million five hundred
1101 thousand dollars or less, such return shall be filed with the court of
1102 probate for the district within which the decedent resided at the date
1103 of his or her death or, if the decedent died a nonresident of this state,
1104 the court of probate for the district within which such real property or
1105 tangible personal property is situated, and no such return shall be filed
1106 with the Commissioner of Revenue Services. The judge of probate for
1107 the district in which such return is filed shall review each such return
1108 and shall issue a written opinion to the estate representative in each
1109 case in which the judge determines that the estate is not subject to tax
1110 under this chapter.

1111 (D) A tax return shall be filed, in the case of every decedent who
1112 dies on or after January 1, 2011, but prior to January 1, 2018, and at the
1113 time of death was (i) a resident of this state, or (ii) a nonresident of this
1114 state whose gross estate includes any real property situated in this
1115 state or tangible personal property having an actual situs in this state.

1116 If the decedent's Connecticut taxable estate is over two million dollars,
1117 such tax return shall be filed with the Commissioner of Revenue
1118 Services and a copy of such return shall be filed with the court of
1119 probate for the district within which the decedent resided at the date
1120 of his or her death or, if the decedent died a nonresident of this state,
1121 the court of probate for the district within which such real property or
1122 tangible personal property is situated. If the decedent's Connecticut
1123 taxable estate is two million dollars or less, such return shall be filed
1124 with the court of probate for the district within which the decedent
1125 resided at the date of his or her death or, if the decedent died a
1126 nonresident of this state, the court of probate for the district within
1127 which such real property or tangible personal property is situated, and
1128 no such return shall be filed with the Commissioner of Revenue
1129 Services. The judge of probate for the district in which such return is
1130 filed shall review each such return and shall issue a written opinion to
1131 the estate representative in each case in which the judge determines
1132 that the estate is not subject to tax under this chapter.

1133 (E) A tax return shall be filed, in the case of every decedent who dies
1134 on or after January 1, 2018, but prior to January 1, 2019, and at the time
1135 of death was (i) a resident of this state, or (ii) a nonresident of this state
1136 whose gross estate includes any real property situated in this state or
1137 tangible personal property having an actual situs in this state. If the
1138 decedent's Connecticut taxable estate is over two million six hundred
1139 thousand dollars, such tax return shall be filed with the Commissioner
1140 of Revenue Services and a copy of such return shall be filed with the
1141 court of probate for the district within which the decedent resided at
1142 the date of his or her death or, if the decedent died a nonresident of
1143 this state, the court of probate for the district within which such real
1144 property or tangible personal property is situated. If the decedent's
1145 Connecticut taxable estate is two million six hundred thousand dollars
1146 or less, such return shall be filed with the court of probate for the
1147 district within which the decedent resided at the date of his or her
1148 death or, if the decedent died a nonresident of this state, the court of

1149 probate for the district within which such real property or tangible
1150 personal property is situated, and no such return shall be filed with the
1151 Commissioner of Revenue Services. The judge of probate for the
1152 district in which such return is filed shall review each such return and
1153 shall issue a written opinion to the estate representative in each case in
1154 which the judge determines that the estate is not subject to tax under
1155 this chapter.

1156 (F) A tax return shall be filed, in the case of every decedent who dies
1157 on or after January 1, 2019, but prior to January 1, 2020, and at the time
1158 of death was (i) a resident of this state, or (ii) a nonresident of this state
1159 whose gross estate includes any real property situated in this state or
1160 tangible personal property having an actual situs in this state. If the
1161 decedent's Connecticut taxable estate is over three million six hundred
1162 thousand dollars, such tax return shall be filed with the Commissioner
1163 of Revenue Services and a copy of such return shall be filed with the
1164 court of probate for the district within which the decedent resided at
1165 the date of his or her death or, if the decedent died a nonresident of
1166 this state, the court of probate for the district within which such real
1167 property or tangible personal property is situated. If the decedent's
1168 Connecticut taxable estate is three million six hundred thousand
1169 dollars or less, such return shall be filed with the court of probate for
1170 the district within which the decedent resided at the date of his or her
1171 death or, if the decedent died a nonresident of this state, the court of
1172 probate for the district within which such real property or tangible
1173 personal property is situated, and no such return shall be filed with the
1174 Commissioner of Revenue Services. The judge of probate for the
1175 district in which such return is filed shall review each such return and
1176 shall issue a written opinion to the estate representative in each case in
1177 which the judge determines that the estate is not subject to tax under
1178 this chapter.

1179 (G) A tax return shall be filed, in the case of every decedent who
1180 dies on or after January 1, 2020, but prior to January 1, 2021, and at the
1181 time of death was (i) a resident of this state, or (ii) a nonresident of this

1182 state whose gross estate includes any real property situated in this
1183 state or tangible personal property having an actual situs in this state.
1184 If the decedent's Connecticut taxable estate is over five million one
1185 hundred thousand dollars, such tax return shall be filed with the
1186 Commissioner of Revenue Services and a copy of such return shall be
1187 filed with the court of probate for the district within which the
1188 decedent resided at the date of his or her death or, if the decedent died
1189 a nonresident of this state, the court of probate for the district within
1190 which such real property or tangible personal property is situated. If
1191 the decedent's Connecticut taxable estate is five million one hundred
1192 thousand dollars or less, such return shall be filed with the court of
1193 probate for the district within which the decedent resided at the date
1194 of his or her death or, if the decedent died a nonresident of this state,
1195 the court of probate for the district within which such real property or
1196 tangible personal property is situated, and no such return shall be filed
1197 with the Commissioner of Revenue Services. The judge of probate for
1198 the district in which such return is filed shall review each such return
1199 and shall issue a written opinion to the estate representative in each
1200 case in which the judge determines that the estate is not subject to tax
1201 under this chapter.

1202 (H) A tax return shall be filed, in the case of every decedent who
1203 dies on or after January 1, 2021, but prior to January 1, 2022, and at the
1204 time of death was (i) a resident of this state, or (ii) a nonresident of this
1205 state whose gross estate includes any real property situated in this
1206 state or tangible personal property having an actual situs in this state.
1207 If the decedent's Connecticut taxable estate is over seven million one
1208 hundred thousand dollars, such tax return shall be filed with the
1209 Commissioner of Revenue Services and a copy of such return shall be
1210 filed with the court of probate for the district within which the
1211 decedent resided at the date of his or her death or, if the decedent died
1212 a nonresident of this state, the court of probate for the district within
1213 which such real property or tangible personal property is situated. If
1214 the decedent's Connecticut taxable estate is seven million one hundred

1215 thousand dollars or less, such return shall be filed with the court of
1216 probate for the district within which the decedent resided at the date
1217 of his or her death or, if the decedent died a nonresident of this state,
1218 the court of probate for the district within which such real property or
1219 tangible personal property is situated, and no such return shall be filed
1220 with the Commissioner of Revenue Services. The judge of probate for
1221 the district in which such return is filed shall review each such return
1222 and shall issue a written opinion to the estate representative in each
1223 case in which the judge determines that the estate is not subject to tax
1224 under this chapter.

1225 (I) A tax return shall be filed, in the case of every decedent who dies
1226 on or after January 1, 2022, but prior to January 1, 2023, and at the time
1227 of death was (i) a resident of this state, or (ii) a nonresident of this state
1228 whose gross estate includes any real property situated in this state or
1229 tangible personal property having an actual situs in this state. If the
1230 decedent's Connecticut taxable estate is over nine million one hundred
1231 thousand dollars, such tax return shall be filed with the Commissioner
1232 of Revenue Services and a copy of such return shall be filed with the
1233 court of probate for the district within which the decedent resided at
1234 the date of his or her death or, if the decedent died a nonresident of
1235 this state, the court of probate for the district within which such real
1236 property or tangible personal property is situated. If the decedent's
1237 Connecticut taxable estate is nine million one hundred thousand
1238 dollars or less, such return shall be filed with the court of probate for
1239 the district within which the decedent resided at the date of his or her
1240 death or, if the decedent died a nonresident of this state, the court of
1241 probate for the district within which such real property or tangible
1242 personal property is situated, and no such return shall be filed with the
1243 Commissioner of Revenue Services. The judge of probate for the
1244 district in which such return is filed shall review each such return and
1245 shall issue a written opinion to the estate representative in each case in
1246 which the judge determines that the estate is not subject to tax under
1247 this chapter.

1248 (J) A tax return shall be filed, in the case of every decedent who dies
1249 on or after January 1, 2023, and at the time of death was (i) a resident
1250 of this state, or (ii) a nonresident of this state whose gross estate
1251 includes any real property situated in this state or tangible personal
1252 property having an actual situs in this state. If the decedent's
1253 Connecticut taxable estate is over [five million four hundred ninety
1254 thousand dollars] the federal basic exclusion amount, such tax return
1255 shall be filed with the Commissioner of Revenue Services and a copy
1256 of such return shall be filed with the court of probate for the district
1257 within which the decedent resided at the date of his or her death or, if
1258 the decedent died a nonresident of this state, the court of probate for
1259 the district within which such real property or tangible personal
1260 property is situated. If the decedent's Connecticut taxable estate is
1261 equal to or less than [five million four hundred ninety thousand
1262 dollars] the federal basic exclusion amount, such return shall be filed
1263 with the court of probate for the district within which the decedent
1264 resided at the date of his or her death or, if the decedent died a
1265 nonresident of this state, the court of probate for the district within
1266 which such real property or tangible personal property is situated, and
1267 no such return shall be filed with the Commissioner of Revenue
1268 Services. The judge of probate for the district in which such return is
1269 filed shall review each such return and shall issue a written opinion to
1270 the estate representative in each case in which the judge determines
1271 that the estate is not subject to tax under this chapter.

1272 (4) The duly authorized executor or administrator shall file the
1273 return. If there is more than one executor or administrator, the return
1274 shall be made jointly by all. If there is no executor or administrator
1275 appointed, qualified and acting, each person in actual or constructive
1276 possession of any property of the decedent is constituted an executor
1277 for purposes of the tax and shall make and file a return. If in any case
1278 the executor is unable to make a complete return as to any part of the
1279 gross estate, the executor shall provide all the information available to
1280 him or her with respect to such property, including a full description,

1281 and the name of every person holding a legal or beneficial interest in
1282 the property. If the executor is unable to make a return as to any
1283 property, each person holding a legal or equitable interest in such
1284 property shall, upon notice from the commissioner, make a return as to
1285 that part of the gross estate.

1286 (5) On or before the last day of the month next succeeding each
1287 calendar quarter, and commencing with the calendar quarter ending
1288 September 30, 2005, each court of probate shall file with the
1289 commissioner a report for the calendar quarter in such form as the
1290 commissioner may prescribe. The report shall pertain to returns filed
1291 with the court of probate during the calendar quarter.

1292 (6) The Commissioner of Revenue Services may, for reasonable
1293 cause shown, extend the time for filing the return.

1294 (7) If any person required to make and file the tax return under this
1295 chapter fails to file the return within the time prescribed, the
1296 commissioner may assess and compute the tax upon the best
1297 information obtainable. To the tax imposed upon the basis of such
1298 return, there shall be added an amount equal to ten per cent of such
1299 tax or fifty dollars, whichever is greater. The tax shall bear interest at
1300 the rate of one per cent per month or fraction thereof from the due date
1301 of such tax until the date of payment.

1302 (8) The commissioner shall provide notice of any (A) deficiency
1303 assessment with respect to the payment of any tax under this chapter,
1304 (B) assessment with respect to any failure to make and file a return
1305 under this chapter by a person required to file, and (C) tax return or
1306 other document, including any amended tax return under section 12-
1307 398 that is required to be filed under this chapter to the court of
1308 probate for the district within which the commissioner contends that
1309 the decedent resided at the date of his or her death or, if the decedent
1310 died a nonresident of this state, to the court of probate for the district
1311 within which the commissioner contends that real estate or tangible

1312 personal property of the decedent is situated.

1313 Sec. 14. Subdivision (1) of section 12-408 of the general statutes is
1314 repealed and the following is substituted in lieu thereof (*Effective July*
1315 *1, 2019, and applicable to sales occurring on or after July 1, 2019*):

1316 (1) (A) For the privilege of making any sales, as defined in
1317 subdivision (2) of subsection (a) of section 12-407, as amended by this
1318 act, at retail, in this state for a consideration, a tax is hereby imposed
1319 on all retailers at the rate of six and thirty-five-hundredths per cent of
1320 the gross receipts of any retailer from the sale of all tangible personal
1321 property sold at retail or from the rendering of any services
1322 constituting a sale in accordance with subdivision (2) of subsection (a)
1323 of section 12-407, as amended by this act, except, in lieu of said rate of
1324 six and thirty-five-hundredths per cent, the rates provided in
1325 subparagraphs (B) to (H), inclusive, of this subdivision;

1326 (B) (i) At a rate of [~~fifteen~~] seventeen per cent with respect to each
1327 transfer of occupancy, from the total amount of rent received by a hotel
1328 or lodging house for the first period not exceeding thirty consecutive
1329 calendar days;

1330 (ii) At a rate of [~~eleven~~] thirteen per cent with respect to each
1331 transfer of occupancy, from the total amount of rent received by a bed
1332 and breakfast establishment for the first period not exceeding thirty
1333 consecutive calendar days;

1334 (C) With respect to the sale of a motor vehicle to any individual who
1335 is a member of the armed forces of the United States and is on full-time
1336 active duty in Connecticut and who is considered, under 50 App USC
1337 574, a resident of another state, or to any such individual and the
1338 spouse thereof, at a rate of four and one-half per cent of the gross
1339 receipts of any retailer from such sales, provided such retailer requires
1340 and maintains a declaration by such individual, prescribed as to form
1341 by the commissioner and bearing notice to the effect that false
1342 statements made in such declaration are punishable, or other evidence,

1343 satisfactory to the commissioner, concerning the purchaser's state of
1344 residence under 50 App USC 574;

1345 (D) (i) With respect to the sales of computer and data processing
1346 services occurring on or after July 1, 2001, at the rate of one per cent,
1347 and (ii) with respect to sales of Internet access services, on and after
1348 July 1, 2001, such services shall be exempt from such tax;

1349 (E) [(i)] With respect to the sales of labor that is otherwise taxable
1350 under subparagraph (C) or (G) of subdivision (2) of subsection (a) of
1351 section 12-407 on existing vessels and repair or maintenance services
1352 on vessels occurring on and after July 1, 1999, such services shall be
1353 exempt from such tax;

1354 [(ii) With respect to the sale of a vessel, a motor for a vessel or a
1355 trailer used for transporting a vessel, at the rate of two and ninety-
1356 nine-hundredths per cent, except that the sale of a vessel shall be
1357 exempt from such tax if such vessel is docked in this state for sixty or
1358 fewer days in a calendar year;]

1359 (F) With respect to patient care services for which payment is
1360 received by the hospital on or after July 1, 1999, and prior to July 1,
1361 2001, at the rate of five and three-fourths per cent and on and after July
1362 1, 2001, such services shall be exempt from such tax;

1363 (G) With respect to the rental or leasing of a passenger motor
1364 vehicle for a period of thirty consecutive calendar days or less, at a rate
1365 of nine and thirty-five-hundredths per cent;

1366 (H) With respect to the sale of (i) a motor vehicle for a sales price
1367 exceeding fifty thousand dollars, at a rate of seven and three-fourths
1368 per cent on the entire sales price, (ii) jewelry, whether real or imitation,
1369 for a sales price exceeding five thousand dollars, at a rate of seven and
1370 three-fourths per cent on the entire sales price, and (iii) an article of
1371 clothing or footwear intended to be worn on or about the human body,
1372 a handbag, luggage, umbrella, wallet or watch for a sales price

1373 exceeding one thousand dollars, at a rate of seven and three-fourths
1374 per cent on the entire sales price. For purposes of this subparagraph,
1375 "motor vehicle" has the meaning provided in section 14-1, but does not
1376 include a motor vehicle subject to the provisions of subparagraph (C)
1377 of this subdivision, a motor vehicle having a gross vehicle weight
1378 rating over twelve thousand five hundred pounds, or a motor vehicle
1379 having a gross vehicle weight rating of twelve thousand five hundred
1380 pounds or less that is not used for private passenger purposes, but is
1381 designed or used to transport merchandise, freight or persons in
1382 connection with any business enterprise and issued a commercial
1383 registration or more specific type of registration by the Department of
1384 Motor Vehicles;

1385 (I) The rate of tax imposed by this chapter shall be applicable to all
1386 retail sales upon the effective date of such rate, except that a new rate
1387 which represents an increase in the rate applicable to the sale shall not
1388 apply to any sales transaction wherein a binding sales contract without
1389 an escalator clause has been entered into prior to the effective date of
1390 the new rate and delivery is made within ninety days after the effective
1391 date of the new rate. For the purposes of payment of the tax imposed
1392 under this section, any retailer of services taxable under subdivision
1393 (37) of subsection (a) of section 12-407, as amended by this act, who
1394 computes taxable income, for purposes of taxation under the Internal
1395 Revenue Code of 1986, or any subsequent corresponding internal
1396 revenue code of the United States, as amended from time to time,
1397 [amended,] on an accounting basis which recognizes only cash or other
1398 valuable consideration actually received as income and who is liable
1399 for such tax only due to the rendering of such services may make
1400 payments related to such tax for the period during which such income
1401 is received, without penalty or interest, without regard to when such
1402 service is rendered;

1403 (J) (i) For calendar quarters ending on or after September 30, 2019,
1404 the commissioner shall deposit into the regional planning incentive
1405 account, established pursuant to section 4-66k, six and seven-tenths

1406 per cent of the amounts received by the state from the tax imposed
1407 under subparagraph (B) of this subdivision and ten and seven-tenths
1408 per cent of the amounts received by the state from the tax imposed
1409 under subparagraph (G) of this subdivision;

1410 (ii) For calendar quarters ending on or after September 30, 2018, the
1411 commissioner shall deposit into the Tourism Fund established under
1412 section 10-395b ten per cent of the amounts received by the state from
1413 the tax imposed under subparagraph (B) of this subdivision; and

1414 [(K) For calendar months commencing on or after July 1, 2021, the
1415 commissioner shall deposit into the municipal revenue sharing
1416 account established pursuant to section 4-66l seven and nine-tenths per
1417 cent of the amounts received by the state from the tax imposed under
1418 subparagraph (A) of this subdivision; and]

1419 [(L)] (K) (i) For calendar months commencing on or after July 1,
1420 2017, the commissioner shall deposit into the Special Transportation
1421 Fund established under section 13b-68 seven and nine-tenths per cent
1422 of the amounts received by the state from the tax imposed under
1423 subparagraph (A) of this subdivision;

1424 (ii) For calendar months commencing on or after July 1, 2018, [but
1425 prior to July 1, 2019,] the commissioner shall deposit into the Special
1426 Transportation Fund established under section 13b-68 eight per cent of
1427 the amounts received by the state from the tax imposed under
1428 subparagraphs (A) and (H) of this subdivision on the sale of a motor
1429 vehicle. [;]

1430 [(iii) For calendar months commencing on or after July 1, 2019, but
1431 prior to July 1, 2020, the commissioner shall deposit into the Special
1432 Transportation Fund established under section 13b-68 thirty-three per
1433 cent of the amounts received by the state from the tax imposed under
1434 subparagraphs (A) and (H) of this subdivision on the sale of a motor
1435 vehicle;

1436 (iv) For calendar months commencing on or after July 1, 2020, but
1437 prior to July 1, 2021, the commissioner shall deposit into the Special
1438 Transportation Fund established under section 13b-68 fifty-six per cent
1439 of the amounts received by the state from the tax imposed under
1440 subparagraphs (A) and (H) of this subdivision on the sale of a motor
1441 vehicle;

1442 (v) For calendar months commencing on or after July 1, 2021, but
1443 prior to July 1, 2022, the commissioner shall deposit into the Special
1444 Transportation Fund established under section 13b-68 seventy-five per
1445 cent of the amounts received by the state from the tax imposed under
1446 subparagraphs (A) and (H) of this subdivision on the sale of a motor
1447 vehicle; and

1448 (vi) For calendar months commencing on or after July 1, 2022, the
1449 commissioner shall deposit into the Special Transportation Fund
1450 established under section 13b-68 one hundred per cent of the amounts
1451 received by the state from the tax imposed under subparagraphs (A)
1452 and (H) of this subdivision on the sale of a motor vehicle.]

1453 Sec. 15. Subdivision (1) of section 12-408 of the general statutes, as
1454 amended by section 14 of this act, is repealed and the following is
1455 substituted in lieu thereof (*Effective January 1, 2020, and applicable to*
1456 *sales occurring on or after January 1, 2020*):

1457 (1) (A) For the privilege of making any sales, as defined in
1458 subdivision (2) of subsection (a) of section 12-407, as amended by this
1459 act, at retail, in this state for a consideration, a tax is hereby imposed
1460 on all retailers at the rate of six and thirty-five-hundredths per cent of
1461 the gross receipts of any retailer from the sale of all tangible personal
1462 property sold at retail or from the rendering of any services
1463 constituting a sale in accordance with subdivision (2) of subsection (a)
1464 of section 12-407, as amended by this act, except, in lieu of said rate of
1465 six and thirty-five-hundredths per cent, the rates provided in
1466 subparagraphs (B) to (H), inclusive, of this subdivision;

1467 (B) (i) At a rate of seventeen per cent with respect to each transfer of
1468 occupancy, from the total amount of rent received by a hotel or
1469 lodging house for the first period not exceeding thirty consecutive
1470 calendar days;

1471 (ii) At a rate of thirteen per cent with respect to each transfer of
1472 occupancy, from the total amount of rent received by a bed and
1473 breakfast establishment for the first period not exceeding thirty
1474 consecutive calendar days;

1475 (iii) At a rate of six and thirty-five-hundredths per cent with respect
1476 to each transfer of occupancy, from the total amount of rent received
1477 by a campground for the first period not exceeding thirty consecutive
1478 days;

1479 (C) With respect to the sale of a motor vehicle to any individual who
1480 is a member of the armed forces of the United States and is on full-time
1481 active duty in Connecticut and who is considered, under 50 App USC
1482 574, a resident of another state, or to any such individual and the
1483 spouse thereof, at a rate of four and one-half per cent of the gross
1484 receipts of any retailer from such sales, provided such retailer requires
1485 and maintains a declaration by such individual, prescribed as to form
1486 by the commissioner and bearing notice to the effect that false
1487 statements made in such declaration are punishable, or other evidence,
1488 satisfactory to the commissioner, concerning the purchaser's state of
1489 residence under 50 App USC 574;

1490 (D) (i) With respect to the sales of computer and data processing
1491 services occurring on or after July 1, 2001, at the rate of one per cent,
1492 and (ii) with respect to sales of Internet access services, on and after
1493 July 1, 2001, such services shall be exempt from such tax;

1494 (E) With respect to the sales of labor that is otherwise taxable under
1495 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section
1496 12-407 on existing vessels and repair or maintenance services on
1497 vessels occurring on and after July 1, 1999, but prior to January 1, 2020,

1498 such services shall be exempt from such tax;

1499 (F) With respect to patient care services for which payment is
1500 received by the hospital on or after July 1, 1999, and prior to July 1,
1501 2001, at the rate of five and three-fourths per cent and on and after July
1502 1, 2001, such services shall be exempt from such tax;

1503 (G) With respect to the rental or leasing of a passenger motor
1504 vehicle for a period of thirty consecutive calendar days or less, at a rate
1505 of nine and thirty-five-hundredths per cent;

1506 (H) With respect to the sale of (i) a motor vehicle for a sales price
1507 exceeding fifty thousand dollars, at a rate of seven and three-fourths
1508 per cent on the entire sales price, (ii) jewelry, whether real or imitation,
1509 for a sales price exceeding five thousand dollars, at a rate of seven and
1510 three-fourths per cent on the entire sales price, and (iii) an article of
1511 clothing or footwear intended to be worn on or about the human body,
1512 a handbag, luggage, umbrella, wallet or watch for a sales price
1513 exceeding one thousand dollars, at a rate of seven and three-fourths
1514 per cent on the entire sales price. For purposes of this subparagraph,
1515 "motor vehicle" has the meaning provided in section 14-1, but does not
1516 include a motor vehicle subject to the provisions of subparagraph (C)
1517 of this subdivision, a motor vehicle having a gross vehicle weight
1518 rating over twelve thousand five hundred pounds, or a motor vehicle
1519 having a gross vehicle weight rating of twelve thousand five hundred
1520 pounds or less that is not used for private passenger purposes, but is
1521 designed or used to transport merchandise, freight or persons in
1522 connection with any business enterprise and issued a commercial
1523 registration or more specific type of registration by the Department of
1524 Motor Vehicles;

1525 (I) The rate of tax imposed by this chapter shall be applicable to all
1526 retail sales upon the effective date of such rate, except that a new rate
1527 which represents an increase in the rate applicable to the sale shall not
1528 apply to any sales transaction wherein a binding sales contract without

1529 an escalator clause has been entered into prior to the effective date of
1530 the new rate and delivery is made within ninety days after the effective
1531 date of the new rate. For the purposes of payment of the tax imposed
1532 under this section, any retailer of services taxable under subdivision
1533 (37) of subsection (a) of section 12-407, as amended by this act, who
1534 computes taxable income, for purposes of taxation under the Internal
1535 Revenue Code of 1986, or any subsequent corresponding internal
1536 revenue code of the United States, as from time to time amended, on
1537 an accounting basis which recognizes only cash or other valuable
1538 consideration actually received as income and who is liable for such
1539 tax only due to the rendering of such services may make payments
1540 related to such tax for the period during which such income is
1541 received, without penalty or interest, without regard to when such
1542 service is rendered;

1543 (J) (i) For calendar quarters ending on or after September 30, 2019,
1544 the commissioner shall deposit into the regional planning incentive
1545 account, established pursuant to section 4-66k, six and seven-tenths
1546 per cent of the amounts received by the state from the tax imposed
1547 under subparagraph (B) of this subdivision and ten and seven-tenths
1548 per cent of the amounts received by the state from the tax imposed
1549 under subparagraph (G) of this subdivision;

1550 (ii) For calendar quarters ending on or after September 30, 2018, the
1551 commissioner shall deposit into the Tourism Fund established under
1552 section 10-395b ten per cent of the amounts received by the state from
1553 the tax imposed under subparagraph [(B)] (B)(i) and (B)(ii) of this
1554 subdivision; and

1555 (K) (i) For calendar months commencing on or after July 1, 2017, the
1556 commissioner shall deposit into the Special Transportation Fund
1557 established under section 13b-68 seven and nine-tenths per cent of the
1558 amounts received by the state from the tax imposed under
1559 subparagraph (A) of this subdivision;

1560 (ii) For calendar months commencing on or after July 1, 2018, the
1561 commissioner shall deposit into the Special Transportation Fund
1562 established under section 13b-68 eight per cent of the amounts
1563 received by the state from the tax imposed under subparagraphs (A)
1564 and (H) of this subdivision on the sale of a motor vehicle.

1565 Sec. 16. Subdivision (1) of section 12-411 of the general statutes is
1566 repealed and the following is substituted in lieu thereof (*Effective July*
1567 *1, 2019, and applicable to sales occurring on or after July 1, 2019*):

1568 (1) (A) An excise tax is hereby imposed on the storage, acceptance,
1569 consumption or any other use in this state of tangible personal
1570 property purchased from any retailer for storage, acceptance,
1571 consumption or any other use in this state, the acceptance or receipt of
1572 any services constituting a sale in accordance with subdivision (2) of
1573 subsection (a) of section 12-407, as amended by this act, purchased
1574 from any retailer for consumption or use in this state, or the storage,
1575 acceptance, consumption or any other use in this state of tangible
1576 personal property which has been manufactured, fabricated,
1577 assembled or processed from materials by a person, either within or
1578 without this state, for storage, acceptance, consumption or any other
1579 use by such person in this state, to be measured by the sales price of
1580 materials, at the rate of six and thirty-five-hundredths per cent of the
1581 sales price of such property or services, except, in lieu of said rate of six
1582 and thirty-five-hundredths per cent;

1583 (B) (i) At a rate of [~~fifteen~~] seventeen per cent of the rent paid to a
1584 hotel or lodging house for the first period not exceeding thirty
1585 consecutive calendar days;

1586 (ii) At a rate of [~~eleven~~] thirteen per cent of the rent paid to a bed
1587 and breakfast establishment for the first period not exceeding thirty
1588 consecutive calendar days;

1589 (C) With respect to the storage, acceptance, consumption or use in
1590 this state of a motor vehicle purchased from any retailer for storage,

1591 acceptance, consumption or use in this state by any individual who is a
1592 member of the armed forces of the United States and is on full-time
1593 active duty in Connecticut and who is considered, under 50 App USC
1594 574, a resident of another state, or to any such individual and the
1595 spouse of such individual at a rate of four and one-half per cent of the
1596 sales price of such vehicle, provided such retailer requires and
1597 maintains a declaration by such individual, prescribed as to form by
1598 the commissioner and bearing notice to the effect that false statements
1599 made in such declaration are punishable, or other evidence,
1600 satisfactory to the commissioner, concerning the purchaser's state of
1601 residence under 50 App USC 574;

1602 (D) [(i)] With respect to the acceptance or receipt in this state of
1603 labor that is otherwise taxable under subparagraph (C) or (G) of
1604 subdivision (2) of subsection (a) of section 12-407 on existing vessels
1605 and repair or maintenance services on vessels occurring on and after
1606 July 1, 1999, such services shall be exempt from such tax;

1607 [(ii) (I) With respect to the storage, acceptance or other use of a
1608 vessel in this state, at the rate of two and ninety-nine-hundredths per
1609 cent, except that such storage, acceptance or other use shall be exempt
1610 from such tax if such vessel is docked in this state for sixty or fewer
1611 days in a calendar year;

1612 (II) With respect to the storage, acceptance or other use of a motor
1613 for a vessel or a trailer used for transporting a vessel in this state, at the
1614 rate of two and ninety-nine-hundredths per cent;]

1615 (E) (i) With respect to the acceptance or receipt in this state of
1616 computer and data processing services purchased from any retailer for
1617 consumption or use in this state occurring on or after July 1, 2001, at
1618 the rate of one per cent of such services, and (ii) with respect to the
1619 acceptance or receipt in this state of Internet access services, on and
1620 after July 1, 2001, such services shall be exempt from such tax;

1621 (F) With respect to the acceptance or receipt in this state of patient

1622 care services purchased from any retailer for consumption or use in
1623 this state for which payment is received by the hospital on or after July
1624 1, 1999, and prior to July 1, 2001, at the rate of five and three-fourths
1625 per cent and on and after July 1, 2001, such services shall be exempt
1626 from such tax;

1627 (G) With respect to the rental or leasing of a passenger motor
1628 vehicle for a period of thirty consecutive calendar days or less, at a rate
1629 of nine and thirty-five-hundredths per cent;

1630 (H) With respect to the acceptance or receipt in this state of (i) a
1631 motor vehicle for a sales price exceeding fifty thousand dollars, at a
1632 rate of seven and three-fourths per cent on the entire sales price, (ii)
1633 jewelry, whether real or imitation, for a sales price exceeding five
1634 thousand dollars, at a rate of seven and three-fourths per cent on the
1635 entire sales price, and (iii) an article of clothing or footwear intended to
1636 be worn on or about the human body, a handbag, luggage, umbrella,
1637 wallet or watch for a sales price exceeding one thousand dollars, at a
1638 rate of seven and three-fourths per cent on the entire sales price. For
1639 purposes of this subparagraph, "motor vehicle" has the meaning
1640 provided in section 14-1, but does not include a motor vehicle subject
1641 to the provisions of subparagraph (C) of this subdivision, a motor
1642 vehicle having a gross vehicle weight rating over twelve thousand five
1643 hundred pounds, or a motor vehicle having a gross vehicle weight
1644 rating of twelve thousand five hundred pounds or less that is not used
1645 for private passenger purposes, but is designed or used to transport
1646 merchandise, freight or persons in connection with any business
1647 enterprise and issued a commercial registration or more specific type
1648 of registration by the Department of Motor Vehicles;

1649 (I) (i) For calendar quarters ending on or after September 30, 2019,
1650 the commissioner shall deposit into the regional planning incentive
1651 account, established pursuant to section 4-66k, six and seven-tenths
1652 per cent of the amounts received by the state from the tax imposed
1653 under subparagraph (B) of this subdivision and ten and seven-tenths

1654 per cent of the amounts received by the state from the tax imposed
1655 under subparagraph (G) of this subdivision;

1656 (ii) For calendar quarters ending on or after September 30, 2018, the
1657 commissioner shall deposit into the Tourism Fund established under
1658 section 10-395b ten per cent of the amounts received by the state from
1659 the tax imposed under subparagraph (B) of this subdivision; and

1660 [(J) For calendar months commencing on or after July 1, 2021, the
1661 commissioner shall deposit into said municipal revenue sharing
1662 account seven and nine-tenths per cent of the amounts received by the
1663 state from the tax imposed under subparagraph (A) of this
1664 subdivision; and]

1665 [(K)] [(I)] (i) For calendar months commencing on or after July 1, 2017,
1666 the commissioner shall deposit into said Special Transportation Fund
1667 seven and nine-tenths per cent of the amounts received by the state
1668 from the tax imposed under subparagraph (A) of this subdivision;

1669 (ii) For calendar months commencing on or after July 1, 2018, [but
1670 prior to July 1, 2019,] the commissioner shall deposit into the Special
1671 Transportation Fund established under section 13b-68 eight per cent of
1672 the amounts received by the state from the tax imposed under
1673 subparagraphs (A) and (H) of this subdivision on the acceptance or
1674 receipt in this state of a motor vehicle. [;]

1675 [(iii) For calendar months commencing on or after July 1, 2019, but
1676 prior to July 1, 2020, the commissioner shall deposit into the Special
1677 Transportation Fund established under section 13b-68 thirty-three per
1678 cent of the amounts received by the state from the tax imposed under
1679 subparagraphs (A) and (H) of this subdivision on the acceptance or
1680 receipt in this state of a motor vehicle;

1681 (iv) For calendar months commencing on or after July 1, 2020, but
1682 prior to July 1, 2021, the commissioner shall deposit into the Special
1683 Transportation Fund established under section 13b-68 fifty-six per cent

1684 of the amounts received by the state from the tax imposed under
1685 subparagraphs (A) and (H) of this subdivision on the acceptance or
1686 receipt in this state of a motor vehicle;

1687 (v) For calendar months commencing on or after July 1, 2021, but
1688 prior to July 1, 2022, the commissioner shall deposit into the Special
1689 Transportation Fund established under section 13b-68 seventy-five per
1690 cent of the amounts received by the state from the tax imposed under
1691 subparagraphs (A) and (H) of this subdivision on the acceptance or
1692 receipt in this state of a motor vehicle; and

1693 (vi) For calendar months commencing on or after July 1, 2022, the
1694 commissioner shall deposit into the Special Transportation Fund
1695 established under section 13b-68 one hundred per cent of the amounts
1696 received by the state from the tax imposed under subparagraphs (A)
1697 and (H) of this subdivision on the acceptance or receipt in this state of
1698 a motor vehicle.]

1699 Sec. 17. Subdivision (1) of section 12-411 of the general statutes, as
1700 amended by section 16 of this act, is repealed and the following is
1701 substituted in lieu thereof (*Effective January 1, 2020, and applicable to*
1702 *sales occurring on or after January 1, 2020*):

1703 (1) (A) An excise tax is hereby imposed on the storage, acceptance,
1704 consumption or any other use in this state of tangible personal
1705 property purchased from any retailer for storage, acceptance,
1706 consumption or any other use in this state, the acceptance or receipt of
1707 any services constituting a sale in accordance with subdivision (2) of
1708 subsection (a) of section 12-407, as amended by this act, purchased
1709 from any retailer for consumption or use in this state, or the storage,
1710 acceptance, consumption or any other use in this state of tangible
1711 personal property which has been manufactured, fabricated,
1712 assembled or processed from materials by a person, either within or
1713 without this state, for storage, acceptance, consumption or any other
1714 use by such person in this state, to be measured by the sales price of

1715 materials, at the rate of six and thirty-five-hundredths per cent of the
1716 sales price of such property or services, except, in lieu of said rate of six
1717 and thirty-five-hundredths per cent;

1718 (B) (i) At a rate of seventeen per cent of the rent paid to a hotel or
1719 lodging house for the first period not exceeding thirty consecutive
1720 calendar days;

1721 (ii) At a rate of thirteen per cent of the rent paid to a bed and
1722 breakfast establishment for the first period not exceeding thirty
1723 consecutive calendar days;

1724 (iii) At a rate of six and thirty-five-hundredths per cent with respect
1725 to each transfer of occupancy, from the total amount of rent received
1726 by a campground for the first period not exceeding thirty consecutive
1727 days;

1728 (C) With respect to the storage, acceptance, consumption or use in
1729 this state of a motor vehicle purchased from any retailer for storage,
1730 acceptance, consumption or use in this state by any individual who is a
1731 member of the armed forces of the United States and is on full-time
1732 active duty in Connecticut and who is considered, under 50 App USC
1733 574, a resident of another state, or to any such individual and the
1734 spouse of such individual at a rate of four and one-half per cent of the
1735 sales price of such vehicle, provided such retailer requires and
1736 maintains a declaration by such individual, prescribed as to form by
1737 the commissioner and bearing notice to the effect that false statements
1738 made in such declaration are punishable, or other evidence,
1739 satisfactory to the commissioner, concerning the purchaser's state of
1740 residence under 50 App USC 574;

1741 (D) With respect to the acceptance or receipt in this state of labor
1742 that is otherwise taxable under subparagraph (C) or (G) of subdivision
1743 (2) of subsection (a) of section 12-407 on existing vessels and repair or
1744 maintenance services on vessels occurring on and after July 1, 1999, but
1745 prior to January 1, 2020, such services shall be exempt from such tax;

1746 (E) (i) With respect to the acceptance or receipt in this state of
1747 computer and data processing services purchased from any retailer for
1748 consumption or use in this state occurring on or after July 1, 2001, at
1749 the rate of one per cent of such services, and (ii) with respect to the
1750 acceptance or receipt in this state of Internet access services, on and
1751 after July 1, 2001, such services shall be exempt from such tax;

1752 (F) With respect to the acceptance or receipt in this state of patient
1753 care services purchased from any retailer for consumption or use in
1754 this state for which payment is received by the hospital on or after July
1755 1, 1999, and prior to July 1, 2001, at the rate of five and three-fourths
1756 per cent and on and after July 1, 2001, such services shall be exempt
1757 from such tax;

1758 (G) With respect to the rental or leasing of a passenger motor
1759 vehicle for a period of thirty consecutive calendar days or less, at a rate
1760 of nine and thirty-five-hundredths per cent;

1761 (H) With respect to the acceptance or receipt in this state of (i) a
1762 motor vehicle for a sales price exceeding fifty thousand dollars, at a
1763 rate of seven and three-fourths per cent on the entire sales price, (ii)
1764 jewelry, whether real or imitation, for a sales price exceeding five
1765 thousand dollars, at a rate of seven and three-fourths per cent on the
1766 entire sales price, and (iii) an article of clothing or footwear intended to
1767 be worn on or about the human body, a handbag, luggage, umbrella,
1768 wallet or watch for a sales price exceeding one thousand dollars, at a
1769 rate of seven and three-fourths per cent on the entire sales price. For
1770 purposes of this subparagraph, "motor vehicle" has the meaning
1771 provided in section 14-1, but does not include a motor vehicle subject
1772 to the provisions of subparagraph (C) of this subdivision, a motor
1773 vehicle having a gross vehicle weight rating over twelve thousand five
1774 hundred pounds, or a motor vehicle having a gross vehicle weight
1775 rating of twelve thousand five hundred pounds or less that is not used
1776 for private passenger purposes, but is designed or used to transport
1777 merchandise, freight or persons in connection with any business

1778 enterprise and issued a commercial registration or more specific type
1779 of registration by the Department of Motor Vehicles;

1780 (I) (i) For calendar quarters ending on or after September 30, 2019,
1781 the commissioner shall deposit into the regional planning incentive
1782 account, established pursuant to section 4-66k, six and seven-tenths
1783 per cent of the amounts received by the state from the tax imposed
1784 under subparagraph (B) of this subdivision and ten and seven-tenths
1785 per cent of the amounts received by the state from the tax imposed
1786 under subparagraph (G) of this subdivision;

1787 (ii) For calendar quarters ending on or after September 30, 2018, the
1788 commissioner shall deposit into the Tourism Fund established under
1789 section 10-395b ten per cent of the amounts received by the state from
1790 the tax imposed under subparagraph [(B)] (B)(i) and (B)(ii) of this
1791 subdivision; and

1792 (J) (i) For calendar months commencing on or after July 1, 2017, the
1793 commissioner shall deposit into said Special Transportation Fund
1794 seven and nine-tenths per cent of the amounts received by the state
1795 from the tax imposed under subparagraph (A) of this subdivision;

1796 (ii) For calendar months commencing on or after July 1, 2018, the
1797 commissioner shall deposit into the Special Transportation Fund
1798 established under section 13b-68 eight per cent of the amounts
1799 received by the state from the tax imposed under subparagraphs (A)
1800 and (H) of this subdivision on the acceptance or receipt in this state of
1801 a motor vehicle.

1802 Sec. 18. Subparagraph (M) of subdivision (2) of subsection (a) of
1803 section 12-407 of the general statutes is repealed and the following is
1804 substituted in lieu thereof (*Effective October 1, 2019, and applicable to*
1805 *sales occurring on or after October 1, 2019*):

1806 (M) The transfer for consideration of space or the right to use any
1807 space for the purpose of storage or mooring of any noncommercial

1808 vessel; [, exclusive of dry or wet storage or mooring of such vessel
1809 during the period commencing on the first day of October in any year
1810 to and including the thirty-first day of May of the next succeeding
1811 year;]

1812 Sec. 19. Subdivision (13) of subsection (a) of section 12-407 of the
1813 general statutes is repealed and the following is substituted in lieu
1814 thereof (*Effective October 1, 2019, and applicable to sales occurring on or*
1815 *after October 1, 2019*):

1816 (13) "Tangible personal property" means personal property [which]
1817 that may be seen, weighed, measured, felt or touched or [which] that is
1818 in any other manner perceptible to the senses. [including] "Tangible
1819 personal property" includes (A) digital goods and canned or
1820 prewritten computer software, [. Tangible personal property includes]
1821 including prewritten software that is electronically accessed or
1822 transferred and any additional content related to such software, and
1823 (B) the distribution, generation or transmission of electricity.

1824 Sec. 20. Subsection (a) of section 12-407 of the general statutes is
1825 amended by adding subdivision (43) as follows (*Effective October 1,*
1826 *2019, and applicable to sales occurring on or after October 1, 2019*):

1827 (NEW) (43) "Digital goods" means audio works, visual works,
1828 audio-visual works, reading materials or ring tones, that are
1829 electronically accessed or transferred.

1830 Sec. 21. Subparagraph (A) of subdivision (37) of subsection (a) of
1831 section 12-407 of the general statutes is repealed and the following is
1832 substituted in lieu thereof (*Effective October 1, 2019, and applicable to*
1833 *sales occurring on or after October 1, 2019*):

1834 (A) Computer and data processing services, including, but not
1835 limited to, time, programming, code writing, modification of existing
1836 programs, feasibility studies and installation and implementation of
1837 software programs and systems even where such services are rendered

1838 in connection with the development, creation or production of canned
1839 or custom software or the license of custom software, but excluding
1840 digital goods;

1841 Sec. 22. Subdivision (37) of subsection (a) of section 12-407 of the
1842 general statutes, as amended by section 21 of this act, is repealed and
1843 the following is substituted in lieu thereof (*Effective January 1, 2020, and*
1844 *applicable to sales occurring on or after January 1, 2020*):

1845 (37) "Services" for purposes of subdivision (2) of this subsection,
1846 means:

1847 (A) Computer and data processing services, including, but not
1848 limited to, time, programming, code writing, modification of existing
1849 programs, feasibility studies and installation and implementation of
1850 software programs and systems even where such services are rendered
1851 in connection with the development, creation or production of canned
1852 or custom software or the license of custom software, but excluding
1853 digital goods;

1854 (B) Credit information and reporting services;

1855 (C) Services by employment agencies and agencies providing
1856 personnel services;

1857 (D) Private investigation, protection, patrol work, watchman and
1858 armored car services, exclusive of (i) services of off-duty police officers
1859 and off-duty firefighters, and (ii) coin and currency services provided
1860 to a financial services company by or through another financial
1861 services company. For purposes of this subparagraph, "financial
1862 services company" has the same meaning as provided under
1863 subparagraphs (A) to (H), inclusive, of subdivision (6) of subsection (a)
1864 of section 12-218b;

1865 (E) Painting and lettering services;

1866 (F) Photographic studio services;

1867 (G) Telephone answering services;

1868 (H) Stenographic services;

1869 (I) Services to industrial, commercial or income-producing real
1870 property, including, but not limited to, such services as management,
1871 electrical, plumbing, painting and carpentry, provided
1872 income-producing property shall not include [property used
1873 exclusively for residential purposes in which the owner resides and
1874 which contains no more than three dwelling units, or] a housing
1875 facility for low and moderate income families and persons owned or
1876 operated by a nonprofit housing organization, as defined in
1877 subdivision (29) of section 12-412;

1878 (J) Business analysis, management, management consulting and
1879 public relations services, excluding (i) any environmental consulting
1880 services, (ii) any training services provided by an institution of higher
1881 education licensed or accredited by the Board of Regents for Higher
1882 Education or Office of Higher Education pursuant to sections 10a-35a
1883 and 10a-34, respectively, and (iii) on and after January 1, 1994, any
1884 business analysis, management, management consulting and public
1885 relations services when such services are rendered in connection with
1886 an aircraft leased or owned by a certificated air carrier or in connection
1887 with an aircraft which has a maximum certificated take-off weight of
1888 six thousand pounds or more;

1889 (K) Services providing "piped-in" music to business or professional
1890 establishments;

1891 (L) Flight instruction and chartering services by a certificated air
1892 carrier on an aircraft, the use of which for such purposes, but for the
1893 provisions of subdivision (4) of section 12-410 and subdivision (12) of
1894 section 12-411, would be deemed a retail sale and a taxable storage or
1895 use, respectively, of such aircraft by such carrier;

1896 (M) Motor vehicle repair services, including any type of repair,

1897 painting or replacement related to the body or any of the operating
1898 parts of a motor vehicle;

1899 (N) Motor vehicle parking, [including the provision of space, other
1900 than metered space, in a lot having thirty or more spaces,] excluding
1901 [(i)] space in a parking lot owned or leased under the terms of a lease
1902 of not less than ten years' duration and operated by an employer for
1903 the exclusive use of its employees; [, (ii) space in municipally operated
1904 railroad parking facilities in municipalities located within an area of
1905 the state designated as a severe nonattainment area for ozone under
1906 the federal Clean Air Act or space in a railroad parking facility in a
1907 municipality located within an area of the state designated as a severe
1908 nonattainment area for ozone under the federal Clean Air Act owned
1909 or operated by the state on or after April 1, 2000, (iii) space in a
1910 seasonal parking lot provided by an entity subject to the exemption set
1911 forth in subdivision (1) of section 12-412, and (iv) space in a
1912 municipally owned parking lot;]

1913 (O) Radio or television repair services;

1914 (P) Furniture reupholstering and repair services;

1915 (Q) Repair services to any electrical or electronic device, including,
1916 but not limited to, equipment used for purposes of refrigeration or
1917 air-conditioning;

1918 (R) Lobbying or consulting services for purposes of representing the
1919 interests of a client in relation to the functions of any governmental
1920 entity or instrumentality;

1921 (S) Services of the agent of any person in relation to the sale of any
1922 item of tangible personal property for such person, exclusive of the
1923 services of a consignee selling works of art, as defined in subsection (b)
1924 of section 12-376c, or articles of clothing or footwear intended to be
1925 worn on or about the human body other than (i) any special clothing
1926 or footwear primarily designed for athletic activity or protective use

1927 and which is not normally worn except when used for the athletic
1928 activity or protective use for which it was designed, and (ii) jewelry,
1929 handbags, luggage, umbrellas, wallets, watches and similar items
1930 carried on or about the human body but not worn on the body, under
1931 consignment, exclusive of services provided by an auctioneer;

1932 (T) Locksmith services;

1933 (U) Advertising or public relations services, including layout, art
1934 direction, graphic design, mechanical preparation or production
1935 supervision, not related to the development of media advertising or
1936 cooperative direct mail advertising;

1937 (V) Landscaping and horticulture services;

1938 (W) Window cleaning services;

1939 (X) [Maintenance services] Services to buildings and dwellings,
1940 including, but not limited to, maintenance, repair, renovation, exterior
1941 cleaning, chimney cleaning, driveway cleaning, duct cleaning, drain or
1942 gutter cleaning, refuse collection, snow plowing and all other such
1943 services not specifically enumerated herein;

1944 (Y) Janitorial services;

1945 (Z) Exterminating and pest control services;

1946 (AA) Swimming pool cleaning and maintenance services;

1947 (BB) [Miscellaneous personal services included in industry group
1948 729 in the Standard Industrial Classification Manual, United States
1949 Office of Management and Budget, 1987 edition, or U.S. industry
1950 532220, 812191, 812199 or 812990 in] Personal and laundry services
1951 described in industry group 812 of the North American [Industrial]
1952 Industry Classification System United States Manual, United States
1953 Office of Management and Budget (NAICS), [1997] 2017 edition,
1954 exclusive of [(i) services rendered by massage therapists licensed

1955 pursuant to chapter 384a, and (ii) services rendered by an electrologist
1956 licensed pursuant to chapter 388] death care services described in
1957 industry group 8122 of the NAICS, 2017 edition;

1958 (CC) Any repair or maintenance service to any item of tangible
1959 personal property including any contract of warranty or service related
1960 to any such item;

1961 (DD) Business analysis, management or managing consulting
1962 services rendered by a general partner, or an affiliate thereof, to a
1963 limited partnership, provided (i) the general partner, or an affiliate
1964 thereof, is compensated for the rendition of such services other than
1965 through a distributive share of partnership profits or an annual
1966 percentage of partnership capital or assets established in the limited
1967 partnership's offering statement, and (ii) the general partner, or an
1968 affiliate thereof, offers such services to others, including any other
1969 partnership. As used in this subparagraph "an affiliate of a general
1970 partner" means an entity which is directly or indirectly owned fifty per
1971 cent or more in common with a general partner;

1972 (EE) Notwithstanding the provisions of section 12-412, as amended
1973 by this act, except subdivision (87) of [said] section 12-412, patient care
1974 services, as defined in subdivision (29) of this subsection by a hospital,
1975 except that "sale" and "selling" does not include such patient care
1976 services for which payment is received by the hospital during the
1977 period commencing July 1, 2001, and ending June 30, 2003;

1978 (FF) Health and athletic club services, exclusive of (i) any such
1979 services provided without any additional charge which are included in
1980 any dues or initiation fees paid to any such club, which dues or fees
1981 are subject to tax under section 12-543, and (ii) any such services
1982 provided by a municipality or an organization that is described in
1983 Section 501(c) of the Internal Revenue Code of 1986, or any subsequent
1984 corresponding internal revenue code of the United States, as from time
1985 to time amended;

1986 (GG) Motor vehicle storage services, including storage of motor
1987 homes, campers and camp trailers, other than the furnishing of space
1988 as described in subparagraph (P) of subdivision (2) of this subsection;

1989 (HH) Packing and crating services, other than those provided in
1990 connection with the sale of tangible personal property by the retailer of
1991 such property;

1992 (II) Motor vehicle towing and road services, other than motor
1993 vehicle repair services;

1994 (JJ) Intrastate transportation services provided by livery services,
1995 including limousines, community cars or vans, with a driver. Intrastate
1996 transportation services shall not include transportation by taxicab,
1997 motor bus, ambulance or ambulette, scheduled public transportation,
1998 nonemergency medical transportation provided under the Medicaid
1999 program, paratransit services provided by agreement or arrangement
2000 with the state or any political subdivision of the state, dial-a-ride
2001 services or services provided in connection with funerals;

2002 (KK) [Pet] Animal grooming and [pet] animal boarding services,
2003 [except if such services are provided as an integral part of professional
2004 veterinary services,] and pet obedience services;

2005 (LL) Services in connection with a cosmetic medical procedure. For
2006 purposes of this subparagraph, "cosmetic medical procedure" means
2007 any medical procedure performed on an individual that is directed at
2008 improving the individual's appearance and that does not meaningfully
2009 promote the proper function of the body or prevent or treat illness or
2010 disease. "Cosmetic medical procedure" includes, but is not limited to,
2011 cosmetic surgery, hair transplants, cosmetic injections, cosmetic soft
2012 tissue fillers, dermabrasion and chemical peel, laser hair removal, laser
2013 skin resurfacing, laser treatment of leg veins and sclerotherapy.
2014 "Cosmetic medical procedure" does not include reconstructive surgery.
2015 "Reconstructive surgery" includes any surgery performed on abnormal
2016 structures caused by or related to congenital defects, developmental

2017 abnormalities, trauma, infection, tumors or disease, including
2018 procedures to improve function or give a more normal appearance;

2019 (MM) Manicure services, pedicure services and all other nail
2020 services, regardless of where performed, including airbrushing, fills,
2021 full sets, nail sculpting, paraffin treatments and polishes;

2022 (NN) Spa services, regardless of where performed, including body
2023 waxing and wraps, peels, scrubs and facials; [and]

2024 (OO) Car wash services, including coin-operated car washes; [.]

2025 (PP) Scenic and sightseeing transportation services described in
2026 industry group 487 of the NAICS, 2017 edition, as amended from time
2027 to time;

2028 (QQ) Real estate agent and broker services described in industry
2029 group 5312 and services for activities related to real estate described in
2030 industry group 5313 of the NAICS, 2017 edition, as amended from
2031 time to time;

2032 (RR) Travel arrangement and reservation services described in
2033 industry group 5615 of the NAICS, 2017 edition, as amended from
2034 time to time;

2035 (SS) Legal services described in industry group 5411 of the NAICS,
2036 2017 edition, as amended from time to time;

2037 (TT) Accounting services described in industry group 541211 and
2038 tax return preparation services described in industry group 541213 of
2039 the NAICS, 2017 edition, as amended from time to time;

2040 (UU) Architectural services described in industry group 54131 of the
2041 NAICS, 2017 edition, as amended from time to time;

2042 (VV) Engineering services described in industry group 54133 of the
2043 NAICS, 2017 edition, as amended from time to time;

2044 (WW) Interior design services described in industry group 54141 of
2045 the NAICS, 2017 edition, as amended from time to time;

2046 (XX) Veterinary services described in industry group 54194 of the
2047 NAICS, 2017 edition, as amended from time to time;

2048 (YY) Sports and recreation instruction services described in industry
2049 group 61162 of the NAICS, 2017 edition, as amended from time to
2050 time;

2051 (ZZ) Services provided by amusement and recreation
2052 establishments described in industry group 7139 of the NAICS, 2017
2053 edition, as amended from time to time; and

2054 (AAA) Waste management and remediation services provided by
2055 establishments described in industry group 5621 of the NAICS, 2017
2056 edition, as amended from time to time.

2057 Sec. 23. Subparagraph (H) of subdivision (2) of subsection (a) of
2058 section 12-407 of the general statutes is repealed and the following is
2059 substituted in lieu thereof (*Effective January 1, 2020, and applicable to*
2060 *sales occurring on or after January 1, 2020*):

2061 (H) A transfer for a consideration of the occupancy of any room or
2062 rooms in a hotel, lodging house or bed and breakfast establishment or
2063 of any space in a campground, for a period of thirty consecutive
2064 calendar days or less;

2065 Sec. 24. Subparagraph (A) of subdivision (3) of subsection (a) of
2066 section 12-407 of the general statutes is repealed and the following is
2067 substituted in lieu thereof (*Effective January 1, 2020, and applicable to*
2068 *sales occurring on or after January 1, 2020*):

2069 (3) (A) "Retail sale" or "sale at retail" means and includes a sale for
2070 any purpose other than resale in the regular course of business of (i)
2071 tangible personal property, [or] (ii) a transfer for a consideration of the
2072 occupancy of (I) any room or rooms in a hotel, lodging house or bed

2073 and breakfast establishment for a period of thirty consecutive calendar
2074 days or less, or (II) any space in a campground for a period of thirty
2075 consecutive calendar days or less, or (iii) the rendering of any service
2076 described in subdivision (2) of this subsection. The delivery in this
2077 state of tangible personal property by an owner or former owner
2078 thereof or by a factor, if the delivery is to a consumer pursuant to a
2079 retail sale made by a retailer not engaged in business in this state, is a
2080 retail sale in this state by the person making the delivery. Such person
2081 shall include the retail selling price of the property in such person's
2082 gross receipts.

2083 Sec. 25. Subdivision (7) of subsection (a) of section 12-407 of the
2084 general statutes is repealed and the following is substituted in lieu
2085 thereof (*Effective January 1, 2020, and applicable to sales occurring on or*
2086 *after January 1, 2020*):

2087 (7) "Purchase" and "purchasing" means and includes: (A) Any
2088 transfer, exchange or barter, conditional or otherwise, in any manner
2089 or by any means whatsoever, of (i) tangible personal property for a
2090 consideration, or (ii) of the occupancy of any room or rooms in a hotel,
2091 lodging house or bed and breakfast establishment for a period of thirty
2092 consecutive calendar days or less for a consideration or of any space in
2093 a campground for a period of thirty consecutive calendar days or less
2094 for a consideration; (B) a transaction whereby the possession of
2095 property is transferred but the seller retains the title as security for the
2096 payment of the price; (C) a transfer for a consideration of tangible
2097 personal property which has been produced, fabricated or printed to
2098 the special order of the customer, or of any publication; (D) when
2099 performed outside this state or when the customer gives a resale
2100 certificate pursuant to section 12-410, the producing, fabricating,
2101 processing, printing or imprinting of tangible personal property for a
2102 consideration for consumers who furnish either directly or indirectly
2103 the materials used in the producing, fabricating, processing, printing
2104 or imprinting; (E) the acceptance or receipt of any service described in
2105 any of the subparagraphs of subdivision (2) of this subsection; (F) any

2106 leasing or rental of tangible personal property. Wherever in this
2107 chapter reference is made to the purchase or purchasing of tangible
2108 personal property, it shall be construed to include purchases as
2109 described in this subsection.

2110 Sec. 26. Subparagraph (A) of subdivision (8) of subsection (a) of
2111 section 12-407 of the general statutes is repealed and the following is
2112 substituted in lieu thereof (*Effective January 1, 2020, and applicable to*
2113 *sales occurring on or after January 1, 2020*):

2114 (8) (A) "Sales price" means the total amount for which tangible
2115 personal property is sold by a retailer, the total amount of rent for
2116 which occupancy of a room or of a space in a campground is
2117 transferred by an operator, the total amount for which any service
2118 described in subdivision (2) of this subsection is rendered by a retailer
2119 or the total amount of payment or periodic payments for which
2120 tangible personal property is leased by a retailer, valued in money,
2121 whether paid in money or otherwise, which amount is due and owing
2122 to the retailer or operator and, subject to the provisions of subdivision
2123 (1) of section 12-408, as amended by this act, whether or not actually
2124 received by the retailer or operator, without any deduction on account
2125 of any of the following: (i) The cost of the property sold; (ii) the cost of
2126 materials used, labor or service cost, interest charged, losses or any
2127 other expenses; (iii) for any sale occurring on or after July 1, 1993, any
2128 charges by the retailer to the purchaser for shipping or delivery,
2129 notwithstanding whether such charges are separately stated in a
2130 written contract, or on a bill or invoice rendered to such purchaser or
2131 whether such shipping or delivery is provided by the retailer or a third
2132 party. The provisions of subparagraph (A) (iii) of this subdivision shall
2133 not apply to any item exempt from taxation pursuant to section 12-412,
2134 as amended by this act. Such total amount includes any services that
2135 are a part of the sale; except as otherwise provided in subparagraph
2136 (B)(v) or (B)(vi) of this subdivision, any amount for which credit is
2137 given to the purchaser by the retailer, and all compensation and all
2138 employment-related expenses, whether or not separately stated, paid

2139 to or on behalf of employees of a retailer of any service described in
2140 subdivision (2) of this subsection.

2141 Sec. 27. Subparagraph (A) of subdivision (9) of subsection (a) of
2142 section 12-407 of the general statutes is repealed and the following is
2143 substituted in lieu thereof (*Effective January 1, 2020, and applicable to*
2144 *sales occurring on or after January 1, 2020*):

2145 (9) (A) "Gross receipts" means the total amount of the sales price
2146 from retail sales of tangible personal property by a retailer, the total
2147 amount of the rent from transfers of occupancy of rooms or of space in
2148 a campground by an operator, the total amount of the sales price from
2149 retail sales of any service described in subdivision (2) of this subsection
2150 by a retailer of services, or the total amount of payment or periodic
2151 payments from leases or rentals of tangible personal property by a
2152 retailer, valued in money, whether received in money or otherwise,
2153 which amount is due and owing to the retailer or operator and, subject
2154 to the provisions of subdivision (1) of section 12-408, as amended by
2155 this act, whether or not actually received by the retailer or operator,
2156 without any deduction on account of any of the following: (i) The cost
2157 of the property sold; however, in accordance with such regulations as
2158 the Commissioner of Revenue Services may prescribe, a deduction
2159 may be taken if the retailer has purchased property for some other
2160 purpose than resale, has reimbursed the retailer's vendor for tax which
2161 the vendor is required to pay to the state or has paid the use tax with
2162 respect to the property, and has resold the property prior to making
2163 any use of the property other than retention, demonstration or display
2164 while holding it for sale in the regular course of business. If such a
2165 deduction is taken by the retailer, no refund or credit will be allowed
2166 to the retailer's vendor with respect to the sale of the property; (ii) the
2167 cost of the materials used, labor or service cost, interest paid, losses or
2168 any other expense; (iii) for any sale occurring on or after July 1, 1993,
2169 except for any item exempt from taxation pursuant to section 12-412,
2170 as amended by this act, any charges by the retailer to the purchaser for
2171 shipping or delivery, notwithstanding whether such charges are

2172 separately stated in the written contract, or on a bill or invoice
2173 rendered to such purchaser or whether such shipping or delivery is
2174 provided by the retailer or a third party. The total amount of the sales
2175 price includes any services that are a part of the sale; all receipts, cash,
2176 credits and property of any kind; except as otherwise provided in
2177 subparagraph (B)(v) or (B)(vi) of this subdivision, any amount for
2178 which credit is allowed by the retailer to the purchaser; and all
2179 compensation and all employment-related expenses, whether or not
2180 separately stated, paid to or on behalf of employees of a retailer of any
2181 service described in subdivision (2) of this subsection.

2182 Sec. 28. Subparagraph (A) of subdivision (15) of subsection (a) of
2183 section 12-407 of the general statutes is repealed and the following is
2184 substituted in lieu thereof (*Effective January 1, 2020, and applicable to*
2185 *sales occurring on or after January 1, 2020*):

2186 (15) (A) "Engaged in business in the state" means and, to the extent
2187 not prohibited by the Constitution of the United States, includes, but
2188 shall not be limited to, the following acts or methods of transacting
2189 business: (i) Selling in this state, or any activity in this state in
2190 connection with selling in this state, tangible personal property for use,
2191 storage or consumption within the state; (ii) engaging in the transfer
2192 for a consideration of the occupancy of (I) any room or rooms in a
2193 hotel, lodging house or bed and breakfast establishment for a period of
2194 thirty consecutive calendar days or less, or (II) any space in a
2195 campground for a period of thirty consecutive calendar days or less;
2196 (iii) rendering in this state any service described in any of the
2197 subparagraphs of subdivision (2) of this subsection; (iv) maintaining,
2198 occupying or using, permanently or temporarily, directly or indirectly,
2199 through a subsidiary or agent, by whatever name called, any office,
2200 place of distribution, sales or sample room or place, warehouse or
2201 storage point or other place of business or having any representative,
2202 agent, salesman, canvasser or solicitor operating in this state for the
2203 purpose of selling, delivering or taking orders; (v) notwithstanding the
2204 fact that retail sales are made from outside this state to a destination

2205 within this state, engaging in regular or systematic solicitation of sales
2206 of tangible personal property in this state by the display of
2207 advertisements on billboards or other outdoor advertising in this state,
2208 by the distribution of catalogs, periodicals, advertising flyers or other
2209 advertising by means of print, radio or television media, or by mail,
2210 telegraphy, telephone, computer data base, cable, optic, microwave,
2211 Internet or other communication system, for the purpose of effecting
2212 retail sales of tangible personal property, provided at least two
2213 hundred fifty thousand dollars of gross receipts are received and two
2214 hundred or more retail sales from outside this state to destinations
2215 within this state are made during the twelve-month period ended on
2216 the September thirtieth immediately preceding the monthly or
2217 quarterly period with respect to which liability for tax under this
2218 chapter is determined; (vi) being owned or controlled, either directly
2219 or indirectly, by a retailer engaged in business in this state which is the
2220 same as or similar to the line of business in which the retailer so owned
2221 or controlled is engaged; (vii) being owned or controlled, either
2222 directly or indirectly, by the same interests that own or control, either
2223 directly or indirectly, a retailer engaged in business in this state which
2224 is the same as or similar to the line of business in which the retailer so
2225 owned or controlled is engaged; (viii) being the assignee of a person
2226 engaged in the business of leasing tangible personal property to others,
2227 where leased property of such person is situated within this state and
2228 such assignee has a security interest, as defined in subdivision (35) of
2229 subsection (b) of section 42a-1-201, in such property; (ix)
2230 notwithstanding the fact that retail sales of items of tangible personal
2231 property are made from outside this state to a destination within this
2232 state, repairing or servicing such items, under a warranty, in this state,
2233 either directly or indirectly through an agent, independent contractor
2234 or subsidiary; and (x) selling tangible personal property or services
2235 through an agreement with a person located in this state, under which
2236 such person located in this state, for a commission or other
2237 consideration that is based upon the sale of tangible personal property
2238 or services by the retailer, directly or indirectly refers potential

2239 customers, whether by a link on an Internet web site or otherwise, to
2240 the retailer, provided the cumulative gross receipts from sales by the
2241 retailer to customers in the state who are referred to the retailer by all
2242 such persons with this type of agreement with the retailer is in excess
2243 of two hundred fifty thousand dollars during the four preceding four
2244 quarterly periods ending on the last day of March, June, September
2245 and December.

2246 Sec. 29. Subdivisions (18) and (19) of subsection (a) of section 12-407
2247 of the general statutes are repealed and the following is substituted in
2248 lieu thereof (*Effective January 1, 2020, and applicable to sales occurring on*
2249 *or after January 1, 2020*):

2250 (18) "Operator" means any person operating a hotel, lodging house,
2251 [or] bed and breakfast establishment or campground in the state,
2252 including, but not limited to, the owner or proprietor of such premises,
2253 lessee, sublessee, mortgagee in possession, licensee or any other person
2254 otherwise operating such hotel, lodging house, [or] bed and breakfast
2255 establishment or campground.

2256 (19) "Occupancy" means the use or possession, or the right to the
2257 use or possession, of any room or rooms in a hotel, lodging house or
2258 bed and breakfast establishment or of any space in a campground, or
2259 the right to the use or possession of the furnishings or the services and
2260 accommodations accompanying the use and possession of such room
2261 or rooms or such space, for the first period of not more than thirty
2262 consecutive calendar days.

2263 Sec. 30. Subdivision (120) of section 12-412 of the general statutes is
2264 repealed and the following is substituted in lieu thereof (*Effective*
2265 *January 1, 2020, and applicable to sales occurring on or after January 1,*
2266 *2020*):

2267 (120) [On and after April 1, 2015, sales of the following
2268 nonprescription drugs or medicines available for purchase for use in or
2269 on the body: Vitamin or mineral concentrates; dietary supplements;

2270 natural or herbal drugs or medicines; products intended to be taken for
2271 coughs, cold, asthma or allergies, or antihistamines; laxatives;
2272 antidiarrheal medicines; analgesics; antibiotic, antibacterial, antiviral
2273 and antifungal medicines; antiseptics; astringents; anesthetics;
2274 steroidal medicines; anthelmintics; emetics and antiemetics; antacids;
2275 and any medication prepared to be used in the eyes, ears or nose.
2276 Nonprescription drugs or medicines shall not include cosmetics,
2277 dentrifices, mouthwash, shaving and hair care products, soaps or
2278 deodorants.] Sales of marijuana sold pursuant to chapter 420f by a
2279 licensed dispensary for palliative use.

2280 Sec. 31. Subdivision (123) of section 12-412 of the general statutes is
2281 repealed and the following is substituted in lieu thereof (*Effective*
2282 *January 1, 2020, and applicable to sales occurring on or after January 1,*
2283 *2020*):

2284 (123) Sales of disposable or reusable diapers, but not including
2285 diaper cleaning services.

2286 Sec. 32. Section 12-412 of the general statutes is amended by adding
2287 subdivision (124) as follows (*Effective January 1, 2020, and applicable to*
2288 *sales occurring on or after January 1, 2020*):

2289 (NEW) (124) (A) Sales of services set forth in subparagraphs (QQ) to
2290 (XX), inclusive, and subparagraph (AAA) of subdivision (37) of
2291 subsection (a) of section 12-407, as amended by this act, that are
2292 purchased by a business for use by such business.

2293 (B) Each purchaser of services exempt pursuant to the provisions of
2294 this subdivision shall present, in order to qualify for such exemption, a
2295 certificate to the retailer, in such form as the commissioner may
2296 prescribe, certifying that the purchaser is a business and is purchasing
2297 such services for its business. The purchaser of the services shall be
2298 liable for the tax otherwise imposed if the certificate is improperly
2299 provided to the retailer, and any person who wilfully delivers a
2300 certificate that is known to be fraudulent or false in any material

2301 matter to a retailer shall, in addition to any other penalty provided by
2302 law, be guilty of a class D felony.

2303 Sec. 33. Subdivision (4) of section 12-430 of the general statutes is
2304 repealed and the following is substituted in lieu thereof (*Effective July*
2305 *1, 2019, and applicable to sales occurring on or after July 1, 2019*):

2306 (4) [Where] For sales occurring prior to July 1, 2019, where a trade-
2307 in of a motor vehicle is received by a motor vehicle dealer, upon the
2308 sale of another motor vehicle to a consumer, or where a trade-in of an
2309 aircraft, as defined in subdivision (5) of section 15-34, is received by an
2310 aircraft dealer, upon the sale of another aircraft to a consumer, or
2311 where a trade-in of a farm tractor, snowmobile or any vessel, as
2312 defined in section 15-127, is received by a retailer of farm tractors,
2313 snowmobiles or such vessels upon the sale of another farm tractor,
2314 snowmobile or such vessel to a consumer, the tax is only on the
2315 difference between the sale price of the motor vehicle, aircraft,
2316 snowmobile, farm tractor or such vessel purchased and the amount
2317 allowed on the motor vehicle, aircraft, snowmobile, farm tractor or
2318 such vessel traded in on such purchase. When any such motor vehicle,
2319 aircraft, snowmobile, farm tractor or such vessel traded in is
2320 subsequently sold to a consumer or user, the tax provided for in this
2321 chapter applies.

2322 Sec. 34. Section 4-660 of the general statutes is repealed and the
2323 following is substituted in lieu thereof (*Effective July 1, 2019*):

2324 The Secretary of the Office of Policy and Management may establish
2325 receivables for the revenue anticipated pursuant to [subparagraph (K)
2326 of subdivision (1) of section 12-408 and] section 4-66l.

2327 Sec. 35. Section 12-263p of the general statutes is repealed and the
2328 following is substituted in lieu thereof (*Effective from passage*):

2329 As used in sections 12-263p to 12-263x, inclusive, unless the context
2330 otherwise requires:

- 2331 (1) "Commissioner" means the Commissioner of Revenue Services;
- 2332 (2) "Department" means the Department of Revenue Services;
- 2333 (3) "Taxpayer" means any health care provider subject to any tax or
2334 fee under section 12-263q, as amended by this act, or 12-263r, as
2335 amended by this act;
- 2336 (4) "Health care provider" means an individual or entity that
2337 receives any payment or payments for health care items or services
2338 provided;
- 2339 (5) "Gross receipts" means the amount received, whether in cash or
2340 in kind, from patients, third-party payers and others for taxable health
2341 care items or services provided by the taxpayer in the state, including
2342 retroactive adjustments under reimbursement agreements with third-
2343 party payers, without any deduction for any expenses of any kind;
- 2344 (6) "Net revenue" means gross receipts less payer discounts, charity
2345 care and bad debts, to the extent the taxpayer previously paid tax
2346 under section 12-263q, as amended by this act, on the amount of such
2347 bad debts;
- 2348 (7) "Payer discounts" means the difference between a health care
2349 provider's published charges and the payments received by the health
2350 care provider from one or more health care payers for a rate or method
2351 of payment that is different than or discounted from such published
2352 charges. "Payer discounts" does not include charity care or bad debts;
- 2353 (8) "Charity care" means free or discounted health care services
2354 rendered by a health care provider to an individual who cannot afford
2355 to pay for such services, including, but not limited to, health care
2356 services provided to an uninsured patient who is not expected to pay
2357 all or part of a health care provider's bill based on income guidelines
2358 and other financial criteria set forth in the general statutes or in a
2359 health care provider's charity care policies on file at the office of such

2360 provider. "Charity care" does not include bad debts or payer discounts;

2361 (9) "Received" means "received" or "accrued", construed according
2362 to the method of accounting customarily employed by the taxpayer;

2363 (10) "Hospital" means any health care facility, as defined in section
2364 19a-630, that (A) is licensed by the Department of Public Health as a
2365 short-term general hospital; (B) is maintained primarily for the care
2366 and treatment of patients with disorders other than mental diseases;
2367 (C) meets the requirements for participation in Medicare as a hospital;
2368 and (D) has in effect a utilization review plan, applicable to all
2369 Medicaid patients, that meets the requirements of 42 CFR 482.30, as
2370 amended from time to time, unless a waiver has been granted by the
2371 Secretary of the United States Department of Health and Human
2372 Services;

2373 (11) "Inpatient hospital services" means, in accordance with federal
2374 law, all services that are (A) ordinarily furnished in a hospital for the
2375 care and treatment of inpatients; (B) furnished under the direction of a
2376 physician or dentist; and (C) furnished in a hospital. "Inpatient
2377 hospital services" does not include skilled nursing facility services and
2378 intermediate care facility services furnished by a hospital with swing
2379 bed approval;

2380 (12) "Inpatient" means a patient who has been admitted to a medical
2381 institution as an inpatient on the recommendation of a physician or
2382 dentist and who (A) receives room, board and professional services in
2383 the institution for a twenty-four-hour period or longer, or (B) is
2384 expected by the institution to receive room, board and professional
2385 services in the institution for a twenty-four-hour period or longer, even
2386 if the patient does not actually stay in the institution for a twenty-four-
2387 hour period or longer;

2388 (13) "Outpatient hospital services" means, in accordance with
2389 federal law, preventive, diagnostic, therapeutic, rehabilitative or
2390 palliative services that are (A) furnished to an outpatient; (B) furnished

2391 by or under the direction of a physician or dentist; and (C) furnished
2392 by a hospital;

2393 (14) "Outpatient" means a patient of an organized medical facility or
2394 a distinct part of such facility, who is expected by the facility to receive,
2395 and who does receive, professional services for less than a twenty-
2396 four-hour period regardless of the hour of admission, whether or not a
2397 bed is used or the patient remains in the facility past midnight;

2398 (15) "Nursing home" means any licensed chronic and convalescent
2399 nursing home or a rest home with nursing supervision;

2400 (16) "Intermediate care facility for individuals with intellectual
2401 disabilities" or "intermediate care facility" means a residential facility
2402 for persons with intellectual disability that is certified to meet the
2403 requirements of 42 CFR 442, Subpart C, as amended from time to time,
2404 and, in the case of a private facility, licensed pursuant to section 17a-
2405 227;

2406 (17) "Medicare day" means a day of nursing home care service
2407 provided to an individual who is eligible for payment, in full or with a
2408 coinsurance requirement, under the federal Medicare program,
2409 including fee for service and managed care coverage;

2410 (18) "Nursing home resident day" means a day of nursing home care
2411 service provided to an individual and includes the day a resident is
2412 admitted and any day for which the nursing home is eligible for
2413 payment for reserving a resident's bed due to hospitalization or
2414 temporary leave and for the date of death. For purposes of this
2415 subdivision, a day of nursing home care service shall be the period of
2416 time between the census-taking hour in a nursing home on two
2417 successive calendar days. "Nursing home resident day" does not
2418 include a Medicare day or the day a resident is discharged;

2419 (19) "Intermediate care facility resident day" means a day of
2420 intermediate care facility residential care provided to an individual

2421 and includes the day a resident is admitted and any day for which the
2422 intermediate care facility is eligible for payment for reserving a
2423 resident's bed due to hospitalization or temporary leave and for the
2424 date of death. For purposes of this subdivision, a day of intermediate
2425 care facility residential care shall be the period of time between the
2426 census-taking hour in a facility on two successive calendar days.
2427 "Intermediate care facility resident day" does not include the day a
2428 resident is discharged;

2429 (20) "Ambulatory surgical center" means any distinct entity that (A)
2430 operates exclusively for the purpose of providing surgical services to
2431 patients not requiring hospitalization and in which the expected
2432 duration of services would not exceed twenty-four hours following an
2433 admission, (B) has an agreement with the Centers for Medicare and
2434 Medicaid Services to participate in Medicare as an ambulatory surgical
2435 center, and (C) meets the general and specific conditions for
2436 participation in Medicare set forth in 42 CFR Part 416, Subparts B and
2437 C, as amended from time to time;

2438 (21) "Ambulatory surgical center services" means, in accordance
2439 with 42 CFR 433.56(a)(9), as amended from time to time, services for
2440 which payment is received from any payer that, if such services were
2441 furnished under the federal Medicare program (A) would be furnished
2442 in connection with covered surgical procedures performed in an
2443 ambulatory surgical center as provided in 42 CFR 416.164(a), as
2444 amended from time to time, and (B) for which payment would be
2445 included in the ambulatory surgical center payment established under
2446 42 CFR 416.171, as amended from time to time, for the covered surgical
2447 procedure. "Ambulatory surgical center services" includes facility
2448 services only and does not include surgical procedures, physicians'
2449 services, anesthesiologists' services, radiology services, diagnostic services
2450 or ambulance services, if such procedures or services would be
2451 reimbursed separately from facility services under 42 CFR 416.164(a),
2452 as amended from time to time;

2453 [(20)] (22) "Medicaid" means the program operated by the
2454 Department of Social Services pursuant to section 17b-260 and
2455 authorized by Title XIX of the Social Security Act, as amended from
2456 time to time; and

2457 [(21)] (23) "Medicare" means the program operated by the Centers
2458 for Medicare and Medicaid Services in accordance with Title XVIII of
2459 the Social Security Act, as amended from time to time.

2460 Sec. 36. Section 12-263q of the general statutes is repealed and the
2461 following is substituted in lieu thereof (*Effective from passage*):

2462 (a) (1) For each calendar quarter commencing on or after July 1,
2463 2017, each hospital shall pay a tax on the total net revenue received by
2464 such hospital for the provision of inpatient hospital services and
2465 outpatient hospital services.

2466 (A) On and after July 1, 2017, [and prior to July 1, 2019,] the rate of
2467 tax for the provision of inpatient hospital services shall be six per cent
2468 of each hospital's audited net revenue for the fiscal year, [2016] as set
2469 forth in subparagraph (C) of this subdivision, attributable to inpatient
2470 hospital services.

2471 (B) On and after July 1, 2017, [and prior to July 1, 2019,] the rate of
2472 tax for the provision of outpatient hospital services shall be nine
2473 hundred million dollars less the total tax imposed on all hospitals for
2474 the provision of inpatient hospital services, which sum shall be
2475 divided by the total audited net revenue for the fiscal year, [2016] as
2476 set forth in subparagraph (C) of this subdivision, attributable to
2477 outpatient hospital services, of all hospitals that are required to pay
2478 such tax.

2479 (C) [On and after July 1, 2019, the rate of tax for the provision of
2480 inpatient hospital services and outpatient hospital services shall be
2481 three hundred eighty-four million dollars divided by the total audited
2482 net revenue for fiscal year 2016, of all hospitals that are required to pay

2483 such tax.] For the state fiscal years commencing July 1, 2017, and July
2484 1, 2018, the fiscal year upon which the tax shall be imposed under
2485 subparagraphs (A) and (B) of this subdivision shall be fiscal year 2016.
2486 For the biennium commencing July 1, 2019, and for each biennium
2487 thereafter, the fiscal year upon which the tax shall be imposed under
2488 subparagraphs (A) and (B) of this subdivision for each year of the
2489 biennium shall be the fiscal year occurring three years prior to the first
2490 state fiscal year of each biennium.

2491 (D) If a hospital or hospitals subject to the tax imposed under this
2492 subdivision merge, consolidate or otherwise reorganize, the surviving
2493 hospital shall assume and be liable for the total tax imposed under this
2494 subdivision on the merging, consolidating or reorganizing hospitals,
2495 including any outstanding liabilities from periods prior to such
2496 merger, consolidation or reorganization. If a hospital ceases to operate
2497 as a hospital for any reason other than a merger, consolidation or
2498 reorganization, or ceases for any reason to be subject to the tax
2499 imposed under this subdivision, the amount of tax due from each
2500 taxpayer under this subdivision shall not be recalculated to take into
2501 account such occurrence but the total amount of such tax to be
2502 collected under subparagraphs (A) and (B) of this subdivision shall be
2503 reduced by the amount of the tax liability imposed on the hospital that
2504 is no longer subject to the tax.

2505 (E) (i) If the Commissioner of Social Services determines for any
2506 fiscal year that the effective rate of tax for the tax imposed on net
2507 revenue for the provision of inpatient hospital services exceeds the rate
2508 permitted under the provisions of 42 CFR 433.68(f), as amended from
2509 time to time, the amount of tax collected that exceeds the permissible
2510 amount shall be refunded to hospitals, in proportion to the amount of
2511 net revenue for the provision of inpatient hospital services upon which
2512 the hospitals were taxed. The effective rate of tax shall be calculated by
2513 comparing the amount of tax paid by hospitals on net revenue for the
2514 provision of inpatient hospital services in a state fiscal year with the
2515 amount of net revenue received by hospitals subject to the tax for the

2516 provision of inpatient hospital services for the equivalent fiscal year.

2517 (ii) On or before July 1, 2020, and annually thereafter, each hospital
2518 subject to the tax imposed under this subdivision shall report to the
2519 Commissioner of Social Services, in the manner prescribed by and on
2520 forms provided by said commissioner, the amount of tax paid
2521 pursuant to this subsection by such hospital and the amount of net
2522 revenue received by such hospital for the provision of inpatient
2523 hospital services, in the state fiscal year commencing two years prior to
2524 each such reporting date. Not later than ninety days after said
2525 commissioner receives completed reports from all hospitals required to
2526 submit such reports, said commissioner shall notify the Commissioner
2527 of Revenue Services of the amount of any refund due each hospital to
2528 be in compliance with 42 CFR 433.68(f), as amended from time to time.
2529 Not later than thirty days after receiving such notice, the
2530 Commissioner of Revenue Services shall notify the Comptroller of the
2531 amount of each such refund and the Comptroller shall draw an order
2532 on the Treasurer for payment of each such refund. No interest shall be
2533 added to any refund issued pursuant to this subparagraph.

2534 (2) Except as provided in subdivision (3) of this subsection, each
2535 [such] hospital subject to the tax imposed under subdivision (1) of this
2536 subsection shall be required to pay the total amount due in four
2537 quarterly payments consistent with section 12-263s, with the first
2538 quarter commencing with the first day of each state fiscal year and the
2539 last quarter ending on the last day of each state fiscal year. Hospitals
2540 shall make all payments required under this subsection in accordance
2541 with procedures established by and on forms provided by the
2542 commissioner.

2543 (3) (A) For the state fiscal year commencing July 1, 2017, each
2544 hospital required to pay tax on inpatient hospital services or outpatient
2545 hospital services shall make an estimated tax payment on December
2546 15, 2017, which estimated payment shall be equal to one hundred
2547 thirty-three per cent of the tax due under chapter 211a for the period

2548 ending June 30, 2017. If a hospital was not required to pay tax under
2549 [said] chapter 211a on either inpatient hospital services or outpatient
2550 hospital services, such hospital shall make its estimated payment
2551 based on its unaudited net patient revenue.

2552 (B) Each hospital required to pay tax pursuant to this subdivision on
2553 inpatient hospital services or outpatient hospital services shall pay the
2554 remaining balance determined to be due in two equal payments, which
2555 shall be due on April 30, 2018, and July 31, 2018, respectively.

2556 (C) (i) For each state fiscal year commencing on or after July 1, 2017,
2557 and prior to July 1, 2019, each hospital required to pay tax on inpatient
2558 hospital services or outpatient hospital services shall calculate the
2559 amount of tax due on forms prescribed by the commissioner by
2560 multiplying the applicable rate set forth in subdivision (1) of this
2561 subsection by its audited net revenue for fiscal year 2016. [Hospitals
2562 shall make all payments required under this section in accordance with
2563 procedures established by and on forms provided by the
2564 commissioner.]

2565 (ii) For each state fiscal year commencing on or after July 1, 2019,
2566 each hospital required to pay tax on inpatient hospital services or
2567 outpatient hospital services shall calculate the amount of tax due on
2568 forms prescribed by the commissioner by multiplying the applicable
2569 rate set forth in subdivision (1) of this subsection by its audited net
2570 revenue for the fiscal year, as set forth in subparagraph (C) of
2571 subdivision (1) of this subsection.

2572 (D) The commissioner shall apply any payment made by a hospital
2573 in connection with the tax under chapter 211a for the period ending
2574 September 30, 2017, as a partial payment of such hospital's estimated
2575 tax payment due on December 15, 2017, under subparagraph (A) of
2576 this subdivision. The commissioner shall return to a hospital any credit
2577 claimed by such hospital in connection with the tax imposed under
2578 [said] chapter 211a for the period ending September 30, 2017, for

2579 assignment as provided under section 12-263s.

2580 (4) (A) [Each] (i) For each state fiscal year commencing on or after
2581 July 1, 2017, and prior to July 1, 2019, each hospital required to pay tax
2582 on inpatient hospital services or outpatient hospital services shall
2583 submit to the commissioner such information as the commissioner
2584 requires in order to calculate the audited net inpatient revenue for
2585 fiscal year 2016, the audited net outpatient revenue for fiscal year 2016
2586 and the audited net revenue for fiscal year 2016 of all such health care
2587 providers. Such information shall be provided to the commissioner not
2588 later than January 1, 2018. The commissioner shall make additional
2589 requests for information as necessary to fully audit each hospital's net
2590 revenue. Upon completion of the commissioner's examination, the
2591 commissioner shall notify, prior to February 28, 2018, each hospital of
2592 its audited net inpatient revenue for fiscal year 2016, audited net
2593 outpatient revenue for fiscal year 2016 and audited net revenue for
2594 fiscal year 2016.

2595 (ii) For each state fiscal year commencing on or after July 1, 2019,
2596 each hospital required to pay tax on inpatient hospital services or
2597 outpatient hospital services shall submit to the commissioner
2598 biennially such information as the commissioner requires in order to
2599 calculate for the applicable fiscal year, as set forth in subparagraph (C)
2600 of subdivision (1) of this subsection, the audited net inpatient revenue,
2601 the audited net outpatient revenue and the audited net revenue of all
2602 such health care providers. For the state fiscal year commencing July 1,
2603 2019, such information shall be provided to the commissioner not later
2604 than June 30, 2019. For the biennium commencing July 1, 2021, and
2605 each biennium thereafter, such information shall be provided to the
2606 commissioner not later than January fifteenth of the second year of the
2607 biennium immediately preceding. The commissioner shall make
2608 additional requests for information as necessary to fully audit each
2609 hospital's net revenue. Upon completion of the commissioner's
2610 examination, the commissioner shall notify each hospital of its audited
2611 net inpatient revenue, audited net outpatient revenue and audited net

2612 revenue for the applicable fiscal year, as set forth in subparagraph (C)
2613 of subdivision (1) of this subsection.

2614 (B) Any hospital that fails to provide the requested information
2615 [prior to January 1, 2018,] by the dates specified in subparagraph (A) of
2616 this subdivision or fails to comply with a request for additional
2617 information made under this subdivision shall be subject to a penalty
2618 of one thousand dollars per day for each day the hospital fails to
2619 provide the requested information or additional information.

2620 (C) The commissioner may engage an independent auditor to assist
2621 in the performance of the commissioner's duties and responsibilities
2622 under this subdivision.

2623 [(5) Net revenue derived from providing a health care item or
2624 service to a patient shall be taxed only one time under this section.]

2625 [(6)] (5) (A) For purposes of this [section] subsection:

2626 (i) ["Audited net inpatient revenue for fiscal year 2016"] "Audited
2627 net inpatient revenue for the fiscal year" means the amount of revenue
2628 that the commissioner determines, in accordance with federal law, that
2629 a hospital received for the provision of inpatient hospital services
2630 during the [2016] applicable federal fiscal year;

2631 (ii) ["Audited net outpatient revenue for fiscal year 2016"] "Audited
2632 net outpatient revenue for the fiscal year" means the amount of
2633 revenue that the commissioner determines, in accordance with federal
2634 law, that a hospital received for the provision of outpatient hospital
2635 services during the [2016] applicable federal fiscal year; and

2636 (iii) ["Audited net revenue for fiscal year 2016"] "Audited net
2637 revenue for the fiscal year" means net revenue, as reported in each
2638 hospital's audited financial statement, less the amount of revenue that
2639 the commissioner determines, in accordance with federal law, that a
2640 hospital received from other than the provision of inpatient hospital

2641 services and outpatient hospital services. The total audited net revenue
2642 for the fiscal year [2016] shall be the sum of all audited net revenue for
2643 the applicable fiscal year [2016] for all hospitals required to pay tax on
2644 inpatient hospital services and outpatient hospital services.

2645 (B) Audited net inpatient revenue and audited net outpatient
2646 revenue shall be based on information provided by each hospital
2647 required to pay tax on inpatient hospital services or outpatient hospital
2648 services.

2649 [(b) (1)] (6) (A) The Commissioner of Social Services shall seek
2650 approval from the Centers for Medicare and Medicaid Services to
2651 exempt from the net revenue tax imposed under [subsection (a) of this
2652 section] this subsection the following: [(A)] (i) Specialty hospitals; [(B)]
2653 (ii) children's general hospitals; and [(C)] (iii) hospitals operated
2654 exclusively by the state other than a short-term acute hospital operated
2655 by the state as a receiver pursuant to chapter 920. Any hospital for
2656 which the Centers for Medicare and Medicaid Services grants an
2657 exemption shall be exempt from the net revenue tax imposed under
2658 [subsection (a) of this section] this subsection. Any hospital for which
2659 the Centers for Medicare and Medicaid Services denies an exemption
2660 shall be deemed to be a hospital for purposes of this [section]
2661 subsection and shall be required to pay the net revenue tax imposed
2662 under [subsection (a) of this section] this subsection on inpatient
2663 hospital services and outpatient hospital services.

2664 [(2)] (B) Each hospital shall provide to the Commissioner of Social
2665 Services, upon request, such information as said commissioner may
2666 require to make any computations necessary to seek approval for
2667 exemption under this [subsection] subdivision.

2668 [(3)] (C) As used in this [subsection] subdivision, [(A)] (i) "specialty
2669 hospital" means a health care facility, as defined in section 19a-630,
2670 other than a facility licensed by the Department of Public Health as a
2671 short-term general hospital or a short-term children's hospital.

2672 "Specialty hospital" includes, but is not limited to, a psychiatric
2673 hospital or a chronic disease hospital, and [(B)] (ii) "children's general
2674 hospital" means a health care facility, as defined in section 19a-630,
2675 that is licensed by the Department of Public Health as a short-term
2676 children's hospital. "Children's general hospital" does not include a
2677 specialty hospital.

2678 [(c)] (7) Prior to [January 1, 2018] July 1, 2019, and every three years
2679 thereafter, the Commissioner of Social Services shall seek approval
2680 from the Centers for Medicare and Medicaid Services to exempt
2681 financially distressed hospitals from the net revenue tax imposed on
2682 outpatient hospital services. Any such hospital for which the Centers
2683 for Medicare and Medicaid Services grants an exemption shall be
2684 exempt from the net revenue tax imposed on outpatient hospital
2685 services under [subsection (a) of this section] this subsection. Any
2686 hospital for which the Centers for Medicare and Medicaid Services
2687 denies an exemption shall be required to pay the net revenue tax
2688 imposed on outpatient hospital services under [subsection (a) of this
2689 section] this subsection. For purposes of this [subsection] subdivision,
2690 "financially distressed hospital" means a hospital that has experienced
2691 over a five-year period an average net loss of more than five per cent of
2692 aggregate revenue. A hospital has an average net loss of more than five
2693 per cent of aggregate revenue if such a loss is reflected in the five most
2694 recent years of financial reporting that have been made available by
2695 the Health Systems Planning Unit of the Office of Health Strategy for
2696 such hospital in accordance with section 19a-670 as of the effective date
2697 of the request for approval which effective date shall be July first of the
2698 year in which the request is made.

2699 [(d)] (8) The commissioner shall issue guidance regarding the
2700 administration of the tax on inpatient hospital services and outpatient
2701 hospital services. Such guidance shall be issued upon completion of a
2702 study of the applicable federal law governing the administration of tax
2703 on inpatient hospital services and outpatient hospital services. The
2704 commissioner shall conduct such study in collaboration with the

2705 Commissioner of Social Services, the Secretary of the Office of Policy
2706 and Management, the Connecticut Hospital Association and the
2707 hospitals subject to the tax imposed on inpatient hospital services and
2708 outpatient hospital services.

2709 [(e) (1)] (9) (A) The commissioner shall determine, in consultation
2710 with the Commissioner of Social Services, the Secretary of the Office of
2711 Policy and Management, the Connecticut Hospital Association and the
2712 hospitals subject to the tax imposed on inpatient hospital services and
2713 outpatient hospital services, if there is any underreporting of revenue
2714 on hospitals' audited financial statements. Such consultation shall only
2715 be as authorized under section 12-15. The commissioner shall issue
2716 guidance, if necessary, to address any such underreporting.

2717 [(2)] (B) If the commissioner determines, in accordance with this
2718 [subsection] subdivision, that a hospital underreported net revenue on
2719 its audited financial statement, the amount of underreported net
2720 revenue shall be added to the amount of net revenue reported on such
2721 hospital's audited financial statement so as to comply with federal law
2722 and the revised net revenue amount shall be used for purposes of
2723 calculating the amount of tax owed by such hospital under this
2724 [section] subsection. For purposes of this [subsection] subdivision,
2725 "underreported net revenue" means any revenue of a hospital subject
2726 to the tax imposed under this section that is required to be included in
2727 net revenue from the provision of inpatient hospital services and net
2728 revenue from the provision of outpatient hospital services to comply
2729 with 42 CFR 433.56, as amended from time to time, 42 CFR 433.68, as
2730 amended from time to time, and Section 1903(w) of the Social Security
2731 Act, as amended from time to time, but that was not reported on such
2732 hospital's audited financial statement. Underreported net revenue shall
2733 only include revenue of the hospital subject to such tax.

2734 (b) (1) For each calendar quarter commencing on or after July 1,
2735 2019, each ambulatory surgical center shall pay a tax on the total net
2736 revenue received by such ambulatory surgical center for the provision

2737 of ambulatory surgical center services. The rate of tax on such net
2738 revenue received for the provision of such services shall be six per
2739 cent, except that such tax shall not be imposed on Medicaid payments
2740 or Medicare payments received by the ambulatory surgical center for
2741 the provision of ambulatory surgical center services.

2742 (2) Net revenue from each hospital-owned ambulatory surgical
2743 center shall be considered net revenue of the hospital and shall be
2744 reported as net revenue from inpatient hospital services or outpatient
2745 hospital services to the extent such net revenue is derived from
2746 services that fall within the scope of inpatient hospital services or
2747 outpatient hospital services. As used in this subdivision, "hospital-
2748 owned ambulatory surgical center" includes only those ambulatory
2749 surgical centers that are considered departments of the owner-hospital
2750 and that have provider-based status in accordance with 42 CFR 413.65,
2751 as amended from time to time. If an ambulatory surgical center is
2752 owned by a hospital, but is not considered to be a department of the
2753 hospital or does not have provider-based status in accordance with 42
2754 CFR 413.65, as amended from time to time, the net revenue of such
2755 ambulatory surgical center shall not be considered net revenue of the
2756 owner-hospital, and such ambulatory surgical center shall be required
2757 to file and pay tax for any net revenue received from the provision of
2758 ambulatory surgical center services.

2759 (c) Net revenue derived from providing a health care item or service
2760 to a patient shall be taxed only one time under this section.

2761 [(f)] (d) Nothing in this section shall affect the commissioner's
2762 obligations under section 12-15 regarding disclosure and inspection of
2763 returns and return information.

2764 [(g)] (e) The provisions of section 17b-8 shall not apply to any
2765 exemption or exemptions sought by the [Department] Commissioner
2766 of Social Services from the Centers for Medicare and Medicaid Services
2767 under this section.

2768 Sec. 37. Subsection (a) of section 12-263r of the general statutes is
2769 repealed and the following is substituted in lieu thereof (*Effective from*
2770 *passage*):

2771 (a) For each calendar quarter commencing on or after July 1, 2017,
2772 there is hereby imposed a quarterly fee on each nursing home and
2773 intermediate care facility in this state, which fee shall be the product of
2774 each facility's total resident days during the calendar quarter
2775 multiplied by the user fee. Except as otherwise provided in this
2776 section, (1) the user fee for nursing homes shall be twenty-one dollars
2777 and two cents, and (2) the user fee for intermediate care facilities shall
2778 be (A) twenty-seven dollars and twenty-six cents for calendar quarters
2779 commencing on or after July 1, 2017, and prior to July 1, 2019, and (B)
2780 twenty-seven dollars and seventy-six cents for calendar quarters
2781 commencing on or after July 1, 2019. As used in this subsection,
2782 "resident day" means nursing home resident day and intermediate care
2783 facility resident day, as applicable.

2784 Sec. 38. Section 12-263i of the general statutes is repealed and the
2785 following is substituted in lieu thereof (*Effective from passage*):

2786 (a) As used in this section:

2787 (1) "Ambulatory surgical center" means an entity included within
2788 the definition of said term that is set forth in 42 CFR 416.2 and that is
2789 licensed by the Department of Public Health as an outpatient surgical
2790 facility, and any other ambulatory surgical center that is Medicare
2791 certified;

2792 (2) "Commissioner" means the Commissioner of Revenue Services;
2793 and

2794 (3) "Department" means the Department of Revenue Services.

2795 (b) (1) For each calendar quarter commencing on or after October 1,
2796 2015, and prior to July 1, 2019, there is hereby imposed a tax on each

2797 ambulatory surgical center in this state to be paid each calendar
2798 quarter. The tax imposed by this section shall be at the rate of six per
2799 cent of the gross receipts of each ambulatory surgical center, except
2800 that [:(A) Prior to July 1, 2019,] such tax shall not be imposed on any
2801 amount of such gross receipts that constitutes either [(i)] (A) the first
2802 million dollars of gross receipts of the ambulatory surgical center in
2803 the applicable fiscal year, or [(ii)] (B) net revenue of a hospital that is
2804 subject to the tax imposed under section 12-263q, as amended by this
2805 act. [; and

2806 (B) On and after July 1, 2019, such tax shall not be imposed on any
2807 amount of such gross receipts that constitutes any of the following: (i)
2808 The first million dollars of gross receipts of the ambulatory surgical
2809 center in the applicable fiscal year, excluding Medicaid and Medicare
2810 payments, (ii) net revenue of a hospital that is subject to the tax
2811 imposed under section 12-263q, (iii) Medicaid payments received by
2812 the ambulatory surgical center, and (iv) Medicare payments received
2813 by the ambulatory surgical center.]

2814 (2) Nothing in this section shall prohibit an ambulatory surgical
2815 center from seeking remuneration for the tax imposed by this section.

2816 (3) Each ambulatory surgical center shall, [on or before January 31,
2817 2016, and thereafter] on or before the last day of January, April, July
2818 and October of each year until and including July 30, 2019, render to
2819 the commissioner a return, on forms prescribed or furnished by the
2820 commissioner, reporting the name and location of such ambulatory
2821 surgical center, the entire amount of gross receipts generated by such
2822 ambulatory surgical center during the calendar quarter ending on the
2823 last day of the preceding month and such other information as the
2824 commissioner deems necessary for the proper administration of this
2825 section. The tax imposed under this section shall be due and payable
2826 on the due date of such return. Each ambulatory surgical center shall
2827 be required to file such return electronically with the department and
2828 to make payment of such tax by electronic funds transfer in the

2829 manner provided by chapter 228g, regardless of whether such
2830 ambulatory surgical center would have otherwise been required to file
2831 such return electronically or to make such tax payment by electronic
2832 funds transfer under the provisions of chapter 228g.

2833 (c) Whenever the tax imposed under this section is not paid when
2834 due, a penalty of ten per cent of the amount due and unpaid or fifty
2835 dollars, whichever is greater, shall be imposed and interest at the rate
2836 of one per cent per month or fraction thereof shall accrue on such tax
2837 from the due date of such tax until the date of payment.

2838 (d) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and
2839 12-555a shall apply to the provisions of this section in the same manner
2840 and with the same force and effect as if the language of said sections
2841 had been incorporated in full into this section and had expressly
2842 referred to the tax imposed under this section, except to the extent that
2843 any provision is inconsistent with a provision in this section.

2844 (e) For the fiscal year ending June 30, 2016, and each fiscal year
2845 [thereafter] ending prior to July 1, 2019, the Comptroller is authorized
2846 to record as revenue for each fiscal year the amount of tax imposed
2847 under the provisions of this section prior to the end of each fiscal year
2848 and which tax is received by the Commissioner of Revenue Services
2849 not later than five business days after the last day of July immediately
2850 following the end of each fiscal year.

2851 Sec. 39. Subsection (b) of section 12-494 of the general statutes is
2852 repealed and the following is substituted in lieu thereof (*Effective July*
2853 *1, 2019, and applicable to conveyances occurring on or after July 1, 2019*):

2854 (b) The rate of tax imposed under subdivision (1) of subsection (a) of
2855 this section shall, in lieu of the rate under said subdivision (1), be
2856 imposed on certain conveyances as follows: (1) In the case of any
2857 conveyance of real property which at the time of such conveyance is
2858 used for any purpose other than residential use, except unimproved
2859 land, the tax under said subdivision (1) shall be imposed at the rate of

2860 one and one-quarter per cent of the consideration for the interest in
2861 real property conveyed; (2) in the case of any conveyance in which the
2862 real property conveyed is a residential estate, including a primary
2863 dwelling and any auxiliary housing or structures, regardless of the
2864 number of deeds, instruments or writings used to convey such
2865 residential real estate, for which the consideration or aggregate
2866 consideration, as the case may be, in such conveyance is eight hundred
2867 thousand dollars or more, the tax under said subdivision (1) shall be
2868 imposed (A) at the rate of three-quarters of one per cent on that
2869 portion of such consideration up to and including the amount of eight
2870 hundred thousand dollars, and (B) at the rate of [one and one-quarter]
2871 one and one-half per cent on that portion of such consideration in
2872 excess of eight hundred thousand dollars; and (3) in the case of any
2873 conveyance in which real property on which mortgage payments have
2874 been delinquent for not less than six months is conveyed to a financial
2875 institution or its subsidiary which holds such a delinquent mortgage
2876 on such property, the tax under said subdivision (1) shall be imposed
2877 at the rate of three-quarters of one per cent of the consideration for the
2878 interest in real property conveyed. For the purposes of subdivision (1)
2879 of this subsection, "unimproved land" includes land designated as
2880 farm, forest or open space land.

2881 Sec. 40. Subsection (d) of section 12-217n of the general statutes is
2882 repealed and the following is substituted in lieu thereof (*Effective from*
2883 *passage and applicable to taxable years commencing on or after January 1,*
2884 *2019*):

2885 (d) (1) The credit provided for by this section shall be allowed for
2886 any income year commencing on or after January 1, 1993, provided
2887 any credits allowed for income years commencing on or after January
2888 1, 1993, and prior to January 1, 1995, may not be taken until income
2889 years commencing on or after January 1, 1995, and, for the purposes of
2890 subdivision (2) of this subsection, shall be treated as if the credit for
2891 each such income year first became allowable in the first income year
2892 commencing on or after January 1, 1995.

2893 (2) No more than one-third of the amount of the credit allowable for
2894 any income year may be included in the calculation of the amount of
2895 the credit that may be taken in that income year.

2896 (3) The total amount of the credit under subdivision (1) of this
2897 subsection that may be taken for any income year may not exceed the
2898 greater of (A) fifty per cent of the taxpayer's tax liability or in the case
2899 of a combined return, fifty per cent of the combined tax liability, for
2900 such income year, determined without regard to any credits allowed
2901 under this section, and (B) the lesser of (i) two hundred per cent of the
2902 credit otherwise allowed under subsection (c) of this section for such
2903 income year, and (ii) ninety per cent of the taxpayer's tax liability or in
2904 the case of a combined return, ninety per cent of the combined liability
2905 for such income year, determined without regard to any credits
2906 allowed under this section.

2907 (4) (A) Credits that are allowed under this section [but] for taxable
2908 years commencing prior to January 1, 2019, that exceed the amount
2909 permitted to be taken in an income year [by reason of] pursuant to the
2910 provisions of subdivision (1), (2) or (3) of this subsection [.] shall be
2911 carried forward to each of the successive income years until such
2912 credits, or applicable portion thereof, are fully taken. No credit
2913 permitted under this section shall be taken in any income year until the
2914 full amount of all allowable credits carried forward to such year from
2915 any prior income year, commencing with the earliest such prior year,
2916 that otherwise may be taken under subdivision (2) of this subsection in
2917 that income year, have been fully taken.

2918 (B) Credits that are allowed under this section for taxable years
2919 commencing on or after January 1, 2019, that exceed the amount
2920 permitted to be taken in an income year pursuant to the provisions of
2921 subdivision (1), (2) or (3) of this subsection shall be carried forward to
2922 each of the successive income years until such credits, or applicable
2923 portion thereof, are fully taken. No credit permitted under this section
2924 shall be taken in any income year until the full amount of all allowable

2925 credits carried forward to such year from any prior income year,
2926 commencing with the earliest such prior year, that otherwise may be
2927 taken under subdivision (2) of this subsection in that income year,
2928 have been fully taken. In no case may a credit allowed under this
2929 subparagraph, or any portion thereof, that is not used by a taxpayer be
2930 carried forward for a period of more than fifteen years.

2931 Sec. 41. Subsection (a) of section 12-217zz of the general statutes is
2932 repealed and the following is substituted in lieu thereof (*Effective from*
2933 *passage and applicable to income years commencing on or after January 1,*
2934 *2019*):

2935 (a) Notwithstanding any other provision of law, and except as
2936 otherwise provided in subsection (b) of this section and sections 12-
2937 217aaa and 12-217bbb, the amount of tax credit or credits otherwise
2938 allowable against the tax imposed under this chapter shall be as
2939 follows:

2940 (1) For any income year commencing on or after January 1, 2002,
2941 and prior to January 1, 2015, the amount of tax credit or credits
2942 otherwise allowable shall not exceed seventy per cent of the amount of
2943 tax due from such taxpayer under this chapter with respect to any such
2944 income year of the taxpayer prior to the application of such credit or
2945 credits;

2946 (2) For any income year commencing on or after January 1, 2015, the
2947 amount of tax credit or credits otherwise allowable shall not exceed
2948 fifty and one one-hundredths per cent of the amount of tax due from
2949 such taxpayer under this chapter with respect to any such income year
2950 of the taxpayer prior to the application of such credit or credits;

2951 (3) Notwithstanding the provisions of subdivision (2) of this
2952 subsection, any taxpayer that possesses excess credits may utilize the
2953 excess credits as follows:

2954 (A) For income years commencing on or after January 1, 2016, and

2955 prior to January 1, 2017, the aggregate amount of tax credits and excess
2956 credits allowable shall not exceed fifty-five per cent of the amount of
2957 tax due from such taxpayer under this chapter with respect to any such
2958 income year of the taxpayer prior to the application of such credit or
2959 credits;

2960 (B) For income years commencing on or after January 1, 2017, and
2961 prior to January 1, 2018, the aggregate amount of tax credits and excess
2962 credits allowable shall not exceed sixty per cent of the amount of tax
2963 due from such taxpayer under this chapter with respect to any such
2964 income year of the taxpayer prior to the application of such credit or
2965 credits; and

2966 (C) For income years commencing on or after January 1, 2018, and
2967 prior to January 1, 2019, the aggregate amount of tax credits and excess
2968 credits allowable shall not exceed sixty-five per cent of the amount of
2969 tax due from such taxpayer under this chapter with respect to any such
2970 income year of the taxpayer prior to the application of such credit or
2971 credits;

2972 [(D) For income years commencing on or after January 1, 2019, the
2973 aggregate amount of tax credits and excess credits allowable shall not
2974 exceed seventy per cent of the amount of tax due from such taxpayer
2975 under this chapter with respect to any such income year of the
2976 taxpayer prior to the application of such credit or credits;]

2977 (4) For purposes of this subsection, "excess credits" means any
2978 remaining credits available under section 12-217j, 12-217n, as amended
2979 by this act, or 32-9t after tax credits are utilized in accordance with
2980 subdivision (2) of this subsection.

2981 Sec. 42. (NEW) (*Effective from passage and applicable to quarterly periods*
2982 *commencing on or after July 1, 2019*) Notwithstanding any provision of
2983 the general statutes allowing for a higher amount, for any quarterly
2984 periods commencing on or after July 1, 2019, the amount of tax credit
2985 or credits allowable against the tax imposed under chapter 211 of the

2986 general statutes, shall not exceed fifty and one one-hundredths per
2987 cent of the amount of tax due from a taxpayer under such chapter with
2988 respect to any such quarterly period of the taxpayer prior to the
2989 application of such credit or credits.

2990 Sec. 43. (NEW) (*Effective from passage and applicable to quarterly periods*
2991 *commencing on or after July 1, 2019*) Notwithstanding any provision of
2992 the general statutes allowing for a higher amount, for any quarterly
2993 periods commencing on or after July 1, 2019, the amount of tax credit
2994 or credits allowable against the tax imposed under chapter 212 of the
2995 general statutes, shall not exceed fifty and one one-hundredths per
2996 cent of the amount of tax due from a taxpayer under such chapter with
2997 respect to any such quarterly period of the taxpayer prior to the
2998 application of such credit or credits.

2999 Sec. 44. (NEW) (*Effective from passage and applicable to quarterly periods*
3000 *commencing on or after July 1, 2019*) Notwithstanding any provision of
3001 the general statutes allowing for a higher amount, for any quarterly
3002 periods commencing on or after July 1, 2019, the amount of tax credit
3003 or credits allowable against the tax imposed under chapter 227 of the
3004 general statutes, shall not exceed fifty and one one-hundredths per
3005 cent of the amount of tax due from a taxpayer under such chapter with
3006 respect to any such quarterly period of the taxpayer prior to the
3007 application of such credit or credits.

3008 Sec. 45. Subsection (a) of section 12-264 of the general statutes is
3009 repealed and the following is substituted in lieu thereof (*Effective July*
3010 *1, 2019*):

3011 (a) Each (1) municipality, or department or agency thereof, or
3012 district manufacturing, selling or distributing gas to be used for light,
3013 heat or power, (2) company the principal business of which is
3014 manufacturing, selling or distributing gas or steam to be used for light,
3015 heat or power, including each foreign electric company, as defined in
3016 section 16-246f, that holds property in this state, and (3) company

3017 required to register pursuant to section 16-258a, shall pay a quarterly
3018 tax upon gross earnings from such operations in this state. Gross
3019 earnings from such operations under subdivisions (1) and (2) of this
3020 subsection shall include, as determined by the Commissioner of
3021 Revenue Services, (A) all income included in operating revenue
3022 accounts in the uniform systems of accounts prescribed by the Public
3023 Utilities Regulatory Authority for operations within the taxable
3024 quarter and, with respect to each such company, (B) all income
3025 identified in said uniform systems of accounts as income from
3026 merchandising, jobbing and contract work, (C) all revenues identified
3027 in said uniform systems of accounts as income from nonutility
3028 operations, (D) all revenues identified in said uniform systems of
3029 accounts as nonoperating retail income, and (E) receipts from the sale
3030 of residuals and other by-products obtained in connection with the
3031 production of gas, electricity or steam. Gross earnings from such
3032 operations under subdivision (3) of this subsection shall be gross
3033 income from the sales of natural gas. [provided gross income shall not
3034 include income from the sale of natural gas to an existing combined
3035 cycle facility comprised of three gas turbines providing electric
3036 generation services, as defined in section 16-1, with a total capacity of
3037 seven hundred seventy-five megawatts, for use in the production of
3038 electricity.] Gross earnings of a gas company, as defined in section 16-
3039 1, shall not include income earned in a taxable quarter commencing
3040 prior to June 30, 2008, from the sale of natural gas or propane as a fuel
3041 for a motor vehicle. No deductions shall be allowed from such gross
3042 earnings for any commission, rebate or other payment, except a refund
3043 resulting from an error or overcharge and those specifically mentioned
3044 in section 12-265. Gross earnings of a company, as described in
3045 subdivision (2) of this subsection, shall not include income earned in
3046 any taxable quarter commencing on or after July 1, 2000, from the sale
3047 of steam.

3048 Sec. 46. (NEW) (*Effective October 1, 2019, and applicable to sales*
3049 *occurring on or after October 1, 2019*) (a) As used in this section:

3050 (1) "Electronic nicotine delivery system" has the same meaning as
3051 provided in section 19a-342a of the general statutes;

3052 (2) "Liquid nicotine container" has the same meaning as provided in
3053 section 19a-342a of the general statutes;

3054 (3) "Vapor product" has the same meaning as provided in section
3055 19a-342a of the general statutes;

3056 (4) "Electronic cigarette liquid" means a liquid that, when used in an
3057 electronic nicotine delivery system or a vapor product, produces a
3058 vapor that may or may not include nicotine and is inhaled by the user
3059 of such electronic nicotine delivery system or vapor product;

3060 (5) "Electronic cigarette products" means electronic nicotine delivery
3061 systems, liquid nicotine containers, vapor products and electronic
3062 cigarette liquids;

3063 (6) "Electronic cigarette wholesaler" means (A) any person engaged
3064 in the business of selling electronic cigarette products at wholesale in
3065 the state, (B) any person in this state who purchases electronic cigarette
3066 products at wholesale from a manufacturer, or (C) any dealer, retailer
3067 or other person that otherwise imports, or causes another person to
3068 import, untaxed electronic cigarette products into this state;

3069 (7) "Wholesale sales price" means the price of electronic cigarette
3070 products or, if no price has been set, the wholesale value of such
3071 products; and

3072 (8) "Sale" means any transfer of title or possession or both, exchange,
3073 barter, distribution or gift, of electronic cigarette products, with or
3074 without consideration.

3075 (b) For each calendar month commencing on or after October 1,
3076 2019, a tax is imposed on all sales of electronic cigarette products made
3077 in this state by electronic cigarette wholesalers at the rate of seventy-
3078 five per cent of the wholesale sales price of such products, whether or

3079 not sold at wholesale, or if not sold, then at the same rate upon the use
3080 by the wholesaler. Only one sale of the same product shall be used in
3081 computing the amount of tax due under this subsection.

3082 (c) Each electronic cigarette wholesaler shall file with the
3083 commissioner, on or before the last day of each month, a report for the
3084 calendar month immediately preceding in such form and containing
3085 such information as the Commissioner of Revenue Services may
3086 prescribe. The return shall be accompanied by a payment of the
3087 amount of the tax shown to be due thereon. Payment shall be made
3088 with such return. Each electronic cigarette wholesaler shall file such
3089 return electronically with the Department of Revenue Services and
3090 make such payment by electronic funds transfer in the manner
3091 provided by chapter 228g of the general statutes.

3092 (d) If any person fails to pay the amount of tax reported due on its
3093 report within the time specified under this section, there shall be
3094 imposed a penalty equal to ten per cent of such amount due and
3095 unpaid, or fifty dollars, whichever is greater. Such amount shall bear
3096 interest at the rate of one per cent per month or fraction thereof, from
3097 the due date of such tax until the date of payment. Subject to the
3098 provisions of section 12-3a of the general statutes, the commissioner
3099 may waive all or part of the penalties provided under this section
3100 when it is proven to the commissioner's satisfaction that the failure to
3101 pay any tax was due to reasonable cause and was not intentional or
3102 due to neglect.

3103 (e) Each person, other than an electronic cigarette wholesaler, who is
3104 required, on behalf of an electronic cigarette wholesaler, to collect,
3105 truthfully account for and pay over the tax imposed on such electronic
3106 cigarette wholesaler under this section and who wilfully fails to collect,
3107 truthfully account for and pay over such tax or who wilfully attempts
3108 in any manner to evade or defeat the tax or the payment thereof, shall,
3109 in addition to other penalties provided by law, be liable for a penalty
3110 equal to the total amount of the tax evaded, or not collected, or not

3111 accounted for and paid over, including any penalty or interest
3112 attributable to such wilful failure to collect or truthfully account for
3113 and pay over such tax or such wilful attempt to evade or defeat such
3114 tax, provided such penalty shall only be imposed against such person
3115 in the event that such tax, penalty or interest cannot otherwise be
3116 collected from the electronic cigarette wholesaler. The amount of such
3117 penalty with respect to which a person may be personally liable under
3118 this section shall be collected in accordance with the provisions of
3119 section 12-555a of the general statutes and any amount so collected
3120 shall be allowed as a credit against the amount of such tax, penalty or
3121 interest due and owing from the electronic cigarette wholesaler. The
3122 dissolution of the electronic cigarette wholesaler shall not discharge
3123 any person in relation to any personal liability under this section for
3124 wilful failure to collect or truthfully account for and pay over such tax
3125 or for a wilful attempt to evade or defeat such tax prior to dissolution,
3126 except as otherwise provided in this section. For purposes of this
3127 section, "person" includes any individual, corporation, limited liability
3128 company or partnership and any officer or employee of any
3129 corporation, including a dissolved corporation, and a member or
3130 employee of any partnership or limited liability company who, as such
3131 officer, employee or member, is under a duty to file a tax return under
3132 this section on behalf of an electronic cigarette wholesaler or to collect
3133 or truthfully account for and pay over the tax imposed under this
3134 section on behalf of an electronic cigarette wholesaler.

3135 (f) No tax credit or credits shall be allowable against the tax
3136 imposed under this section.

3137 (g) The provisions of sections 12-550 to 12-554, inclusive, and section
3138 12-555a of the general statutes shall apply to the provisions of this
3139 section in the same manner and with the same force and effect as if the
3140 language of said sections had been incorporated in full into this section
3141 and had expressly referred to the tax under this section, except to the
3142 extent that any provision is inconsistent with a provision in this
3143 section.

3144 (h) The commissioner may adopt regulations, in accordance with
3145 the provisions of chapter 54 of the general statutes, to implement the
3146 provisions of this section.

3147 (i) At the close of each fiscal year commencing with the fiscal year
3148 ending June 30, 2020, the Comptroller is authorized to record as
3149 revenue for such fiscal year the amount of the tax imposed under the
3150 provisions of this section that is received by the commissioner not later
3151 than five business days from the last day of July immediately
3152 following the end of such fiscal year.

3153 Sec. 47. Subsection (a) of section 12-286a of the general statutes is
3154 repealed and the following is substituted in lieu thereof (*Effective*
3155 *October 1, 2019*):

3156 (a) Each distributor and each dealer, as defined in section 12-285,
3157 shall place and maintain in legible condition at each point of sale of
3158 cigarettes to consumers, including the front of each vending machine,
3159 and each restricted cigarette vending machine a notice which states (1)
3160 that the sale, giving or delivering of tobacco products, including
3161 cigarettes, to any person under [eighteen] twenty-one years of age is
3162 prohibited by section 53-344, as amended by this act, (2) the purchase
3163 or misrepresentation of age by a person under [eighteen] twenty-one
3164 years of age to purchase cigarettes or tobacco products is prohibited by
3165 [said] section 53-344, as amended by this act, and (3) the penalties and
3166 fines for violating [said] section 53-344, as amended by this act, and
3167 section 12-295a, as amended by this act.

3168 Sec. 48. Subsection (a) of section 12-295 of the general statutes is
3169 repealed and the following is substituted in lieu thereof (*Effective*
3170 *October 1, 2019*):

3171 (a) The commissioner may suspend or revoke the license of any
3172 dealer or distributor for failure to comply with any provision of this
3173 chapter or regulations related thereto or for the sale or delivery of
3174 tobacco in any form to a [minor under eighteen] person under twenty-

3175 one years of age, following a hearing with respect to which notice in
3176 writing, specifying the time and place of such hearing and requiring
3177 such dealer or distributor to show cause why such license should not
3178 be revoked, is mailed or delivered to such dealer or distributor not less
3179 than ten days preceding the date of such hearing. Such notice may be
3180 served personally or by registered or certified mail.

3181 Sec. 49. Subsection (a) of section 12-295a of the general statutes is
3182 repealed and the following is substituted in lieu thereof (*Effective*
3183 *October 1, 2019*):

3184 (a) If the Commissioner of Revenue Services finds, after a hearing,
3185 that a minor has purchased cigarettes or tobacco products, said
3186 commissioner shall assess such minor a civil penalty of not more than
3187 one hundred dollars for the first violation and not more than one
3188 hundred fifty dollars for any second or subsequent offense within
3189 twenty-four months after the first violation. For purposes of this
3190 section, "minor" means a person under twenty-one years of age.

3191 Sec. 50. Section 12-314a of the general statutes is repealed and the
3192 following is substituted in lieu thereof (*Effective October 1, 2019*):

3193 The Commissioner of Revenue Services may authorize a dealer or
3194 distributor to give or deliver any cigarette, as defined in section 12-285,
3195 or tobacco product, as defined in section 12-330a, in connection with
3196 the promotion or advertisement of such cigarette or tobacco product
3197 without receiving monetary consideration from the person receiving
3198 the cigarette or tobacco product, provided (1) such distribution is on
3199 the premises of a licensed dealer as defined in said section 12-285 or at
3200 any event or establishment with an area the access to which is limited
3201 to adult patrons provided such distribution is restricted to such area,
3202 (2) the sample of cigarettes, if applicable, contains no less than two
3203 cigarettes, and (3) the taxes on such cigarettes have been previously
3204 paid. The licensed dealer or distributor shall be liable for any gift or
3205 delivery of cigarettes or tobacco products to [minors on his] persons

3206 under twenty-one years of age on such dealer's premises by any
3207 person conducting a promotion or advertisement of such cigarette or
3208 tobacco product in accordance with this section. This section shall not
3209 apply to the gift or delivery of a cigarette package in connection with a
3210 sale of similar package of cigarettes.

3211 Sec. 51. Section 53-344 of the general statutes is repealed and the
3212 following is substituted in lieu thereof (*Effective October 1, 2019*):

3213 (a) As used in this section:

3214 (1) "Cardholder" means any person who presents a driver's license
3215 or an identity card to a seller or seller's agent or employee, to purchase
3216 or receive tobacco from such seller or seller's agent or employee;

3217 (2) "Identity card" means an identification card issued in accordance
3218 with the provisions of section 1-1h;

3219 (3) "Transaction scan" means the process by which a seller or seller's
3220 agent or employee checks, by means of a transaction scan device, the
3221 validity of a driver's license or an identity card; and

3222 (4) "Transaction scan device" means any commercial device or
3223 combination of devices used at a point of sale that is capable of
3224 deciphering in an electronically readable format the information
3225 encoded on the magnetic strip or bar code of a driver's license or an
3226 identity card.

3227 (b) Any person who sells, gives or delivers to any person under
3228 [~~eighteen~~] twenty-one years of age tobacco shall be fined not more
3229 than two hundred dollars for the first offense, not more than three
3230 hundred fifty dollars for a second offense within a twenty-four-month
3231 period and not more than five hundred dollars for each subsequent
3232 offense within a twenty-four-month period. The provisions of this
3233 subsection shall not apply to a person under [~~eighteen~~] twenty-one
3234 years of age who is delivering or accepting delivery of tobacco (1) in

3235 such person's capacity as an employee, or (2) as part of a scientific
3236 study being conducted by an organization for the purpose of medical
3237 research to further efforts in tobacco use prevention and cessation,
3238 provided such medical research has been approved by the
3239 organization's institutional review board, as defined in section 21a-408.

3240 (c) Any person under [~~eighteen~~] twenty-one years of age who
3241 purchases or misrepresents such person's age to purchase tobacco in
3242 any form or possesses tobacco in any form in any public place shall be
3243 fined not more than fifty dollars for the first offense and not less than
3244 fifty dollars or more than one hundred dollars for each subsequent
3245 offense. For purposes of this subsection, "public place" means any area
3246 that is used or held out for use by the public whether owned or
3247 operated by public or private interests.

3248 (d) (1) A seller or seller's agent or employee may perform a
3249 transaction scan to check the validity of a driver's license or identity
3250 card presented by a cardholder as a condition for selling, giving away
3251 or otherwise distributing tobacco to the cardholder.

3252 (2) If the information deciphered by the transaction scan performed
3253 under subdivision (1) of this subsection fails to match the information
3254 printed on the driver's license or identity card presented by the
3255 cardholder, or if the transaction scan indicates that the information so
3256 printed is false or fraudulent, neither the seller nor any seller's agent or
3257 employee shall sell, give away or otherwise distribute any tobacco to
3258 the cardholder.

3259 (3) Subdivision (1) of this subsection does not preclude a seller or
3260 seller's agent or employee from using a transaction scan device to
3261 check the validity of a document other than a driver's license or an
3262 identity card, if the document includes a bar code or magnetic strip
3263 that may be scanned by the device, as a condition for selling, giving
3264 away or otherwise distributing tobacco to the person presenting the
3265 document.

3266 (e) (1) No seller or seller's agent or employee shall electronically or
3267 mechanically record or maintain any information derived from a
3268 transaction scan, except the following: (A) The name and date of birth
3269 of the person listed on the driver's license or identity card presented by
3270 a cardholder; (B) the expiration date and identification number of the
3271 driver's license or identity card presented by a cardholder.

3272 (2) No seller or seller's agent or employee shall use a transaction
3273 scan device for a purpose other than the purposes specified in
3274 subsection (e) of section 53-344b, as amended by this act, subsection (d)
3275 of this section or subsection (c) of section 30-86.

3276 (3) No seller or seller's agent or employee shall sell or otherwise
3277 disseminate the information derived from a transaction scan to any
3278 third party, including, but not limited to, selling or otherwise
3279 disseminating that information for any marketing, advertising or
3280 promotional activities, but a seller or seller's agent or employee may
3281 release that information pursuant to a court order.

3282 (4) Nothing in subsection (d) of this section or this subsection
3283 relieves a seller or seller's agent or employee of any responsibility to
3284 comply with any other applicable state or federal laws or rules
3285 governing the sale, giving away or other distribution of tobacco.

3286 (5) Any person who violates this subsection shall be subject to a civil
3287 penalty of not more than one thousand dollars.

3288 (f) (1) In any prosecution of a seller or seller's agent or employee for
3289 a violation of subsection (b) of this section, it shall be an affirmative
3290 defense that all of the following occurred: (A) A cardholder attempting
3291 to purchase or receive tobacco presented a driver's license or an
3292 identity card; (B) a transaction scan of the driver's license or identity
3293 card that the cardholder presented indicated that the license or card
3294 was valid; and (C) the tobacco was sold, given away or otherwise
3295 distributed to the cardholder in reasonable reliance upon the
3296 identification presented and the completed transaction scan.

3297 (2) In determining whether a seller or seller's agent or employee has
3298 proven the affirmative defense provided by subdivision (1) of this
3299 section, the trier of fact in such prosecution shall consider that
3300 reasonable reliance upon the identification presented and the
3301 completed transaction scan may require a seller or seller's agent or
3302 employee to exercise reasonable diligence and that the use of a
3303 transaction scan device does not excuse a seller or seller's agent or
3304 employee from exercising such reasonable diligence to determine the
3305 following: (A) Whether a person to whom the seller or seller's agent or
3306 employee sells, gives away or otherwise distributes tobacco is
3307 [eighteen] twenty-one years of age or older; and (B) whether the
3308 description and picture appearing on the driver's license or identity
3309 card presented by a cardholder is that of the cardholder.

3310 Sec. 52. Section 53-344b of the general statutes is repealed and the
3311 following is substituted in lieu thereof (*Effective October 1, 2019*):

3312 (a) As used in this section and sections 21a-415 and 21a-415a:

3313 (1) "Electronic nicotine delivery system" means an electronic device
3314 that may be used to simulate smoking in the delivery of nicotine or
3315 other substance to a person inhaling from the device, and includes, but
3316 is not limited to, an electronic cigarette, electronic cigar, electronic
3317 cigarillo, electronic pipe or electronic hookah and any related device
3318 and any cartridge, electronic cigarette liquid or other component of
3319 such device;

3320 (2) "Cardholder" means any person who presents a driver's license
3321 or an identity card to a seller or seller's agent or employee, to purchase
3322 or receive an electronic nicotine delivery system or vapor product from
3323 such seller or seller's agent or employee;

3324 (3) "Identity card" means an identification card issued in accordance
3325 with the provisions of section 1-1h;

3326 (4) "Transaction scan" means the process by which a seller or seller's

3327 agent or employee checks, by means of a transaction scan device, the
3328 validity of a driver's license or an identity card;

3329 (5) "Transaction scan device" means any commercial device or
3330 combination of devices used at a point of sale that is capable of
3331 deciphering in an electronically readable format the information
3332 encoded on the magnetic strip or bar code of a driver's license or an
3333 identity card;

3334 (6) "Sale" or "sell" means an act done intentionally by any person,
3335 whether done as principal, proprietor, agent, servant or employee, of
3336 transferring, or offering or attempting to transfer, for consideration, an
3337 electronic nicotine delivery system or vapor product, including
3338 bartering or exchanging, or offering to barter or exchange, an
3339 electronic nicotine delivery system or vapor product;

3340 (7) "Give" or "giving" means an act done intentionally by any
3341 person, whether done as principal, proprietor, agent, servant or
3342 employee, of transferring, or offering or attempting to transfer,
3343 without consideration, an electronic nicotine delivery system or vapor
3344 product;

3345 (8) "Deliver" or "delivering" means an act done intentionally by any
3346 person, whether as principal, proprietor, agent, servant or employee,
3347 of transferring, or offering or attempting to transfer, physical
3348 possession or control of an electronic nicotine delivery system or vapor
3349 product;

3350 (9) "Vapor product" means any product that employs a heating
3351 element, power source, electronic circuit or other electronic, chemical
3352 or mechanical means, regardless of shape or size, to produce a vapor
3353 that may or may not include nicotine, that is inhaled by the user of
3354 such product; and

3355 (10) "Electronic cigarette liquid" means a liquid that, when used in
3356 an electronic nicotine delivery system or vapor product, produces a

3357 vapor that may or may not include nicotine and is inhaled by the user
3358 of such electronic nicotine delivery system or vapor product.

3359 (b) Any person who sells, gives or delivers to any person under
3360 [eighteen] twenty-one years of age an electronic nicotine delivery
3361 system or vapor product in any form shall be fined not more than two
3362 hundred dollars for the first offense, not more than three hundred fifty
3363 dollars for a second offense within a twenty-four-month period and
3364 not more than five hundred dollars for each subsequent offense within
3365 a twenty-four-month period. The provisions of this subsection shall
3366 not apply to a person under [eighteen] twenty-one years of age who is
3367 delivering or accepting delivery of an electronic nicotine delivery
3368 system or vapor product (1) in such person's capacity as an employee,
3369 or (2) as part of a scientific study being conducted by an organization
3370 for the purpose of medical research to further efforts in tobacco use
3371 prevention and cessation, provided such medical research has been
3372 approved by the organization's institutional review board, as defined
3373 in section 21a-408.

3374 (c) Any person under [eighteen] twenty-one years of age who
3375 purchases or misrepresents such person's age to purchase an electronic
3376 nicotine delivery system or vapor product in any form or possesses an
3377 electronic nicotine delivery system or vapor product in any form in
3378 any public place shall be fined not more than fifty dollars for the first
3379 offense and not less than fifty dollars or more than one hundred
3380 dollars for each subsequent offense. For purposes of this subsection
3381 "public place" means any area that is used or held out for use by the
3382 public whether owned or operated by public or private interests.

3383 (d) (1) A seller or seller's agent or employee may perform a
3384 transaction scan to check the validity of a driver's license or identity
3385 card presented by a cardholder as a condition for selling, giving or
3386 otherwise delivering an electronic nicotine delivery system or vapor
3387 product to the cardholder.

3388 (2) If the information deciphered by the transaction scan performed
3389 under subdivision (1) of this subsection fails to match the information
3390 printed on the driver's license or identity card presented by the
3391 cardholder, or if the transaction scan indicates that the information so
3392 printed is false or fraudulent, neither the seller nor any seller's agent or
3393 employee shall sell, give or otherwise deliver any electronic nicotine
3394 delivery system or vapor product to the cardholder.

3395 (3) Subdivision (1) of this subsection does not preclude a seller or
3396 seller's agent or employee from using a transaction scan device to
3397 check the validity of a document other than a driver's license or an
3398 identity card, if the document includes a bar code or magnetic strip
3399 that may be scanned by the device, as a condition for selling, giving or
3400 otherwise delivering an electronic nicotine delivery system or vapor
3401 product to the person presenting the document.

3402 (e) (1) No seller or seller's agent or employee shall electronically or
3403 mechanically record or maintain any information derived from a
3404 transaction scan, except the following: (A) The name and date of birth
3405 of the person listed on the driver's license or identity card presented by
3406 a cardholder; and (B) the expiration date and identification number of
3407 the driver's license or identity card presented by a cardholder.

3408 (2) No seller or seller's agent or employee shall use a transaction
3409 scan device for a purpose other than the purposes specified in
3410 subsection (d) of this section, subsection (d) of section 53-344, as
3411 amended by this act, or subsection (c) of section 30-86.

3412 (3) No seller or seller's agent or employee shall sell or otherwise
3413 disseminate the information derived from a transaction scan to any
3414 third party, including, but not limited to, selling or otherwise
3415 disseminating that information for any marketing, advertising or
3416 promotional activities, but a seller or seller's agent or employee may
3417 release that information pursuant to a court order.

3418 (4) Nothing in subsection (d) of this section or this subsection

3419 relieves a seller or seller's agent or employee of any responsibility to
3420 comply with any other applicable state or federal laws or rules
3421 governing selling, giving or otherwise delivering electronic nicotine
3422 delivery systems or vapor products.

3423 (5) Any person who violates this subsection shall be subject to a civil
3424 penalty of not more than one thousand dollars.

3425 (f) (1) In any prosecution of a seller or seller's agent or employee for
3426 a violation of subsection (b) of this section, it shall be an affirmative
3427 defense that all of the following occurred: (A) A cardholder attempting
3428 to purchase or receive an electronic nicotine delivery system or vapor
3429 product presented a driver's license or an identity card; (B) a
3430 transaction scan of the driver's license or identity card that the
3431 cardholder presented indicated that the license or card was valid; and
3432 (C) the electronic nicotine delivery system or vapor product was sold,
3433 given or otherwise delivered to the cardholder in reasonable reliance
3434 upon the identification presented and the completed transaction scan.

3435 (2) In determining whether a seller or seller's agent or employee has
3436 proven the affirmative defense provided by subdivision (1) of this
3437 section, the trier of fact in such prosecution shall consider that
3438 reasonable reliance upon the identification presented and the
3439 completed transaction scan may require a seller or seller's agent or
3440 employee to exercise reasonable diligence and that the use of a
3441 transaction scan device does not excuse a seller or seller's agent or
3442 employee from exercising such reasonable diligence to determine the
3443 following: (A) Whether a person to whom the seller or seller's agent or
3444 employee sells, gives or otherwise delivers an electronic nicotine
3445 delivery system or vapor product is [eighteen] twenty-one years of age
3446 or older; and (B) whether the description and picture appearing on the
3447 driver's license or identity card presented by a cardholder is that of the
3448 cardholder.

3449 (g) Each seller of electronic nicotine delivery systems or vapor

3450 products or such seller's agent or employee shall require a person who
3451 is purchasing or attempting to purchase an electronic nicotine delivery
3452 system or vapor product, whose age is in question, to exhibit proper
3453 proof of age. If a person fails to provide such proof of age, such seller
3454 or seller's agent or employee shall not sell an electronic nicotine
3455 delivery system or vapor product to the person. As used in this
3456 subsection, "proper proof" means a motor vehicle operator's license, a
3457 valid passport or an identity card issued in accordance with the
3458 provisions of section 1-1h.

3459 Sec. 53. Section 21a-416 of the general statutes is repealed and the
3460 following is substituted in lieu thereof (*Effective October 1, 2019*):

3461 (a) For the purposes of this section:

3462 (1) "Electronic nicotine delivery system" has the same meaning as
3463 provided in section 19a-342.

3464 (2) "Liquid nicotine container" has the same meaning as provided in
3465 section 19a-342a.

3466 [(2)] (3) "Vapor product" has the same meaning as provided in
3467 section 19a-342.

3468 (4) "Electronic cigarette liquid" has the same meaning as provided in
3469 section 46 of this act.

3470 (5) "Electronic cigarette products" has the same meaning as
3471 provided in section 46 of this act.

3472 [(3)] (6) "Retail establishment" has the same meaning as provided in
3473 section 19a-106a.

3474 (b) [(1)] Except as provided in [subdivision (3) of this] subsection (c)
3475 of this section, no retail establishment may sell or offer for sale an
3476 electronic [nicotine delivery system or a vapor] cigarette product by
3477 any means other than an employee-assisted sale where the customer

3478 has no direct access to the electronic [nicotine delivery system or
3479 vapor] cigarette product except through the assistance of the employee
3480 of such retail establishment.

3481 [(2) No retail establishment may sell or offer for sale an electronic
3482 nicotine delivery system or a vapor product from a self-service
3483 display.]

3484 [(3)] (c) The provisions of [subdivisions (1) and (2) of this]
3485 subsection (b) of this section shall not apply to a retail establishment if
3486 [minors] persons under twenty-one years of age are prohibited from
3487 entering the retail establishment and the prohibition on [minors] such
3488 persons entering the retail establishment is posted clearly on all
3489 entrances of the retail establishment.

3490 Sec. 54. Section 12-435 of the general statutes is repealed and the
3491 following is substituted in lieu thereof (*Effective July 1, 2019*):

3492 Each distributor of alcoholic beverages shall pay a tax to the state on
3493 all sales within the state of alcoholic beverages, except sales to licensed
3494 distributors, sales of alcoholic beverages [which] that, in the course of
3495 such sales, are actually transported to some point without the state and
3496 except [malt beverages which are] beer that is consumed on the
3497 premises covered by a manufacturer's permit, at the rates for the
3498 respective categories of alcoholic beverages listed below:

3499 [(a)] (1) Beer, except as provided in subdivision (2) of this section,
3500 seven dollars and twenty cents for each barrel, three dollars and sixty
3501 cents for each half barrel, one dollar and eighty cents for each quarter
3502 barrel and twenty-four cents per wine gallon or fraction thereof on
3503 quantities less than a quarter barrel;

3504 (2) Beer sold on the premises covered by a manufacturer's permit for
3505 off-premises consumption, three dollars and sixty cents for each barrel,
3506 one dollar and eighty cents for each half barrel, ninety cents for each
3507 quarter barrel and twelve cents per wine gallon or fraction thereof on

3508 quantities less than a quarter barrel;

3509 [(b)] (3) Liquor, five dollars and forty cents per wine gallon;

3510 [(c)] (4) Still wines containing not more than twenty-one per cent of
3511 absolute alcohol, except as provided in [subsections (g) and (h)]
3512 subdivisions (8) and (9) of this section, seventy-two cents per wine
3513 gallon;

3514 [(d)] (5) Still wines containing more than twenty-one per cent of
3515 absolute alcohol and sparkling wines, one dollar and eighty cents per
3516 wine gallon;

3517 [(e)] (6) Alcohol in excess of 100 proof, five dollars and forty cents
3518 per proof gallon;

3519 [(f)] (7) Liquor coolers containing not more than seven per cent of
3520 alcohol by volume, two dollars and forty-six cents per wine gallon;

3521 [(g)] (8) Still wine containing not more than twenty-one per cent of
3522 absolute alcohol, produced by a person who produces not more than
3523 fifty-five thousand wine gallons of wine during the calendar year,
3524 eighteen cents per wine gallon, provided such person presents to each
3525 distributor of alcoholic beverages described in this section a certificate,
3526 issued by the commissioner, stating that such person produces not
3527 more than fifty-five thousand wine gallons of wine during the calendar
3528 year. The commissioner is authorized to issue such certificates,
3529 prescribe the procedures for obtaining such certificates and prescribe
3530 their form; and

3531 [(h)] (9) Cider containing not more than seven per cent of absolute
3532 alcohol shall be subject to the same rate as applies to beer, as provided
3533 in [subsection (a)] subdivision (1) of this section.

3534 Sec. 55. Section 22a-243 of the general statutes is repealed and the
3535 following is substituted in lieu thereof (*Effective October 1, 2019*):

3536 For purposes of sections 22a-243 to 22a-245c, inclusive:

3537 (1) "Carbonated beverage" means beer or other malt beverages, and
3538 mineral waters, soda water and similar carbonated soft drinks in liquid
3539 form and intended for human consumption;

3540 (2) "Noncarbonated beverage" means water, including flavored
3541 water, nutritionally enhanced water and any beverage that is identified
3542 through the use of letters, words or symbols on such beverage's
3543 product label as a type of water, but excluding juice and mineral water;

3544 (3) "Alcoholic beverage" means any wine or liquor, as those terms
3545 are defined in section 12-433;

3546 [(3)] (4) "Beverage container" means [the] a miniature or any other
3547 individual, separate, sealed glass, metal or plastic bottle, can, jar or
3548 carton containing a carbonated [or] beverage, a noncarbonated
3549 beverage or an alcoholic beverage, but does not include a bottle, can,
3550 jar or carton (A) three liters or more in size if containing a
3551 noncarbonated beverage, or (B) made of high-density polyethylene;

3552 (5) "Miniature" means any sealable bottle, can, jar or carton, that (A)
3553 is primarily composed of glass, metal, plastic or any combination of
3554 such materials, (B) is fifty milliliters or less in size, and (C) contains an
3555 alcoholic beverage;

3556 [(4)] (6) "Consumer" means every person who purchases a beverage
3557 in a beverage container for use or consumption;

3558 [(5)] (7) "Dealer" means every person who engages in the sale of
3559 beverages in beverage containers to a consumer;

3560 [(6)] (8) "Distributor" means every person who engages in the sale of
3561 beverages in beverage containers to a dealer in this state including any
3562 manufacturer who engages in such sale and includes a dealer who
3563 engages in the sale of beverages in beverage containers on which no
3564 deposit has been collected prior to retail sale;

3565 [(7)] (9) "Manufacturer" means every person bottling, canning or
3566 otherwise filling beverage containers for sale to distributors or dealers
3567 or, in the case of private label brands, the owner of the private label
3568 trademark;

3569 [(8)] (10) "Place of business of a dealer" means the fixed location at
3570 which a dealer sells or offers for sale beverages in beverage containers
3571 to consumers;

3572 [(9)] (11) "Redemption center" means any facility established to
3573 redeem empty beverage containers from consumers or to collect and
3574 sort empty beverage containers from dealers and to prepare such
3575 containers for redemption by the appropriate distributors;

3576 [(10)] (12) "Use or consumption" includes the exercise of any right or
3577 power over a beverage incident to the ownership thereof, other than
3578 the sale or the keeping or retention of a beverage for the purposes of
3579 sale;

3580 [(11)] (13) "Nonrefillable beverage container" means a beverage
3581 container [which] that is not designed to be refilled and reused in its
3582 original shape; and

3583 [(12)] (14) "Deposit initiator" means the first distributor to collect the
3584 deposit on a beverage container sold to any person within this state.

3585 Sec. 56. Section 22a-244 of the general statutes is repealed and the
3586 following is substituted in lieu thereof (*Effective October 1, 2019*):

3587 (a) (1) Every beverage container containing a carbonated beverage
3588 sold or offered for sale in this state, except for any such beverage
3589 containers sold or offered for sale for consumption on an interstate
3590 passenger carrier, shall have a refund value. Such refund value shall
3591 not be less than five cents and shall be a uniform amount throughout
3592 the distribution process in this state.

3593 (2) Every beverage container containing a noncarbonated beverage

3594 sold or offered for sale in this state shall have a refund value, except
3595 for beverage containers containing a noncarbonated beverage that are
3596 (A) sold or offered for sale for consumption on an interstate passenger
3597 carrier, or (B) that comprise any dealer's existing inventory as of March
3598 31, 2009. Such refund value shall not be less than five cents and shall
3599 be a uniform amount throughout the distribution process in this state.

3600 (3) Every miniature that is sold or offered for sale in this state shall
3601 have a refund value, except for miniatures that are (A) sold or offered
3602 for sale for consumption on an interstate passenger carrier, or (B) that
3603 comprise any dealer's existing inventory as of September 30, 2019.
3604 Such refund value shall not be less than five cents and shall be a
3605 uniform amount throughout the distribution process in this state.

3606 (4) Every beverage container of greater than fifty milliliters but less
3607 than two liters that contains an alcoholic beverage that is sold or
3608 offered for sale in this state shall have a refund value, except for such
3609 beverage containers that are (A) sold or offered for sale for
3610 consumption on an interstate passenger carrier, or (B) that comprise
3611 any dealer's existing inventory as of September 30, 2019. Such refund
3612 value shall not be less than twenty-five cents and shall be a uniform
3613 amount throughout the distribution process in this state.

3614 (b) Every beverage container sold or offered for sale in this state,
3615 that has a refund value pursuant to subsection (a) of this section, shall
3616 clearly indicate by embossing or by a stamp or by a label or other
3617 method securely affixed to the beverage container (1) either the refund
3618 value of the container or the words "return for deposit" or "return for
3619 refund" or other words as approved by the Department of Energy and
3620 Environmental Protection, and (2) either the word "Connecticut" or the
3621 abbreviation "Ct.", provided this subdivision shall not apply to glass
3622 beverage containers permanently marked or embossed with a brand
3623 name.

3624 (c) No person shall sell or offer for sale in this state any metal

3625 beverage container (1) a part of which is designed to be detached in
3626 order to open such container, or (2) that is connected to another
3627 beverage container by a device constructed of a material which does
3628 not decompose by photodegradation, chemical degradation or
3629 biodegradation within a reasonable time after exposure to the
3630 elements.

3631 Sec. 57. Subsection (a) of section 12-541 of the general statutes is
3632 repealed and the following is substituted in lieu thereof (*Effective*
3633 *October 1, 2019*):

3634 (a) There is hereby imposed a tax of ten per cent of the admission
3635 charge to any place of amusement, entertainment or recreation, except
3636 that no tax shall be imposed with respect to any admission charge (1)
3637 when the admission charge is less than one dollar or, in the case of any
3638 motion picture show, when the admission charge is not more than five
3639 dollars, (2) when a daily admission charge is imposed which entitles
3640 the patron to participate in an athletic or sporting activity, (3) to any
3641 event, other than events held at the stadium facility, as defined in
3642 section 32-651, if all of the proceeds from the event inure exclusively to
3643 an entity [which] that is exempt from federal income tax under the
3644 Internal Revenue Code, provided such entity actively engages in and
3645 assumes the financial risk associated with the presentation of such
3646 event, (4) to any event, other than events held at the stadium facility, as
3647 defined in section 32-651, [which] that, in the opinion of the
3648 commissioner, is conducted primarily to raise funds for an entity
3649 [which] that is exempt from federal income tax under the Internal
3650 Revenue Code, provided the commissioner is satisfied that the net
3651 profit [which] that inures to such entity from such event will exceed
3652 the amount of the admissions tax [which] that, but for this subdivision,
3653 would be imposed upon the person making such charge to such event,
3654 (5) other than for events held at the stadium facility, as defined in
3655 section 32-651, paid by centers of service for elderly persons, as
3656 described in section 17a-310, (6) to any production featuring live
3657 performances by actors or musicians presented at Gateway's

3658 Candlewood Playhouse, Ocean Beach Park or any nonprofit theater or
3659 playhouse in the state, provided such theater or playhouse possesses
3660 evidence confirming exemption from federal tax under Section 501 of
3661 the Internal Revenue Code, (7) to any carnival or amusement ride, (8)
3662 to any interscholastic athletic event held at the stadium facility, as
3663 defined in section 32-651, or (9) if the admission charge would have
3664 been subject to tax under the provisions of section 12-542 of the general
3665 statutes, revision of 1958, revised to January 1, 1999. On and after [July
3666 1, 2000] October 1, 2019, the tax imposed under this section on any
3667 motion picture show shall be [eight] six and thirty-five-hundredths per
3668 cent of the admission charge. [and, on and after July 1, 2001, the tax
3669 imposed on any such motion picture show shall be six per cent of such
3670 charge.]

3671 Sec. 58. (NEW) (*Effective from passage*) (a) As used in this section:

3672 (1) (A) "Caloric sweetener" means sugar or any form of sugar-based
3673 substance, including, but not limited to, sucrose, fructose, glucose,
3674 high-fructose corn syrup, honey or maple syrup, that adds calories to a
3675 beverage;

3676 (B) "Caloric sweetener" does not include a sugar substitute, an
3677 artificial sweetener approved by the federal Food and Drug
3678 Administration or a nonnutritive sweetener, including, but not limited
3679 to, aspartame, saccharin, stevia or sucralose, that does not add calories
3680 to a beverage;

3681 (2) "Milk" means a fluid dairy or nondairy beverage from an animal
3682 or a plant source and includes natural milk concentrate, whether or not
3683 reconstituted, and milk powder or evaporated milk, whether or not
3684 reconstituted;

3685 (3) "Nonalcoholic beverage" means any beverage that contains less
3686 than one-half of one per cent of alcohol by volume;

3687 (4) "Person" has the same meaning as provided in section 12-1 of the

3688 general statutes;

3689 (5) "Retailer" has the same meaning as described in section 12-407 of
3690 the general statutes, as amended by this act; and

3691 (6) (A) "Sweetened beverage" means any carbonated or
3692 noncarbonated nonalcoholic beverage that (i) is intended for human
3693 consumption, (ii) is ready for consumption without further processing
3694 such as dilution or carbonation, and (iii) contains added caloric
3695 sweetener;

3696 (B) "Sweetened beverage" does not include (i) milk or any beverage
3697 in which milk is the primary ingredient or is the first listed ingredient,
3698 regardless of sugar content, (ii) dairy or nondairy creamer, regardless
3699 of sugar content, (iii) any beverage that is one hundred per cent juice,
3700 (iv) infant formula, (v) medical food, as defined in 21 USC 360ee, as
3701 amended from time to time, (vi) any product in liquid form that is (I)
3702 designed as oral nutrition therapy for individuals who may have a
3703 limited ability to absorb or metabolize dietary nutrients from
3704 traditional food or beverages, or (II) an oral rehydration electrolyte
3705 solution to prevent or treat dehydration, (vii) any product sold in
3706 liquid form that is designed as supplemental, meal replacement or
3707 sole-source nutrition and includes proteins, carbohydrates and
3708 multiple vitamins and minerals, (viii) any product sold in liquid form
3709 that is designed for use for weight reduction, or (ix) any freshly
3710 prepared coffee or tea beverage that is sold by a retailer for immediate
3711 consumption.

3712 (b) On and after July 1, 2020, there is imposed a tax on the sale of
3713 any sweetened beverage sold by a retailer to a consumer within the
3714 state at the rate of one and one-half cent per ounce of such beverage.
3715 Such tax shall be in addition to any other tax applicable to such sale
3716 and shall be included, for purposes of chapter 219 of the general
3717 statutes, in the calculation of gross receipts. Each retailer shall collect
3718 from the consumer the full amount of the tax imposed by this

3719 subsection.

3720 (c) (1) Each retailer shall (A) file a return electronically with the
3721 Commissioner of Revenue Services, on or before the last day of each
3722 month, setting forth the amount of tax due for the preceding month
3723 and such additional information as the commissioner may require, and
3724 (B) make payment of the tax required under subsection (b) of this
3725 section by electronic funds transfer in the manner provided by chapter
3726 228g of the general statutes.

3727 (2) The commissioner may permit or require a retailer to file returns
3728 or remit the tax on other than a monthly basis if the commissioner
3729 deems it necessary to ensure payment or facilitate collection of the tax.

3730 (d) The tax due under this section shall be subject to the penalties
3731 and interest established under section 12-547 of the general statutes
3732 and the amount of such tax, penalty or interest, due and unpaid, may
3733 be collected under the provisions of section 12-35 of the general
3734 statutes.

3735 (e) Subject to the provisions of section 12-3a of the general statutes,
3736 the commissioner may waive all or part of the penalties provided
3737 under this section when it is proven to the commissioner's satisfaction
3738 that the failure to remit the tax was due to reasonable cause and was
3739 not intentional or due to neglect.

3740 (f) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and
3741 12-555a of the general statutes shall apply to the provisions of this
3742 section in the same manner and with the same force and effect as if the
3743 language of said sections had been incorporated in full into this section
3744 and had expressly referred to the fee imposed under this section,
3745 except to the extent that any such provision is inconsistent with a
3746 provision of this section.

3747 (g) The commissioner may adopt regulations in accordance with the
3748 provisions of chapter 54 of the general statutes, and make rulings, not

3749 inconsistent with law, to carry into effect the provisions of this section,
3750 which regulations or rulings, when reasonably designed to carry out
3751 the intent and purpose of this section, shall be prima facie evidence of
3752 its proper interpretation.

3753 (h) At the close of each fiscal year commencing with the fiscal year
3754 ending June 30, 2021, the Comptroller is authorized to record as
3755 revenue for such fiscal year the amount of the tax imposed under the
3756 provisions of this section that is received by the commissioner not later
3757 than five business days from the last day of July immediately
3758 following the end of such fiscal year.

3759 Sec. 59. (*Effective from passage*) The Secretary of the Office of Policy
3760 and Management, in consultation with the Commissioners of Public
3761 Health and Revenue Services, shall conduct a study to define "junk
3762 food" and examine the administrative feasibility of imposing a tax on
3763 such junk food. Not later than January 1, 2020, the secretary shall
3764 submit a report, in accordance with the provisions of section 11-4a of
3765 the general statutes, of the results of such study to the joint standing
3766 committees of the General Assembly having cognizance of matters
3767 relating to public health and finance and revenue.

3768 Sec. 60. (NEW) (*Effective October 1, 2019*) (a) As used in this section:

3769 (1) "Single-use checkout bag" means a plastic bag with a thickness of
3770 less than four mils that is provided by a store to a customer at the point
3771 of sale. "Single-use checkout bag" does not include: (A) A compostable
3772 plastic bag; (B) a bag provided to contain meat, seafood, loose produce
3773 or other unwrapped food items; (C) a newspaper bag; or (D) a laundry
3774 or dry cleaning bag;

3775 (2) "Compostable plastic bag" means a plastic bag that (A) conforms
3776 to the American Society of Testing Materials (ASTM) standard D6400;
3777 (B) is certified and labeled as meeting the ASTM standard D6400
3778 standard specification by a recognized verification entity; and (C) is
3779 capable of undergoing biological decomposition in a compost site such

3780 that the material breaks down into carbon dioxide, water, inorganic
3781 compounds and biomass at a rate consistent with known compostable
3782 materials; and

3783 (3) "Store" means any retailer, as defined in section 12-407 of the
3784 general statutes, as amended by this act, that maintains a retail store
3785 within the state and sells tangible personal property directly to the
3786 public.

3787 (b) Each store shall charge a fee of ten cents for each single-use
3788 checkout bag provided to a customer at the point of sale. The store
3789 shall indicate the number of single-use checkout bags provided and
3790 the total amount of the fee charged on any transaction receipt provided
3791 to a customer. Any fees collected pursuant to this subsection shall be
3792 excluded from gross receipts under chapter 219 of the general statutes.

3793 (c) Each store shall report all fees collected pursuant to subsection
3794 (b) of this section to the Commissioner of Revenue Services with its
3795 return due under section 12-414 of the general statutes and remit
3796 payment at the same time and in the same form and manner required
3797 under 12-414 of the general statutes.

3798 (d) Any fees due and unpaid under this section shall be subject to
3799 the penalties and interest established under section 12-419 of the
3800 general statutes and the amount of such fee, penalty or interest, due
3801 and unpaid, may be collected under the provisions of section 12-35 of
3802 the general statutes as if they were taxes due to the state.

3803 (e) The provisions of sections 12-415, 12-416 and 12-421 to 12-428,
3804 inclusive, of the general statutes shall apply to the provisions of this
3805 section in the same manner and with the same force and effect as if the
3806 language of said sections had been incorporated in full into this section
3807 and had expressly referred to the fee imposed under this section,
3808 except to the extent that any such provision is inconsistent with a
3809 provision of this section.

3810 (f) The Commissioner of Revenue Services, in consultation with the
3811 Commissioner of Energy and Environmental Protection, may adopt
3812 regulations in accordance with the provisions of chapter 54 of the
3813 general statutes, to carry out the provisions of this section.

3814 (g) At the close of each fiscal year commencing with the fiscal year
3815 ending June 30, 2020, the Comptroller is authorized to record as
3816 revenue for such fiscal year the amount of the fee imposed under the
3817 provisions of this section that is received by the Commissioner of
3818 Revenue Services not later than five business days from the last day of
3819 July immediately following the end of such fiscal year.

3820 Sec. 61. Subsection (a) of section 34-38n of the general statutes is
3821 repealed and the following is substituted in lieu thereof (*Effective July*
3822 *1, 2019*):

3823 (a) The Secretary of the State shall receive, for filing any document
3824 or certificate required to be filed under sections 34-10, 34-13a, 34-13e,
3825 34-32, 34-32a, 34-32c, 34-38g and 34-38s, the following fees: (1) For
3826 reservation or cancellation of reservation of name, sixty dollars; (2) for
3827 a certificate of limited partnership and appointment of statutory agent,
3828 one hundred twenty dollars; (3) for a certificate of amendment, one
3829 hundred twenty dollars; (4) for a certificate of merger or consolidation,
3830 sixty dollars; (5) for a certificate of registration, one hundred twenty
3831 dollars; (6) for a change of agent or change of address of agent, twenty
3832 dollars; (7) for a certificate of reinstatement, one hundred twenty
3833 dollars; and (8) for an annual report, [~~twenty~~] one hundred dollars.

3834 Sec. 62. Subsection (a) of section 34-243u of the general statutes is
3835 repealed and the following is substituted in lieu thereof (*Effective July*
3836 *1, 2019*):

3837 (a) Fees for filing documents and issuing certificates: (1) Filing an
3838 application to reserve a limited liability company name or to cancel a
3839 reserved limited liability company name, sixty dollars; (2) filing a
3840 transfer of reserved limited liability company name, sixty dollars; (3)

3841 filing a certificate of organization, including appointment of registered
3842 agent, one hundred twenty dollars; (4) filing a change of address of
3843 agent certificate or change of agent certificate, fifty dollars; (5) filing a
3844 notice of resignation of registered agent, fifty dollars; (6) filing an
3845 amendment to certificate of organization, one hundred twenty dollars;
3846 (7) filing a restated certificate of organization, one hundred twenty
3847 dollars; (8) filing a certificate of merger, sixty dollars; (9) filing a
3848 certificate of interest exchange, sixty dollars; (10) filing a certificate of
3849 abandonment, fifty dollars; (11) filing a certificate of reinstatement, one
3850 hundred twenty dollars; (12) filing a foreign registration certificate by a
3851 foreign limited liability company to transact business in this state, one
3852 hundred twenty dollars; (13) filing an application of foreign limited
3853 liability company for amended foreign registration certificate, one
3854 hundred twenty dollars; (14) filing a certificate of withdrawal of
3855 registration under section 34-275h, one hundred twenty dollars; (15)
3856 filing an annual report, [twenty] one hundred dollars; (16) filing an
3857 interim notice of change of manager or member, twenty dollars; (17)
3858 filing a registration of name or a renewal of registration of name, sixty
3859 dollars; (18) filing a statement of correction, one hundred dollars; and
3860 (19) filing a transfer of registration, sixty dollars plus the qualification
3861 fee.

3862 Sec. 63. Subsection (a) of section 34-413 of the general statutes is
3863 repealed and the following is substituted in lieu thereof (*Effective July*
3864 *1, 2019*):

3865 (a) Fees for filing documents and processing certificates: (1) Filing
3866 application to reserve a registered limited liability partnership name or
3867 to cancel a reserved limited liability partnership name, sixty dollars; (2)
3868 filing transfer of reserved registered limited liability partnership name,
3869 sixty dollars; (3) filing change of address of statutory agent or change
3870 of statutory agent, fifty dollars; (4) filing certificate of limited liability
3871 partnership, one hundred twenty dollars; (5) filing amendment to
3872 certificate of limited liability partnership, one hundred twenty dollars;
3873 (6) filing certificate of authority to transact business in this state,

3874 including appointment of statutory agent, one hundred twenty dollars;
3875 (7) filing amendment to certificate of authority to transact business in
3876 this state, one hundred twenty dollars; (8) filing an annual report,
3877 [twenty] one hundred dollars; (9) filing statement of merger, sixty
3878 dollars; and (10) filing certificate of reinstatement, one hundred twenty
3879 dollars.

3880 Sec. 64. Subsection (a) of section 19a-7p of the general statutes is
3881 repealed and the following is substituted in lieu thereof (*Effective July*
3882 *1, 2019*):

3883 (a) Not later than September first, annually, the Secretary of the
3884 Office of Policy and Management, in consultation with the
3885 Commissioner of Public Health, shall (1) determine the amounts
3886 appropriated for the syringe services program, children's health
3887 initiatives, AIDS services, breast and cervical cancer detection and
3888 treatment, x-ray screening and tuberculosis care, and sexually
3889 transmitted disease control; and (2) inform the Insurance
3890 Commissioner of such amounts.

3891 Sec. 65. (*Effective July 1, 2019*) Not later than June 30, 2020, the
3892 Comptroller may transfer up to \$20,000,000 of the resources of the
3893 Special Transportation Fund for the fiscal year ending June 30, 2020, to
3894 be accounted for as revenue of the Special Transportation Fund for the
3895 fiscal year ending June 30, 2021.

3896 Sec. 66. Subdivision (1) of subsection (a) of section 12-217 of the
3897 general statutes is repealed and the following is substituted in lieu
3898 thereof (*Effective from passage*):

3899 (a) (1) In arriving at net income as defined in section 12-213, whether
3900 or not the taxpayer is taxable under the federal corporation net income
3901 tax, there shall be deducted from gross income, (A) all items deductible
3902 under the Internal Revenue Code effective and in force on the last day
3903 of the income year except (i) any taxes imposed under the provisions
3904 of this chapter which are paid or accrued in the income year and in the

3905 income year commencing January 1, 1989, and thereafter, any taxes in
3906 any state of the United States or any political subdivision of such state,
3907 or the District of Columbia, imposed on or measured by the income or
3908 profits of a corporation which are paid or accrued in the income year,
3909 (ii) deductions for depreciation, which shall be allowed as provided in
3910 subsection (b) of this section, (iii) deductions for qualified domestic
3911 production activities income, as provided in Section 199 of the Internal
3912 Revenue Code, and (iv) in the case of any captive real estate
3913 investment trust, the deduction for dividends paid provided under
3914 Section 857(b)(2) of the Internal Revenue Code, and (B) additionally, in
3915 the case of a regulated investment company, the sum of (i) the exempt-
3916 interest dividends, as defined in the Internal Revenue Code, and (ii)
3917 expenses, bond premium, and interest related to tax-exempt income
3918 that are disallowed as deductions under the Internal Revenue Code,
3919 and (C) in the case of a taxpayer maintaining an international banking
3920 facility as defined in the laws of the United States or the regulations of
3921 the Board of Governors of the Federal Reserve System, as either may
3922 be amended from time to time, the gross income attributable to the
3923 international banking facility, provided, no expense or loss attributable
3924 to the international banking facility shall be a deduction under any
3925 provision of this section, and (D) additionally, in the case of all
3926 taxpayers, all dividends as defined in the Internal Revenue Code
3927 effective and in force on the last day of the income year not otherwise
3928 deducted from gross income, including dividends received from a
3929 DISC or former DISC as defined in Section 992 of the Internal Revenue
3930 Code and dividends deemed to have been distributed by a DISC or
3931 former DISC as provided in Section 995 of said Internal Revenue Code,
3932 other than thirty per cent of dividends received from a domestic
3933 corporation in which the taxpayer owns less than twenty per cent of
3934 the total voting power and value of the stock of such corporation, and
3935 (E) additionally, in the case of all taxpayers, the value of any capital
3936 gain realized from the sale of any land, or interest in land, to the state,
3937 any political subdivision of the state, or to any nonprofit land
3938 conservation organization where such land is to be permanently

3939 preserved as protected open space or to a water company, as defined
 3940 in section 25-32a, where such land is to be permanently preserved as
 3941 protected open space or as Class I or Class II water company land, and
 3942 (F) in the case of manufacturers, the amount of any contribution to a
 3943 manufacturing reinvestment account established pursuant to section
 3944 32-9zz in the income year that such contribution is made to the extent
 3945 not deductible for federal income tax purposes, [(G) additionally, to
 3946 the extent allowable under subsection (g) of section 32-776, the amount
 3947 paid by a 7/7 participant, as defined in section 32-776, for the
 3948 remediation of a brownfield,] and [(H)] (G) the amount of any
 3949 contribution made on or after December 23, 2017, by the state of
 3950 Connecticut or a political subdivision thereof to the extent included in
 3951 a company's gross income under Section 118(b)(2) of the Internal
 3952 Revenue Code.

3953 Sec. 67. Sections 12-704f and 32-776 of the general statutes are
 3954 repealed. (*Effective from passage and applicable to taxable years commencing*
 3955 *on or after January 1, 2019*)

3956 Sec. 68. Section 12-407e of the general statutes is repealed. (*Effective*
 3957 *July 1, 2019*)

3958 Sec. 69. Subdivisions (91), (96), (102), (105), (108), (109), (114) and
 3959 (121) of section 12-412 of the general statutes are repealed. (*Effective*
 3960 *January 1, 2020*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to taxable years commencing on or after January 1, 2023</i>	New section
Sec. 2	<i>from passage</i>	12-704c

Sec. 3	<i>from passage and applicable to taxable years commencing on or after January 1, 2019</i>	12-701(a)(20)(B)
Sec. 4	<i>from passage</i>	12-701
Sec. 5	<i>from passage and applicable to income years commencing on or after January 1, 2019</i>	12-214(b)(8)
Sec. 6	<i>from passage</i>	12-214
Sec. 7	<i>from passage and applicable to taxable years commencing on or after January 1, 2019</i>	12-284b(b)
Sec. 8	<i>from passage and applicable to taxable years commencing on or after January 1, 2019</i>	12-217jj(e)(2)
Sec. 9	<i>from passage and applicable to gifts made on or after January 1, 2019</i>	12-640
Sec. 10	<i>from passage</i>	12-642
Sec. 11	<i>from passage and applicable to estates of decedents dying on or after January 1, 2019</i>	12-643(3)
Sec. 12	<i>from passage and applicable to estates of decedents dying on or after January 1, 2019</i>	12-391(a) to (e)
Sec. 13	<i>from passage and applicable to estates of decedents dying on or after January 1, 2019</i>	12-392(a) and (b)
Sec. 14	<i>July 1, 2019, and applicable to sales occurring on or after July 1, 2019</i>	12-408(1)

Sec. 15	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-408(1)
Sec. 16	<i>July 1, 2019, and applicable to sales occurring on or after July 1, 2019</i>	12-411(1)
Sec. 17	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-411(1)
Sec. 18	<i>October 1, 2019, and applicable to sales occurring on or after October 1, 2019</i>	12-407(a)(2)(M)
Sec. 19	<i>October 1, 2019, and applicable to sales occurring on or after October 1, 2019</i>	12-407(a)(13)
Sec. 20	<i>October 1, 2019, and applicable to sales occurring on or after October 1, 2019</i>	12-407(a)
Sec. 21	<i>October 1, 2019, and applicable to sales occurring on or after October 1, 2019</i>	12-407(a)(37)(A)
Sec. 22	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(37)
Sec. 23	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(2)(H)
Sec. 24	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(3)(A)

Sec. 25	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(7)
Sec. 26	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(8)(A)
Sec. 27	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(9)(A)
Sec. 28	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(15)(A)
Sec. 29	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-407(a)(18) and (19)
Sec. 30	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-412(120)
Sec. 31	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-412(123)
Sec. 32	<i>January 1, 2020, and applicable to sales occurring on or after January 1, 2020</i>	12-412
Sec. 33	<i>July 1, 2019, and applicable to sales occurring on or after July 1, 2019</i>	12-430(4)
Sec. 34	<i>July 1, 2019</i>	4-66o
Sec. 35	<i>from passage</i>	12-263p
Sec. 36	<i>from passage</i>	12-263q
Sec. 37	<i>from passage</i>	12-263r(a)
Sec. 38	<i>from passage</i>	12-263i

Sec. 39	<i>July 1, 2019, and applicable to conveyances occurring on or after July 1, 2019</i>	12-494(b)
Sec. 40	<i>from passage and applicable to taxable years commencing on or after January 1, 2019</i>	12-217n(d)
Sec. 41	<i>from passage and applicable to income years commencing on or after January 1, 2019</i>	12-217zz(a)
Sec. 42	<i>from passage and applicable to quarterly periods commencing on or after July 1, 2019</i>	New section
Sec. 43	<i>from passage and applicable to quarterly periods commencing on or after July 1, 2019</i>	New section
Sec. 44	<i>from passage and applicable to quarterly periods commencing on or after July 1, 2019</i>	New section
Sec. 45	<i>July 1, 2019</i>	12-264(a)
Sec. 46	<i>October 1, 2019, and applicable to sales occurring on or after October 1, 2019</i>	New section
Sec. 47	<i>October 1, 2019</i>	12-286a(a)
Sec. 48	<i>October 1, 2019</i>	12-295(a)
Sec. 49	<i>October 1, 2019</i>	12-295a(a)
Sec. 50	<i>October 1, 2019</i>	12-314a
Sec. 51	<i>October 1, 2019</i>	53-344
Sec. 52	<i>October 1, 2019</i>	53-344b
Sec. 53	<i>October 1, 2019</i>	21a-416
Sec. 54	<i>July 1, 2019</i>	12-435
Sec. 55	<i>October 1, 2019</i>	22a-243
Sec. 56	<i>October 1, 2019</i>	22a-244
Sec. 57	<i>October 1, 2019</i>	12-541(a)
Sec. 58	<i>from passage</i>	New section

Sec. 59	<i>from passage</i>	New section
Sec. 60	<i>October 1, 2019</i>	New section
Sec. 61	<i>July 1, 2019</i>	34-38n(a)
Sec. 62	<i>July 1, 2019</i>	34-243u(a)
Sec. 63	<i>July 1, 2019</i>	34-413(a)
Sec. 64	<i>July 1, 2019</i>	19a-7p(a)
Sec. 65	<i>July 1, 2019</i>	New section
Sec. 66	<i>from passage</i>	12-217(a)(1)
Sec. 67	<i>from passage and applicable to taxable years commencing on or after January 1, 2019</i>	Repealer section
Sec. 68	<i>July 1, 2019</i>	Repealer section
Sec. 69	<i>January 1, 2020</i>	Repealer section

Statement of Purpose:

To implement the Governor's budget recommendations.

[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.]