Offered by:
SEN. BERGSTEIN, 36th Dist.
SEN. MARONEY, 14th Dist.
SEN. HASKELL, 26th Dist.

To: Senate Bill No. 72 File No. 256 Cal. No. 139

(As Amended)

"AN ACT ESTABLISHING A TAX CREDIT FOR EMPLOYERS THAT MAKE PAYMENTS ON LOANS ISSUED TO CERTAIN EMPLOYEES BY THE CONNECTICUT HIGHER EDUCATION SUPPLEMENTAL LOAN AUTHORITY."

1 Strike everything after the enacting clause and substitute the following in lieu thereof:

"Section 1. (NEW) (Effective January 1, 2022, and applicable to income years commencing on or after January 1, 2022) (a) As used in this section:

(1) "Authority" means the Connecticut Higher Education Supplemental Loan Authority;

(2) "Eligible education loan" means a loan issued by the authority to an individual to refinance one or more student loans;
(3) "Full-time" means required to work at least thirty-five hours per week;

(4) "Qualified employee" means an individual who (A) is a resident of the state, (B) has earned his or her first bachelor's degree from an institution of higher education in the immediately preceding five-year period, (C) is employed full-time in the state by a qualified employer, (D) is not an owner, member or partner of such qualified employer or a family member of an owner, member or partner of such qualified employer, and (E) has received an eligible education loan;

(5) "Qualified employer" means a corporation licensed to operate a business in the state that is subject to tax under chapter 207 or 208 of the general statutes; and

(6) "Student loan" means any loan in repayment that was issued by (A) the authority, or (B) any other private or governmental lender to finance attendance at an institution of higher education.

(b) (1) For income years commencing on and after January 1, 2022, each qualified employer that employs a qualified employee and makes a payment directly to the authority on an eligible education loan on behalf of such qualified employee may claim a credit against the tax imposed under chapter 207 or 208 of the general statutes. Such credit shall be granted in an amount equal to fifty per cent of the amount of payments made to the outstanding principal balance of such loans by the qualified employer during the income year, provided (A) the credit shall not be allowed against the tax imposed under chapters 207 and 208 of the general statutes for the same loan payment, and (B) the amount of credit allowed for any income year with respect to a specific qualified employee shall not exceed two thousand six hundred twenty-five dollars.

(2) A qualified employer may claim the credit under subdivision (1) of this subsection for a payment made during the part of the income year the qualified employee worked and resided in the state, provided a qualified employee who worked and resided in the state for any part
of a month shall be deemed to have worked and resided in the state for
the entire month for purposes of this section.

(c) A qualified employer that claims the credit under subsection (b)
of this section shall provide any documentation required by the
Commissioner of Revenue Services in a form and manner prescribed
by the commissioner."

This act shall take effect as follows and shall amend the following
sections:

| Section 1 | January 1, 2022, and applicable to income years commencing on or after January 1, 2022 | New section |