

OFFICE OF FISCAL ANALYSIS

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sHB-6440

AN ACT ESTABLISHING THE JOBSCT TAX REBATE PROGRAM.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 22 \$	FY 23 \$
Department of Revenue Services	GF - Cost	None	None
Department of Revenue Services	GF - Revenue Loss	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill establishes a tax rebate program for certain industries to be administered by the Department of Economic and Community Development. Participants in the new program may earn rebates against the insurance premiums, corporation business, and pass-through entity taxes for reaching certain job creation targets. The bill sets a \$40 million aggregate, annual cap on the program.

The bill results in a one-time cost of less than \$100,000 in FY 24 to the Department of Revenue Services associated with updates to the online Taxpayer Service Center to allow pass-through entities to claim the rebate on their tax forms (there are currently no credits or rebates allowed against the pass-through entity tax).

It is anticipated the Department of Economic and Community Development would not require additional resources to administer the program.

The Out Years

Primary Analyst: MM
Contributing Analyst(s): CW, EW
Reviewer: CW

3/31/21

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$	FY 26 \$
Department of Revenue Services (DRS16000)	GF - Cost	100,000	None	None
Department of Revenue Services (DRS16000)	GF - Revenue Loss	up to \$40 million	up to \$40 million	up to \$40 million

Note: GF=General Fund

Municipal Impact: None