



General Assembly

January Session, 2021

**Proposed Bill No. 5865**

LCO No. 1848



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:

REP. ELLIOTT, 88<sup>th</sup> Dist.  
REP. HUGHES, 135<sup>th</sup> Dist.  
REP. JOHNSON, 49<sup>th</sup> Dist.  
REP. CANDELARIA, 95<sup>th</sup> Dist.  
REP. TURCO, 27<sup>th</sup> Dist.  
REP. GODFREY, 110<sup>th</sup> Dist.

REP. WINKLER, 56<sup>th</sup> Dist.  
REP. LEMAR, 96<sup>th</sup> Dist.  
REP. ZIOGAS, 79<sup>th</sup> Dist.  
REP. PHIPPS, 100<sup>th</sup> Dist.  
SEN. LOPES, 6<sup>th</sup> Dist.

**AN ACT CONCERNING THE TAX TREATMENT OF INVESTMENT FUND NET PROFITS ATTRIBUTABLE TO CERTAIN INVESTMENT MANAGEMENT SERVICES.**

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

- 1 That the general statutes be amended to specify that net profits of
- 2 investment funds attributable to certain investment management
- 3 services performed by fund managers shall be treated as ordinary
- 4 income subject to the corporation business and personal income taxes,
- 5 rather than as investment profits subject to the capital gains tax.

**Statement of Purpose:**

To specify that net profits of investment funds attributable to certain investment management services performed by fund managers be treated as ordinary income subject to the corporation business and

personal income taxes, rather than as investment profits subject to the capital gains tax.