



General Assembly

January Session, 2021

Governor's Bill No. 6443

LCO No. 3267



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:

Request of the Governor Pursuant to Joint Rule 9

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. Section 1-1j of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2022*):

3 (a) Each state agency, as defined in section 4-166, shall accept
4 payment in cash or by check, draft or money order for any license issued
5 by such agency pursuant to the provisions of the general statutes.

6 (b) Except as [otherwise] provided by any other provision of the
7 general statutes, the Secretary of the Office of Policy and Management
8 may authorize any state agency [(1)] to accept payment of any fee, cost
9 or fine payable to such agency by means of a credit card, charge card or
10 debit card [,] or an electronic payment service, [and (2) to charge a
11 service fee for any such payment made by credit card, charge card or
12 debit card or an electronic payment service] provided each state agency
13 that accepts payment by means of a credit card, charge card or debit

14 card shall charge the payor using such card a service fee, except that
15 such service fee may be waived by such state agency for a category of
16 fee, cost or fine, if such waiver has been approved by said secretary.
17 [Such]

18 (c) (1) Any service fee imposed pursuant to subsection (b) of this
19 section shall [be (A) related to] (A) be for the purpose of defraying the
20 cost of service, (B) [uniform for all credit cards, charge cards and debit
21 cards accepted] not exceed any charge by the credit card, charge card or
22 debit card issuer or processor, including any discount rate, and (C) be
23 applied only when allowed by the operating rules and regulations of the
24 credit card, charge card or debit card issuer or processor involved or
25 when authorized in writing by such issuer or processor.

26 (2) Each state agency that charges a service fee pursuant to this
27 section or any other provision of the general statutes shall disclose such
28 service fee to a payor prior to the imposition of such service fee. Such
29 disclosure shall be made in accordance with any requirements for
30 disclosure set forth by the card issuer or processor.

31 (d) Payments by credit card, charge card, debit card or an electronic
32 payment service shall be made at such times and under such conditions
33 as the secretary may prescribe in regulations adopted in accordance
34 with the provisions of chapter 54.

35 (e) Payment of a fee, cost or fine, and any applicable service fee, by
36 credit card, charge card, debit card or an electronic payment service
37 shall constitute full payment of such fee, cost, fine or service fee,
38 regardless of any discount applied by a credit card company.

39 Sec. 2. Subsection (g) of section 3-99a of the general statutes is
40 repealed and the following is substituted in lieu thereof (*Effective July 1,*
41 *2022*):

42 (g) The Secretary of the State may allow remittances to be in the form
43 of a credit card account number and an authorization to draw upon a
44 specified credit card account, at such time and under such conditions as

45 the Secretary may prescribe. Remittances in the form of an authorization
46 to draw upon a specified credit card account shall include an amount
47 for purposes of paying the discount rate associated with drawing upon
48 the credit card account, unless the remittances are drawn on an account
49 with a financial institution that agrees to add the number to the credit
50 card holder's billing, in which event the remittances drawn shall not
51 include an amount for purposes of paying the discount rate associated
52 with the drawing upon the credit card account.

53 Sec. 3. Section 14-11i of the general statutes is repealed and the
54 following is substituted in lieu thereof (*Effective July 1, 2022*):

55 The Commissioner of Motor Vehicles may allow the payment of any
56 fee specified in this chapter or chapter 247 by means of a credit card and
57 ~~[may]~~ shall charge each payor a service fee for any payment made by
58 means of a credit card. The fee shall not exceed any charge by the credit
59 card issuer or by its authorized agent, including any discount rate.
60 Payments by credit card shall be made under such conditions as the
61 commissioner may prescribe, except that the commissioner shall
62 determine the rate or amount of the service fee for any such credit card
63 in accordance with subsection (c) of section 1-1j, as amended by this act.
64 Such service fee may be waived by the commissioner for a category of
65 fee if such waiver has been approved by the Secretary of the Office of
66 Policy and Management pursuant to subsection (b) of section 1-1j, as
67 amended by this act. If any charge with respect to payment of a fee by
68 means of a credit card is not authorized by such issuer or its authorized
69 agent, the commissioner shall assess the payor the fee specified in
70 subsection (f) of section 14-50.

71 Sec. 4. Subsection (g) of section 19a-88 of the general statutes is
72 repealed and the following is substituted in lieu thereof (*Effective July 1,*
73 *2022*):

74 (g) (1) The Department of Public Health shall administer a secure on-
75 line license renewal system for persons holding a license to practice
76 medicine or surgery under chapter 370, dentistry under chapter 379,

77 nursing under chapter 378 or nurse-midwifery under chapter 377. The
78 department shall require such persons to renew their licenses using the
79 on-line renewal system and to pay professional services fees on-line by
80 means of a credit card or electronic transfer of funds from a bank or
81 credit union account, except in extenuating circumstances, including,
82 but not limited to, circumstances in which a licensee does not have
83 access to a credit card and submits a notarized affidavit affirming that
84 fact, the department may allow the licensee to renew his or her license
85 using a paper form prescribed by the department and pay professional
86 service fees by check or money order.

87 (2) The department shall charge a service fee for each payment made
88 by means of a credit card. The Commissioner of Public Health shall
89 determine the rate or amount of the service fee for any such credit card
90 in accordance with subsection (c) of section 1-1j, as amended by this act.
91 Such service fee may be waived by the commissioner for a category of
92 fee if such waiver has been approved by the Secretary of the Office of
93 Policy and Management pursuant to subsection (b) of section 1-1j, as
94 amended by this act.

95 Sec. 5. Section 45a-113b of the general statutes is repealed and the
96 following is substituted in lieu thereof (*Effective July 1, 2022*):

97 Each [court of probate] Probate Court may allow the payment of any
98 fees charged by such court by means of a credit card, charge card or
99 debit card. [and may] Such court shall charge the person making such
100 payment a service fee for any such payment made by means of any such
101 card. The fee shall not exceed any charge by the card issuer, including
102 any discount rate. The Probate Court Administrator shall determine the
103 rate or amount of the service fee for any such card in accordance with
104 subsection (c) of section 1-1j, as amended by this act.

105 Sec. 6. Section 51-193b of the general statutes is repealed and the
106 following is substituted in lieu thereof (*Effective July 1, 2022*):

107 Payment of any fees, costs, fines or other charges to the Judicial
108 Branch may be made by means of a credit card [,] and the payor [may]

109 shall be charged a service fee for any such payment made by means of
110 a credit card. The service fee shall not exceed any charge by the credit
111 card issuer, including any discount rate. Payments by credit card shall
112 be made at such time and under such conditions as the Office of the
113 Chief Court Administrator may prescribe, except that the Chief Court
114 Administrator shall determine the rate or amount of the service fee for
115 any such card in accordance with subsection (c) of section 1-1j, as
116 amended by this act.

117 Sec. 7. (NEW) (*Effective from passage*) (a) As used in this section,
118 "lottery draw game" means any game in which one or more numbers,
119 letters or symbols are randomly drawn at predetermined times, not to
120 exceed four times per day, from a range of numbers, letters or symbols,
121 and prizes are paid to players possessing winning plays, as set forth in
122 each game's official game rules. "Lottery draw game" does not include
123 keno, as defined in section 12-801 of the general statutes.

124 (b) The Connecticut Lottery Corporation shall establish a program to
125 sell lottery tickets for lottery draw games through the corporation's
126 Internet web site, online service or mobile application. The program
127 shall, at a minimum:

128 (1) Verify that a person who establishes an online lottery account to
129 purchase a lottery ticket through such program is eighteen years of age
130 or older and is located in the state;

131 (2) Restrict the sale of lottery tickets to transactions initiated and
132 received within the state;

133 (3) Allow a person to establish an online lottery account and use a
134 credit card, debit card or verified bank account to purchase lottery
135 tickets through such account;

136 (4) Limit a person with an online lottery account to using only one
137 debit card or credit card;

138 (5) Provide that any money in an online lottery account belongs solely

139 to the owner of the account and may be withdrawn by the owner;

140 (6) Establish a voluntary self-exclusion process to allow a person to
141 exclude himself or herself from establishing an online lottery account or
142 purchasing a lottery ticket through such program;

143 (7) At least every five years, be the subject of an independent review
144 for responsible play as assessed by industry standards;

145 (8) Provide responsible gambling and problem gambling
146 information;

147 (9) Limit the amount of money a person may (A) deposit into an
148 online lottery account, and (B) spend per day through such program;
149 and

150 (10) Display the results of lottery draw game drawings on the
151 corporation's Internet web site, online service or mobile application but
152 the lottery draw game drawings may not take place on the corporation's
153 Internet web site, online service or mobile application.

154 (c) (1) The Connecticut Lottery Corporation may not establish a
155 program pursuant to this section until the Commissioner of Consumer
156 Protection adopts regulations in accordance with the provisions of
157 chapter 54 of the general statutes to implement the provisions of this
158 section and assure the integrity of such program.

159 (2) The corporation shall submit to the commissioner official game
160 rules for each lottery draw game the corporation seeks to offer through
161 the program. The corporation may not offer a lottery draw game
162 through the program until the commissioner approves, in writing, the
163 official rules for such game.

164 (d) After establishing the program pursuant to this section, the
165 corporation: (1) May implement initiatives to promote the purchase of
166 lottery tickets through lottery sales agents; (2) may implement initiatives
167 to promote the purchase of both online lottery draw games and the
168 purchase of lottery tickets through lottery sales agents; and (3) shall

169 conduct a public awareness campaign to educate the public regarding
170 responsible gambling and to inform the public of the programs available
171 for the prevention, treatment and rehabilitation of compulsive gamblers
172 in the state.

173 Sec. 8. Subdivision (4) of subsection (b) of section 12-806 of the general
174 statutes is repealed and the following is substituted in lieu thereof
175 (*Effective from passage*):

176 (4) (A) To introduce new lottery games, modify existing lottery
177 games, utilize existing and new technologies, determine distribution
178 channels for the sale of lottery tickets, introduce keno pursuant to signed
179 agreements with the Mashantucket Pequot Tribe and the Mohegan
180 Tribe of Indians of Connecticut, in accordance with section 12-806c, and,
181 to the extent specifically authorized by regulations adopted by the
182 Department of Consumer Protection pursuant to chapter 54, introduce
183 instant ticket vending machines, kiosks and automated wagering
184 systems or machines, with all such rights being subject to regulatory
185 oversight by the Department of Consumer Protection; [, except that the
186 corporation shall not offer any interactive on-line lottery games,
187 including on-line video lottery games for promotional purposes;] and

188 (B) (1) To sell lottery draw games through the corporation's Internet
189 web site, online service or mobile application in accordance with section
190 7 of this act and to advertise lottery games on the corporation's Internet
191 web site, online service or mobile application; and (2) to offer interactive
192 lottery games for promotional purposes through the corporation's
193 Internet web site, online service or mobile application, provided (A)
194 there is no cost to play such interactive lottery games for promotional
195 purposes, (B) no prizes or rewards of any monetary value are awarded
196 for playing such interactive lottery games for promotional purposes,
197 and (C) no lottery ticket purchase is required to play such interactive
198 lottery games for promotional purposes. The corporation shall not offer
199 any interactive lottery game, including for promotional purposes,
200 except as expressly permitted pursuant to this subdivision;

201 Sec. 9. Subdivision (13) of subsection (b) of section 12-806 of the
202 general statutes is repealed and the following is substituted in lieu
203 thereof (*Effective from passage*):

204 (13) To pay the Office of Policy and Management to reimburse the
205 Department of Consumer Protection for the reasonable and necessary
206 costs arising from the department's regulatory oversight of the
207 corporation, in accordance with the assessment made pursuant to
208 section 12-806b, including costs arising directly or indirectly from the
209 licensing of lottery agents, performance of state police background
210 investigations, and the implementation of subsection (b) of section 12-
211 562 and sections 12-563a, 12-568a, 12-569, 12-570, 12-570a and 12-800 to
212 12-818, inclusive, as amended by this act, and section 7 of this act;

213 Sec. 10. Section 12-810 of the general statutes is repealed and the
214 following is substituted in lieu thereof (*Effective from passage*):

215 (a) The Freedom of Information Act, as defined in section 1-200, shall
216 apply to all actions, meetings and records of the corporation, except (1)
217 where otherwise limited by subsection (c) of this section as to new
218 lottery games and serial numbers of unclaimed lottery tickets, [and] (2)
219 with respect to financial, credit and proprietary information submitted
220 by any person to the corporation in connection with any proposal to
221 provide goods, services or professional advice to the corporation as
222 provided in section 12-815, and (3) where otherwise limited by
223 subsection (d) of this section as to information submitted by any person
224 to the corporation regarding such person's participation in the
225 corporation's voluntary self-exclusion process established pursuant to
226 subdivision (6) of subsection (b) of section 7 of this act.

227 (b) The records of proceedings as provided in subsection (a) of section
228 12-805 shall be subject to disclosure pursuant to the provisions of
229 subsection (a) of section 1-210.

230 (c) Any new lottery game and the procedures for such game, until the
231 game is publicly announced by the corporation, and any serial number
232 of an unclaimed lottery ticket shall not be deemed public records, as

233 defined in section 1-200, and shall not be available to the public under
234 the provisions of section 1-210. The president shall submit a fiscal note
235 prepared by the corporation with respect to the procedures for a new
236 lottery game to the joint standing committees of the General Assembly
237 having cognizance of matters relating to finance, revenue, bonding and
238 public safety after approval of such game by the board.

239 (d) The name and any personally identifying information of a person
240 who is participating or has participated in the corporation's voluntary
241 self-exclusion process shall not be deemed public records, as defined in
242 section 1-200, and shall not be available to the public under the
243 provisions of section 1-210. The president may disclose the name and
244 any records of such person if such person claims a winning lottery ticket
245 from the use of the online lottery program established pursuant to
246 section 7 of this act.

247 Sec. 11. Section 12-818 of the general statutes is repealed and the
248 following is substituted in lieu thereof (*Effective from passage*):

249 [For each of the fiscal years ending June 30, 2010, and June 30, 2011,
250 the Connecticut Lottery Corporation shall transfer one million nine
251 hundred thousand dollars of the revenue received from the sale of
252 lottery tickets to the chronic gamblers treatment rehabilitation account
253 created pursuant to section 17a-713. For the fiscal years ending June 30,
254 2012, to June 30, 2013, inclusive, the Connecticut Lottery Corporation
255 shall transfer one million nine hundred thousand dollars of the revenue
256 received from the sale of lottery tickets to the chronic gamblers
257 treatment rehabilitation account created pursuant to section 17a-713.]
258 For the fiscal [year] years ending June 30, 2014, [and each fiscal year
259 thereafter, the Connecticut Lottery Corporation] to June 30, 2021,
260 inclusive, the corporation shall transfer two million three hundred
261 thousand dollars of the revenue received from the sale of lottery tickets
262 to the chronic gamblers treatment rehabilitation account created
263 pursuant to section 17a-713. For the fiscal year ending June 30, 2022, and
264 each fiscal year thereafter, the corporation shall transfer two million four
265 hundred thousand dollars of the revenue received from the sale of

266 lottery tickets to the chronic gamblers treatment rehabilitation account.

267 Sec. 12. Section 52-553 of the general statutes is repealed and the
268 following is substituted in lieu thereof (*Effective from passage*):

269 All wagers, and all contracts and securities of which the whole or any
270 part of the consideration is money or other valuable thing won, laid or
271 bet, at any game, horse race, sport or pastime, and all contracts to repay
272 any money knowingly lent at the time and place of such game, race,
273 sport or pastime, to any person so gaming, betting or wagering, or to
274 repay any money lent to any person who, at such time and place, so
275 pays, bets or wagers, shall be void, provided nothing in this section shall
276 (1) affect the validity of any negotiable instrument held by any person
277 who acquired the same for value and in good faith without notice of
278 illegality in the consideration, (2) apply to the sale of a raffle ticket
279 pursuant to section 7-172, (3) apply to the participation in the program
280 established by the Connecticut Lottery Corporation pursuant to section
281 7 of this act, or [(3)] (4) apply to any wager or contract otherwise
282 authorized by law.

283 Sec. 13. Section 52-554 of the general statutes is repealed and the
284 following is substituted in lieu thereof (*Effective from passage*):

285 Any person who, by playing at any game, or betting on the sides or
286 hands of such as play at any game, excluding any game permitted under
287 chapter 226 or any activity not prohibited under the provisions of
288 sections 53-278a to 53-278g, inclusive, loses the sum or value of one
289 dollar in the whole and pays or delivers the same or any part thereof,
290 may, within three months next following, recover from the winner the
291 money or the value of the goods so lost and paid or delivered, with costs
292 of suit in a civil action, without setting forth the special matter in his
293 complaint. If the defendant refuses to testify, if called upon in such
294 action, relative to the discovery of the property so won, he shall be
295 defaulted; but no evidence so given by him shall be offered against him
296 in any criminal prosecution. Nothing in this section shall preclude any
297 person from using a credit card to participate in the program established

298 by the Connecticut Lottery Corporation pursuant to section 7 of this act.

299 Sec. 14. Section 12-263p of the general statutes is repealed and the
300 following is substituted in lieu thereof (*Effective July 1, 2021, and*
301 *applicable to calendar quarters commencing on or after July 1, 2021*):

302 As used in sections 12-263p to 12-263x, inclusive, as amended by this
303 act, and section 15 of this act, unless the context otherwise requires:

304 (1) "Commissioner" means the Commissioner of Revenue Services;

305 (2) "Department" means the Department of Revenue Services;

306 (3) "Taxpayer" means any health care provider subject to any tax or
307 fee under section 12-263q, [or] 12-263r or section 15 of this act;

308 (4) "Health care provider" means an individual or entity that receives
309 any payment or payments for health care items or services provided;

310 (5) "Gross receipts" means the amount received, whether in cash or in
311 kind, from patients, third-party payers and others for taxable health care
312 items or services provided by the taxpayer in the state, including
313 retroactive adjustments under reimbursement agreements with third-
314 party payers, without any deduction for any expenses of any kind;

315 (6) "Net revenue" means gross receipts less payer discounts, charity
316 care and bad debts, to the extent the taxpayer previously paid tax under
317 section 12-263q or section 15 of this act, on the amount of such bad debts;

318 (7) "Payer discounts" means the difference between a health care
319 provider's published charges and the payments received by the health
320 care provider from one or more health care payers for a rate or method
321 of payment that is different than or discounted from such published
322 charges. "Payer discounts" does not include charity care or bad debts;

323 (8) "Charity care" means free or discounted health care services
324 rendered by a health care provider to an individual who cannot afford
325 to pay for such services, including, but not limited to, health care

326 services provided to an uninsured patient who is not expected to pay all
327 or part of a health care provider's bill based on income guidelines and
328 other financial criteria set forth in the general statutes or in a health care
329 provider's charity care policies on file at the office of such provider.
330 "Charity care" does not include bad debts or payer discounts;

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

333 (10) "Hospital" means any health care facility, as defined in section
334 19a-630, that (A) is licensed by the Department of Public Health as a
335 short-term general hospital; (B) is maintained primarily for the care and
336 treatment of patients with disorders other than mental diseases; (C)
337 meets the requirements for participation in Medicare as a hospital; and
338 (D) has in effect a utilization review plan, applicable to all Medicaid
339 patients, that meets the requirements of 42 CFR 482.30, as amended from
340 time to time, unless a waiver has been granted by the Secretary of the
341 United States Department of Health and Human Services;

342 (11) "Inpatient hospital services" means, in accordance with federal
343 law, all services that are (A) ordinarily furnished in a hospital for the
344 care and treatment of inpatients; (B) furnished under the direction of a
345 physician or dentist; and (C) furnished in a hospital. "Inpatient hospital
346 services" does not include skilled nursing facility services and
347 intermediate care facility services furnished by a hospital with swing
348 bed approval;

349 (12) "Inpatient" means a patient who has been admitted to a medical
350 institution as an inpatient on the recommendation of a physician or
351 dentist and who (A) receives room, board and professional services in
352 the institution for a twenty-four-hour period or longer, or (B) is expected
353 by the institution to receive room, board and professional services in the
354 institution for a twenty-four-hour period or longer, even if the patient
355 does not actually stay in the institution for a twenty-four-hour period or
356 longer;

357 (13) "Outpatient hospital services" means, in accordance with federal

358 law, preventive, diagnostic, therapeutic, rehabilitative or palliative
359 services that are (A) furnished to an outpatient; (B) furnished by or
360 under the direction of a physician or dentist; and (C) furnished by a
361 hospital;

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

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

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

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

378 (18) "Nursing home resident day" means a day of nursing home care
379 service provided to an individual and includes the day a resident is
380 admitted and any day for which the nursing home is eligible for
381 payment for reserving a resident's bed due to hospitalization or
382 temporary leave and for the date of death. For purposes of this
383 subdivision, a day of nursing home care service shall be the period of
384 time between the census-taking hour in a nursing home on two
385 successive calendar days. "Nursing home resident day" does not include
386 a Medicare day or the day a resident is discharged;

387 (19) "Intermediate care facility resident day" means a day of
388 intermediate care facility residential care provided to an individual and

389 includes the day a resident is admitted and any day for which the
390 intermediate care facility is eligible for payment for reserving a
391 resident's bed due to hospitalization or temporary leave and for the date
392 of death. For purposes of this subdivision, a day of intermediate care
393 facility residential care shall be the period of time between the census-
394 taking hour in a facility on two successive calendar days. "Intermediate
395 care facility resident day" does not include the day a resident is
396 discharged;

397 (20) "Ambulatory surgical center" means any distinct entity that (A)
398 operates exclusively for the purpose of providing surgical services to
399 patients not requiring hospitalization and in which the expected
400 duration of services would not exceed twenty-four hours following an
401 admission, (B) has an agreement with the Centers for Medicare and
402 Medicaid Services to participate in Medicare as an ambulatory surgical
403 center, and (C) meets the general and specific conditions for
404 participation in Medicare set forth in 42 CFR Part 416, Subparts B and
405 C, as amended from time to time;

406 (21) "Ambulatory surgical center services" means, in accordance with
407 42 CFR 433.56(a)(9), as amended from time to time, services for which
408 payment is received from any payer that, if such services were furnished
409 under the federal Medicare program, (A) would be furnished in
410 connection with covered surgical procedures performed in an
411 ambulatory surgical center as provided in 42 CFR 416.164(a), as
412 amended from time to time, and (B) for which payment would be
413 included in the ambulatory surgical center payment established under
414 42 CFR 416.171, as amended from time to time, for the covered surgical
415 procedure. "Ambulatory surgical center services" includes facility
416 services only and does not include surgical procedures, physicians'
417 services, anesthetists' services, radiology services, diagnostic services or
418 ambulance services, if such procedures or services would be reimbursed
419 separately from facility services under 42 CFR 416.164(a), as amended
420 from time to time;

421 [(20)] (22) "Medicaid" means the program operated by the

422 Department of Social Services pursuant to section 17b-260 and
423 authorized by Title XIX of the Social Security Act, as amended from time
424 to time; and

425 [(21)] (23) "Medicare" means the program operated by the Centers for
426 Medicare and Medicaid Services in accordance with Title XVIII of the
427 Social Security Act, as amended from time to time.

428 Sec. 15. (NEW) (*Effective July 1, 2021, and applicable to calendar quarters*
429 *commencing on or after July 1, 2021*) (a) For each calendar quarter
430 commencing on or after July 1, 2021, each ambulatory surgical center
431 shall pay a tax on the total net revenue received by each ambulatory
432 surgical center for the provision of ambulatory surgical center services.
433 The tax imposed by this section shall be six per cent, except that revenue
434 from Medicaid payments and Medicare payments received by the
435 ambulatory surgical center for the provision of ambulatory surgical
436 center services shall be exempt from the tax.

437 (b) (1) Net revenue derived from providing a health care item or
438 service to a patient shall be taxed only one time under this section and
439 section 12-263q of the general statutes.

440 (2) Net revenue from each hospital-owned ambulatory surgical
441 center shall be considered net revenue of the hospital and shall be
442 reported as net revenue from inpatient hospital services or outpatient
443 hospital services to the extent such net revenue is derived from services
444 that fall within the scope of inpatient hospital services or outpatient
445 hospital services. As used in this subsection, "hospital-owned
446 ambulatory surgical center" includes only those ambulatory surgical
447 centers that are considered departments of the owner-hospital and that
448 have provider-based status in accordance with 42 CFR 413.65, as
449 amended from time to time. If an ambulatory surgical center is owned
450 by a hospital but is not considered to be a department of the hospital or
451 does not have provider-based status in accordance with 42 CFR 413.65,
452 as amended from time to time, the net revenue of such ambulatory
453 surgical center shall not be considered net revenue of the owner-hospital

454 and such ambulatory surgical center shall be required to file and pay tax
455 for any net revenue received from the provision of ambulatory surgical
456 center services.

457 Sec. 16. Section 12-263i of the general statutes is repealed and the
458 following is substituted in lieu thereof (*Effective July 1, 2021*):

459 (a) As used in this section:

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

465 (2) "Commissioner" means the Commissioner of Revenue Services;
466 and

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

468 (b) (1) For each calendar quarter commencing on or after October 1,
469 2015, but prior to July 1, 2021, there is hereby imposed a tax on each
470 ambulatory surgical center in this state to be paid each calendar quarter.
471 The tax imposed by this section shall be at the rate of six per cent of the
472 gross receipts of each ambulatory surgical center, except that:

473 (A) Prior to July 1, 2019, such tax shall not be imposed on any amount
474 of such gross receipts that constitutes either (i) the first million dollars
475 of gross receipts of the ambulatory surgical center in the applicable fiscal
476 year, or (ii) net revenue of a hospital that is subject to the tax imposed
477 under section 12-263q; and

478 (B) On and after July 1, 2019, but prior to July 1, 2021, such tax shall
479 not be imposed on any amount of such gross receipts that constitutes
480 any of the following: (i) The first million dollars of gross receipts of the
481 ambulatory surgical center in the applicable fiscal year, excluding
482 Medicaid and Medicare payments, (ii) net revenue of a hospital that is
483 subject to the tax imposed under section 12-263q, (iii) Medicaid

484 payments received by the ambulatory surgical center, and (iv) Medicare
485 payments received by the ambulatory surgical center.

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

488 (3) Each ambulatory surgical center shall, on or before January 31,
489 2016, and thereafter on or before the last day of January, April, July and
490 October of each year until and including July 31, 2021, render to the
491 commissioner a return, on forms prescribed or furnished by the
492 commissioner, reporting the name and location of such ambulatory
493 surgical center, the entire amount of gross receipts generated by such
494 ambulatory surgical center during the calendar quarter ending on the
495 last day of the preceding month and such other information as the
496 commissioner deems necessary for the proper administration of this
497 section. The tax imposed under this section shall be due and payable on
498 the due date of such return. Each ambulatory surgical center shall be
499 required to file such return electronically with the department and to
500 make payment of such tax by electronic funds transfer in the manner
501 provided by chapter 228g, regardless of whether such ambulatory
502 surgical center would have otherwise been required to file such return
503 electronically or to make such tax payment by electronic funds transfer
504 under the provisions of chapter 228g.

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

510 (d) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and
511 12-555a shall apply to the provisions of this section in the same manner
512 and with the same force and effect as if the language of said sections had
513 been incorporated in full into this section and had expressly referred to
514 the tax imposed under this section, except to the extent that any
515 provision is inconsistent with a provision in this section.

516 (e) For the fiscal [year] years ending June 30, 2016, [and each fiscal
517 year thereafter] to June 30, 2021, inclusive, the Comptroller is authorized
518 to record as revenue for each fiscal year the amount of tax imposed
519 under the provisions of this section prior to the end of each fiscal year
520 and which tax is received by the Commissioner of Revenue Services not
521 later than five business days after the last day of July immediately
522 following the end of each fiscal year.

523 Sec. 17. Section 12-263s of the general statutes is repealed and the
524 following is substituted in lieu thereof (*Effective July 1, 2021, and*
525 *applicable to calendar quarters commencing on or after July 1, 2021*):

526 (a) No tax credit or credits shall be allowable against any tax or fee
527 imposed under section 12-263q, [or] 12-263r or section 15 of this act.
528 Notwithstanding any other provision of the general statutes, any health
529 care provider that has been assigned tax credits under section 32-9t for
530 application against the taxes imposed under chapter 211a may further
531 assign such tax credits to another taxpayer or taxpayers one time,
532 provided such other taxpayer or taxpayers may claim such credit only
533 with respect to a taxable year for which the assigning health care
534 provider would have been eligible to claim such credit and such other
535 taxpayer or taxpayers may not further assign such credit. The assigning
536 health care provider shall file with the commissioner information
537 requested by the commissioner regarding such assignments, including
538 but not limited to, the current holders of credits as of the end of the
539 preceding calendar year.

540 (b) (1) Each taxpayer doing business in this state shall, on or before
541 the last day of January, April, July and October of each year, render to
542 the commissioner a quarterly return, on forms prescribed or furnished
543 by the commissioner and signed by one of the taxpayer's principal
544 officers, stating specifically the name and location of such taxpayer, the
545 amount of its net patient revenue or resident days during the calendar
546 quarter ending on the last day of the preceding month and such other
547 information as the commissioner deems necessary for the proper
548 administration of this section and the state's Medicaid program. Except

549 as provided in subdivision (2) of this subsection, the taxes and fees
550 imposed under section 12-263q_z [or] 12-263r or section 15 of this act shall
551 be due and payable on the due date of such return. Each taxpayer shall
552 be required to file such return electronically with the department and to
553 make such payment by electronic funds transfer in the manner provided
554 by chapter 228g, irrespective of whether the taxpayer would have
555 otherwise been required to file such return electronically or to make
556 such payment by electronic funds transfer under the provisions of said
557 chapter.

558 (2) (A) A taxpayer may file, on or before the due date of a payment of
559 tax or fee imposed under section 12-263q_z [or] 12-263r or section 15 of
560 this act, a request for a reasonable extension of time for such payment
561 for reasons of undue hardship. Undue hardship shall be demonstrated
562 by a showing that such taxpayer is at substantial risk of defaulting on a
563 bond covenant or similar obligation if such taxpayer were to make
564 payment on the due date of the amount for which the extension is
565 requested. Such request shall be filed on forms prescribed by the
566 commissioner and shall include complete information of such
567 taxpayer's inability, due to undue hardship, to make payment of the tax
568 or fee on or before the due date of such payment. The commissioner
569 shall not grant any extension for a general statement of hardship by the
570 taxpayer or for the convenience of the taxpayer.

571 (B) The commissioner may grant an extension if the commissioner
572 determines an undue hardship exists. Such extension shall not exceed
573 three months from the original due date of the payment, except that the
574 commissioner may grant an additional extension not exceeding three
575 months from the initial extended due date of the payment (i) upon the
576 filing of a subsequent request by the taxpayer on or before the extended
577 due date of the payment, on forms prescribed by the commissioner, and
578 (ii) upon a showing of extraordinary circumstances, as determined by
579 the commissioner.

580 (3) If the commissioner grants an extension pursuant to subdivision
581 (2) of this subsection, no penalty shall be imposed and no interest shall

582 accrue during the period of time for which an extension is granted if the
583 taxpayer pays the tax or fee due on or before the extended due date of
584 the payment. If the taxpayer does not pay such tax or fee by the extended
585 due date, a penalty shall be imposed in accordance with subsection (c)
586 of this section and interest shall begin to accrue at a rate of one per cent
587 per month for each month or fraction thereof from the extended due
588 date of such tax or fee until the date of payment.

589 (c) (1) Except as provided in subdivision (2) of subsection (b) of this
590 section, if any taxpayer fails to pay the amount of tax or fee reported to
591 be due on such taxpayer's return within the time specified under the
592 provisions of this section, there shall be imposed a penalty equal to ten
593 per cent of such amount due and unpaid, or fifty dollars, whichever is
594 greater. The tax or fee shall bear interest at the rate of one per cent per
595 month or fraction thereof, from the due date of such tax or fee until the
596 date of payment.

597 (2) If any taxpayer has not made its return within one month of the
598 due date of such return, the commissioner may make such return at any
599 time thereafter, according to the best information obtainable and
600 according to the form prescribed. There shall be added to the tax or fee
601 imposed upon the basis of such return an amount equal to ten per cent
602 of such tax or fee, or fifty dollars, whichever is greater. The tax or fee
603 shall bear interest at the rate of one per cent per month or fraction
604 thereof, from the due date of such tax or fee until the date of payment.

605 (3) Subject to the provisions of section 12-3a, the commissioner may
606 waive all or part of the penalties provided under this subsection when
607 it is proven to the commissioner's satisfaction that the failure to pay any
608 tax or fee on time was due to reasonable cause and was not intentional
609 or due to neglect.

610 (4) The commissioner shall notify the Commissioner of Social
611 Services of any amount delinquent under this section and, upon receipt
612 of such notice, the Commissioner of Social Services shall deduct and
613 withhold such amount from amounts otherwise payable by the

614 Department of Social Services to the delinquent taxpayer.

615 (d) (1) Any person required under sections 12-263q to 12-263v,
616 inclusive, as amended by this act, or section 15 of this act to pay any tax
617 or fee, make a return, keep any records or supply any information, who
618 wilfully fails, at the time required by law, to pay such tax or fee, make
619 such return, keep such records or supply such information, shall, in
620 addition to any other penalty provided by law, be fined not more than
621 one thousand dollars or imprisoned not more than one year, or both. As
622 used in this subsection, "person" includes any officer or employee of a
623 taxpayer under a duty to pay such tax or fee, make such return, keep
624 such records or supply such information. Notwithstanding the
625 provisions of section 54-193, no person shall be prosecuted for a
626 violation of the provisions of this subsection committed on or after July
627 1, 1997, except within three years next after such violation has been
628 committed.

629 (2) Any person who wilfully delivers or discloses to the commissioner
630 or the commissioner's authorized agent any list, return, account,
631 statement or other document, known by such person to be fraudulent
632 or false in any material matter, shall, in addition to any other penalty
633 provided by law, be guilty of a class D felony. No person shall be
634 charged with an offense under both this subdivision and subdivision (1)
635 of this subsection in relation to the same tax period but such person may
636 be charged and prosecuted for both such offenses upon the same
637 information.

638 Sec. 18. Section 12-263t of the general statutes is repealed and the
639 following is substituted in lieu thereof (*Effective July 1, 2021, and*
640 *applicable to calendar quarters commencing on or after July 1, 2021*):

641 (a) (1) The commissioner may examine the records of any taxpayer
642 subject to a tax or fee imposed under section 12-263q, [or] 12-263r or
643 section 15 of this act, as the commissioner deems necessary. If the
644 commissioner determines from such examination that there is a
645 deficiency with respect to the payment of any such tax or fee due under

646 section 12-263q, [or] 12-263r or section 15 of this act, the commissioner
647 shall assess the deficiency in tax or fee, give notice of such deficiency
648 assessment to the taxpayer and make demand for payment. Such
649 amount shall bear interest at the rate of one per cent per month or
650 fraction thereof from the date when the original tax or fee was due and
651 payable.

652 (A) When it appears that any part of the deficiency for which a
653 deficiency assessment is made is due to negligence or intentional
654 disregard of the provisions of this section or regulations adopted
655 thereunder, there shall be imposed a penalty equal to ten per cent of the
656 amount of such deficiency assessment, or fifty dollars, whichever is
657 greater.

658 (B) When it appears that any part of the deficiency for which a
659 deficiency assessment is made is due to fraud or intent to evade the
660 provisions of this section or regulations adopted thereunder, there shall
661 be imposed a penalty equal to twenty-five per cent of the amount of such
662 deficiency assessment. No taxpayer shall be subject to more than one
663 penalty under this subdivision in relation to the same tax period. Not
664 later than thirty days after the mailing of such notice, the taxpayer shall
665 pay to the commissioner, in cash or by check, draft or money order
666 drawn to the order of the Commissioner of Revenue Services, any
667 additional amount of tax, penalty and interest shown to be due.

668 (2) Except in the case of a wilfully false or fraudulent return with
669 intent to evade the tax or fee, no assessment of additional tax or fee shall
670 be made after the expiration of more than three years from the date of
671 the filing of a return or from the original due date of a return, whichever
672 is later. Where, before the expiration of the period prescribed under this
673 subsection for the assessment of an additional tax or fee, a taxpayer has
674 consented, in writing, that such period may be extended, the amount of
675 such additional tax due may be determined at any time within such
676 extended period. The period so extended may be further extended by
677 subsequent consents, in writing, before the expiration of the extended
678 period.

679 (b) (1) The commissioner may enter into an agreement with the
680 Commissioner of Social Services delegating to the Commissioner of
681 Social Services the authority to examine the records and returns of any
682 taxpayer subject to any tax or fee imposed under section 12-263q_z [or]
683 12-263r or section 15 of this act and to determine whether such tax has
684 been underpaid or overpaid. If such authority is so delegated,
685 examinations of such records and returns by the Commissioner of Social
686 Services and determinations by the Commissioner of Social Services that
687 such tax or fee has been underpaid or overpaid shall have the same
688 effect as similar examinations or determinations made by the
689 commissioner.

690 (2) The commissioner may enter into an agreement with the
691 Commissioner of Social Services in order to facilitate the exchange of
692 returns or return information necessary for the Commissioner of Social
693 Services to perform his or her responsibilities under this section and to
694 ensure compliance with the state's Medicaid program.

695 (3) The Commissioner of Social Services may engage an independent
696 auditor to assist in the performance of said commissioner's duties and
697 responsibilities under this subsection. Any reports generated by such
698 independent auditor shall be provided simultaneously to the
699 department and the Department of Social Services.

700 (c) (1) The commissioner may require all persons subject to a tax or
701 fee imposed under section 12-263q_z [or] 12-263r or section 15 of this act
702 to keep such records as the commissioner may prescribe and may
703 require the production of books, papers, documents and other data, to
704 provide or secure information pertinent to the determination of the
705 taxes or fees imposed under section 12-263q_z [or] 12-263r or section 15 of
706 this act and the enforcement and collection thereof.

707 (2) The commissioner or any person authorized by the commissioner
708 may examine the books, papers, records and equipment of any person
709 liable under the provisions of this section and may investigate the
710 character of the business of such person to verify the accuracy of any

711 return made or, if no return is made by the person, to ascertain and
712 determine the amount required to be paid.

713 (d) The commissioner may adopt regulations, in accordance with the
714 provisions of chapter 54, to implement the provisions of sections 12-
715 263q to 12-263x, inclusive, as amended by this act.

716 Sec. 19. Section 12-263u of the general statutes is repealed and the
717 following is substituted in lieu thereof (*Effective July 1, 2021, and*
718 *applicable to calendar quarters commencing on or after July 1, 2021*):

719 (a) Any taxpayer subject to any tax or fee under section 12-263q_z [or]
720 12-263r or section 15 of this act, believing that it has overpaid any tax or
721 fee due under said sections, may file a claim for refund, in writing, with
722 the commissioner not later than three years after the due date for which
723 such overpayment was made, stating the specific grounds upon which
724 the claim is founded. Failure to file a claim within the time prescribed in
725 this subsection shall constitute a waiver of any demand against the state
726 on account of overpayment. Within a reasonable time, as determined by
727 the commissioner, following receipt of such claim for refund, the
728 commissioner shall determine whether such claim is valid and, if so
729 determined, the commissioner shall notify the Comptroller of the
730 amount of such refund and the Comptroller shall draw an order on the
731 Treasurer in the amount thereof for payment to the taxpayer. If the
732 commissioner determines that such claim is not valid, either in whole or
733 in part, the commissioner shall mail notice of the proposed disallowance
734 in whole or in part of the claim to the taxpayer, which notice shall set
735 forth briefly the commissioner's findings of fact and the basis of
736 disallowance in each case decided in whole or in part adversely to the
737 taxpayer. Sixty days after the date on which it is mailed, a notice of
738 proposed disallowance shall constitute a final disallowance except only
739 for such amounts as to which the taxpayer has filed, as provided in
740 subsection (b) of this section, a written protest with the commissioner.

741 (b) On or before the sixtieth day after the mailing of the proposed
742 disallowance, the taxpayer may file with the commissioner a written

743 protest against the proposed disallowance in which the taxpayer sets
744 forth the grounds on which the protest is based. If a protest is filed, the
745 commissioner shall reconsider the proposed disallowance and, if the
746 taxpayer has so requested, may grant or deny the taxpayer or its
747 authorized representatives a hearing.

748 (c) The commissioner shall mail notice of the commissioner's
749 determination to the taxpayer, which notice shall set forth briefly the
750 commissioner's findings of fact and the basis of decision in each case
751 decided in whole or in part adversely to the taxpayer.

752 (d) The action of the commissioner on the taxpayer's protest shall be
753 final upon the expiration of one month from the date on which the
754 commissioner mails notice of the commissioner's determination to the
755 taxpayer, unless within such period the taxpayer seeks judicial review
756 of the commissioner's determination.

757 Sec. 20. Section 12-263v of the general statutes is repealed and the
758 following is substituted in lieu thereof (*Effective July 1, 2021*):

759 (a) Any taxpayer subject to any tax or fee under section 12-263q_z [or]
760 12-263r or section 15 of this act that is aggrieved by the action of the
761 commissioner, the Commissioner of Social Services or an authorized
762 agent of said commissioners in fixing the amount of any tax, penalty,
763 interest or fee under sections 12-263q to 12-263t, inclusive, as amended
764 by this act, or section 15 of this act may apply to the commissioner, in
765 writing, not later than sixty days after the notice of such action is
766 delivered or mailed to such taxpayer, for a hearing and a correction of
767 the amount of such tax, penalty, interest or fee, setting forth the reasons
768 why such hearing should be granted and the amount by which such tax,
769 penalty, interest or fee should be reduced. The commissioner shall
770 promptly consider each such application and may grant or deny the
771 hearing requested. If the hearing request is denied, the taxpayer shall be
772 notified immediately. If the hearing request is granted, the
773 commissioner shall notify the applicant of the date, time and place for
774 such hearing. After such hearing, the commissioner may make such

775 order as appears just and lawful to the commissioner and shall furnish
776 a copy of such order to the taxpayer. The commissioner may, by notice
777 in writing, order a hearing on the commissioner's own initiative and
778 require a taxpayer or any other individual who the commissioner
779 believes to be in possession of relevant information concerning such
780 taxpayer to appear before the commissioner or the commissioner's
781 authorized agent with any specified books of account, papers or other
782 documents, for examination under oath.

783 (b) Any taxpayer subject to any tax or fee under section 12-263q_z [or]
784 12-263r or section 15 of this act that is aggrieved because of any order,
785 decision, determination or disallowance of the commissioner made
786 under sections 12-263q to 12-263u, inclusive, as amended by this act, or
787 section 15 of this act or subsection (a) of this section may, not later than
788 thirty days after service of notice of such order, decision, determination
789 or disallowance, take an appeal therefrom to the superior court for the
790 judicial district of New Britain, which appeal shall be accompanied by a
791 citation to the commissioner to appear before said court. Such citation
792 shall be signed by the same authority and such appeal shall be
793 returnable at the same time and served and returned in the same
794 manner as is required in case of a summons in a civil action. The
795 authority issuing the citation shall take from the appellant a bond or
796 recognizance to the state of Connecticut, with surety, to prosecute the
797 appeal to effect and to comply with the orders and decrees of the court
798 in the premises. Such appeals shall be preferred cases, to be heard,
799 unless cause appears to the contrary, at the first session, by the court or
800 by a committee appointed by the court. Said court may grant such relief
801 as may be equitable and, if such tax or charge has been paid prior to the
802 granting of such relief, may order the Treasurer to pay the amount of
803 such relief, with interest at the rate of two-thirds of one per cent per
804 month or fraction thereof, to such taxpayer. If the appeal has been taken
805 without probable cause, the court may tax double or triple costs, as the
806 case demands and, upon all such appeals that are denied, costs may be
807 taxed against such taxpayer at the discretion of the court but no costs
808 shall be taxed against the state.

809 Sec. 21. Section 12-263x of the general statutes is repealed and the
810 following is substituted in lieu thereof (*Effective July 1, 2021, and*
811 *applicable to calendar quarters commencing on or after July 1, 2021*):

812 The amount of any tax, penalty, interest or fee, due and unpaid under
813 the provisions of sections 12-263q to 12-263v, inclusive, as amended by
814 this act, or section 15 of this act may be collected under the provisions
815 of section 12-35. The warrant provided under section 12-35 shall be
816 signed by the commissioner or the commissioner's authorized agent.
817 The amount of any such tax, penalty, interest or fee shall be a lien on the
818 real estate of the taxpayer from the last day of the month next preceding
819 the due date of such tax until such tax is paid. The commissioner may
820 record such lien in the records of any town in which the real estate of
821 such taxpayer is situated but no such lien shall be enforceable against a
822 bona fide purchaser or qualified encumbrancer of such real estate. When
823 any tax or fee with respect to which a lien has been recorded under the
824 provisions of this subsection has been satisfied, the commissioner shall,
825 upon request of any interested party, issue a certificate discharging such
826 lien, which certificate shall be recorded in the same office in which the
827 lien was recorded. Any action for the foreclosure of such lien shall be
828 brought by the Attorney General in the name of the state in the superior
829 court for the judicial district in which the property subject to such lien is
830 situated, or, if such property is located in two or more judicial districts,
831 in the superior court for any one such judicial district, and the court may
832 limit the time for redemption or order the sale of such property or make
833 such other or further decree as it judges equitable. For purposes of
834 section 12-39g, a fee under this section shall be treated as a tax.

835 Sec. 22. Section 3-114s of the general statutes is repealed and the
836 following is substituted in lieu thereof (*Effective July 1, 2021*):

837 At the close of each fiscal year, [commencing with the fiscal year
838 ending June 30, 2018,] the Comptroller is authorized to record as
839 revenue for each such fiscal year the amount of tax and fee imposed
840 under sections 12-263q to 12-263x, inclusive, as amended by this act, and
841 section 15 of this act, that is received by the Commissioner of Revenue

842 Services not later than five business days after the last day of July
843 immediately following the end of such fiscal year.

844 Sec. 23. Section 19a-37f of the general statutes is repealed and the
845 following is substituted in lieu thereof (*Effective from passage*):

846 (a) As used in this section:

847 (1) "Commissioner" means the Commissioner of Public Health, or the
848 commissioner's designee;

849 (2) "Community water system" means a public water system that
850 regularly serves at least twenty-five residents;

851 (3) "Consumer" has the same meaning as provided in section 25-32a;

852 (4) "Customer" means any (A) person, (B) firm, (C) corporation, (D)
853 company, (E) association, (F) governmental unit, except a state agency,
854 (G) lessee that, by the terms of a written lease or agreement, is
855 responsible for the water bill, or (H) owner of property, that receives
856 water service furnished by a water company;

857 (5) "Department" means the Department of Public Health;

858 (6) "Noncommunity water system" means a public water system that
859 serves at least twenty-five persons at least sixty days of the year and is
860 not a community water system;

861 (7) "Nontransient noncommunity water system" means a
862 noncommunity water system that regularly serves at least twenty-five
863 of the same persons over six months per year;

864 (8) "Public water system" means a water company that supplies
865 drinking water to fifteen or more consumers or twenty-five or more
866 persons daily at least sixty days of the year;

867 [(9) "Sanitary survey" means the review of a public water system by
868 the department to evaluate the adequacy of the public water system, its
869 sources of supply and operations and the distribution of safe drinking

870 water;]

871 [(10)] (9) "Service connection" means the service pipe from the water
872 main to the curb stop or adjacent to the street line or property line, but
873 does not include a service pipe used only for fire service or irrigation
874 purposes; and

875 [(11)] (10) "Water company" has the same meaning as provided in
876 section 25-32a.

877 (b) On or before August 1, 2019, and [August 1, 2020] and annually
878 thereafter, the department shall issue a statement, in such manner as the
879 department determines, to each water company that owns a community
880 water system or systems showing the number of service connections
881 and the source of such number each community water system or
882 systems has listed in the department's records as of the date of issuance
883 of the statement. For purposes of this subsection, the department shall
884 combine the number of service connections of all water systems owned
885 and operated by the same water company for a total count of service
886 connections. If any water company disagrees with the number of service
887 connections listed in such statement, the water company shall, not later
888 than thirty days after the date of issuance of such statement, report to
889 the department, in a form and manner prescribed by the department,
890 the accurate number of services connections the water company's
891 community water system or systems serve.

892 [(c) On or before October 1, 2019, and October 1, 2020, the
893 department, in consultation with the Office of Policy and Management,
894 shall post on the department's Internet web site (1) the staff and costs to
895 support the department's ability to maintain primacy under the federal
896 Safe Drinking Water Act, 42 USC 300f, et seq., as amended from time to
897 time, which costs, taking into consideration funding received from state
898 and federal sources, shall constitute the safe drinking water primacy
899 assessment for the current fiscal year, and (2) the assessment amounts
900 due, based on the posted costs and in accordance with subsection (d) of
901 this section.]

902 [(d)] (c) (1) For the fiscal years ending June 30, 2019, June 30, 2020,
903 and June 30, 2021, each water company that owns a community or
904 nontransient noncommunity water system or systems shall pay
905 annually to the department a safe drinking water [primacy] assessment
906 amount in accordance with the following: (A) Each community water
907 system having less than fifty service connections and nontransient
908 noncommunity water system shall be assessed one hundred twenty-five
909 dollars; (B) each community water system having at least fifty but less
910 than one hundred service connections shall be assessed one hundred
911 fifty dollars; and (C) each community water system having at least one
912 hundred service connections shall be assessed an amount established by
913 the commissioner, not to exceed three dollars per service connection.

914 (2) For the fiscal year ending June 30, 2022, each water company that
915 owns a community or nontransient noncommunity water system or
916 systems shall pay to the department a safe drinking water assessment
917 amount in accordance with the following: (A) Each community water
918 system having less than fifty service connections and nontransient
919 noncommunity water system shall be assessed one hundred eighty
920 dollars; (B) each community water system having at least fifty but less
921 than one hundred service connections shall be assessed two hundred
922 sixteen dollars; and (C) each community water system having at least
923 one hundred service connections shall be assessed two dollars and sixty-
924 nine cents per service connection.

925 (3) For the fiscal year ending June 30, 2023, and annually thereafter,
926 the commissioner shall, subject to the approval of the Secretary of the
927 Office of Policy and Management, adjust the amounts set forth in
928 subdivision (2) of this subsection on a pro rata basis to reflect the
929 weighted average of (A) the percentage increase applied to wages of the
930 engineering, scientific and technical bargaining unit, that constitutes a
931 general wage increase, and (B) the percentage change in the applicable
932 estimated fringe benefit rate as determined by the commissioner in the
933 same fiscal year, provided such percentages are adjusted to reflect the
934 fractional part of the fiscal year to which each change applies. On or
935 before October 1, 2022, and annually thereafter, the department shall

936 post the adjusted amounts on the department's Internet web site. The
937 commissioner shall assess each water company that owns a community
938 or nontransient noncommunity water system or systems the applicable
939 adjusted amount as posted by the department.

940 (4) For purposes of this [subdivision] subsection, a community water
941 system's service connections shall be determined in accordance with
942 subsection (b) of this section.

943 [(2)] (5) On or before January 1, [2020, and January 1, 2021] 2022, and
944 annually thereafter, the department shall issue an invoice, in such
945 manner as the department determines, to each water company that
946 owns a community or nontransient noncommunity water system or
947 systems for the amount due pursuant to subdivision (1), (2) or (3), as
948 applicable, of this subsection. Each such water company shall pay the
949 amount invoiced, in the same year the department issued in the invoice,
950 in accordance with the following schedule:

951 (A) A nontransient noncommunity water system shall pay one
952 hundred per cent of the amount invoiced on or before March first;

953 (B) A community water system having less than one hundred service
954 connections shall pay one hundred per cent of the amount invoiced on
955 or before May first; and

956 (C) A community water system having one hundred or more service
957 connections shall pay fifty per cent of the invoiced amount by March
958 first and the remaining fifty per cent of the amount invoiced by May
959 first.

960 [(e)] (d) If a water company is acquired by another water company
961 for any reason, the acquiring water company shall pay the amount due
962 to the department for the acquired water company's assessment under
963 subsection [(d)] (c) of this section.

964 [(f)] (e) (1) A water company that owns a community water system
965 may collect the assessment amount due for the community water system

966 from a customer of such community water system. The amount
967 collected by the water company from an individual customer may be a
968 pro rata share of such assessment amount and may be adjusted by the
969 water company to reflect the bad debt component and surplus or deficit
970 related to primacy assessment collections of the water company for the
971 prior billing period. Such amount may appear as a separate item on the
972 customer's bills.

973 (2) The assessment amount due for a community water system under
974 subdivision (1) of this subsection may be adopted in rates through the
975 existing rate approval process for the water company or may appear as
976 a separate item identified as an assessment on each customer's bill
977 without requiring a revision to or approval of the schedule of authorized
978 rates and charges for the water company that is otherwise required
979 pursuant to section 7-239 or 16-19 or any special act or enabling
980 legislation establishing a water company. Such charges shall be subject
981 to the past due and collection procedures, including interest charges, of
982 the water company as are applicable to any other authorized customer
983 charge or fee.

984 [(g) The requirement for a water company to pay the assessment shall
985 terminate immediately if the department no longer has primacy under
986 the federal Safe Drinking Water Act, 42 USC 300f, et seq., as amended
987 from time to time, whether removed by the federal Environmental
988 Protection Agency or through any other action by a state or federal
989 authority. If the assessment is terminated and not reinstated on or before
990 one hundred eighty days after such termination, the water company
991 shall credit its customers any amounts collected from such customers
992 for such assessment amount that the water company is no longer
993 required to pay to the department.]

994 [(h)] (f) If any assessment or part thereof is not paid on or before thirty
995 days after the date when such assessment is due, the commissioner may
996 impose a fee equal to one and one-half per cent on the balance due of
997 such assessment for each month of nonpayment beyond such initial
998 thirty-day period unless the water company that has not paid such

999 assessment or part thereof is a town, city or borough, in which case the
1000 water company shall be subject to the provisions of section 12-38.

1001 [(i)] (g) On or before November 1, 2019, and November 1, 2020, the
1002 department shall post on its Internet web site a report that includes: (1)
1003 Resources, activities and costs that support the department's ability to
1004 maintain primacy under the federal Safe Drinking Water Act, 42 USC
1005 300f, et seq., as amended from time to time, in the previous fiscal year;
1006 (2) the number of full-time equivalent positions that performed the
1007 required functions to maintain primacy in the previous fiscal year; and
1008 (3) quality improvement strategies the department has deployed to
1009 streamline operations to make efficient and effective use of staff and
1010 resources. The commissioner shall provide for a comment period of
1011 thirty days following the posting of such report. At the conclusion of
1012 such public comment period, but not later than January 1, 2020, and not
1013 later than January 1, 2021, the commissioner shall submit such report
1014 and summary of comments received to the Governor and the joint
1015 standing committee of the General Assembly having cognizance of
1016 matters relating to public health, in accordance with the provisions of
1017 section 11-4a.

1018 [(j)] (h) The commissioner may adopt regulations, in accordance with
1019 the provisions of chapter 54, to carry out the provisions of this section.

1020 [(k)] (i) State agencies shall be exempt from the requirements of
1021 subsections [(d) to (h)] (c) to (f), inclusive, of this section.

1022 Sec. 24. (NEW) (*Effective from passage and applicable to calendar months*
1023 *commencing on or after January 1, 2023*) (a) As used in this section:

1024 (1) "Carrier" means any person that operates or causes to be operated
1025 on any highway in this state any eligible motor vehicle. "Carrier" does
1026 not include the state, any political subdivision of the state, the United
1027 States or the federal government;

1028 (2) "Commissioner" means the Commissioner of Revenue Services;

1029 (3) "Department" means the Department of Revenue Services;

1030 (4) "Eligible motor vehicle" means a motor vehicle, as defined in
1031 section 14-1 of the general statutes, that (A) has a gross weight of twenty-
1032 six thousand pounds or more, and (B) carries a classification between
1033 Class 8 and Class 13, inclusive, under the Federal Highway
1034 Administration vehicle classification system;

1035 (5) "Gross weight" has the same meaning as provided in section 14-1
1036 of the general statutes; and

1037 (6) "Highway" has the same meaning as provided in section 14-1 of
1038 the general statutes.

1039 (b) (1) For each calendar month commencing on or after January 1,
1040 2023, a tax is imposed on every carrier for the privilege of operating or
1041 causing to be operated an eligible motor vehicle on any highway of the
1042 state. Use of any such highway shall be measured by the number of
1043 miles traveled within the state by each eligible motor vehicle operated
1044 or caused to be operated by such carrier during each month. The amount
1045 of tax due from each carrier shall be determined in accordance with the
1046 provisions of subdivision (2) of this subsection.

1047 (2) Each carrier shall calculate the number of miles traveled by each
1048 eligible motor vehicle operated or caused to be operated by such carrier
1049 within the state during each month. The miles traveled within the state
1050 by each eligible motor vehicle shall be multiplied by the tax rate as
1051 follows, such rate to be based on the gross weight of each such vehicle:

T1	Gross Weight in Pounds	Rate in Dollars
T2	26,000-28,000	0.0250
T3	28,001-30,000	0.0279
T4	30,001-32,000	0.0308
T5	32,001-34,000	0.0337

T6	34,001-36,000	0.0365
T7	36,001-38,000	0.0394
T8	38,001-40,000	0.0423
T9	40,001-42,000	0.0452
T10	42,001-44,000	0.0481
T11	44,001-46,000	0.0510
T12	46,001-48,000	0.0538
T13	48,001-50,000	0.0567
T14	50,001-52,000	0.0596
T15	52,001-54,000	0.0625
T16	54,001-56,000	0.0654
T17	56,001-58,000	0.0683
T18	58,001-60,000	0.0712
T19	60,001-62,000	0.0740
T20	62,001-64,000	0.0769
T21	64,001-66,000	0.0798
T22	66,001-68,000	0.0827
T23	68,001-70,000	0.0856
T24	70,001-72,000	0.0885
T25	72,001-74,000	0.0913
T26	74,001-76,000	0.0942

T27	76,001-78,000	0.0971
T28	78,001-80,000	0.1000
T29	80,001 and over	0.1750

1052 (c) (1) Each carrier shall file with the commissioner, on or before the
1053 last day of each month, a return for the calendar month immediately
1054 preceding, in such form and containing such information as the
1055 commissioner may prescribe. The return shall be accompanied by
1056 payment of the amount of the tax shown to be due thereon. Each carrier
1057 shall be required to file such return electronically with the department
1058 and to make such payment by electronic funds transfer in the manner
1059 provided by chapter 228g of the general statutes, irrespective of whether
1060 the carrier would have otherwise been required to file such return
1061 electronically or to make such payment by electronic funds transfer
1062 under the provisions of said chapter.

1063 (2) Notwithstanding the provisions of subsection (a) of section 13b-
1064 61 of the general statutes, the commissioner shall deposit into the Special
1065 Transportation Fund established under section 13b-61 of the general
1066 statutes the amounts received by the state from the tax imposed under
1067 this section.

1068 (d) (1) Each carrier desiring to use any highway of the state on or after
1069 January 1, 2023, shall file an application for a permit with the
1070 commissioner, in such form and containing such information as the
1071 commissioner may prescribe. No carrier may lawfully operate or cause
1072 to be operated an eligible motor vehicle in the state on or after January
1073 1, 2023, without obtaining a permit from the commissioner.

1074 (2) Upon receipt of a fully completed application from a carrier, the
1075 commissioner shall grant and issue a permit to such carrier. Such permit
1076 shall be valid only for the carrier to which it is issued and the eligible
1077 motor vehicles such carrier operates or causes to be operated on the
1078 highways of the state and shall not be assignable. The carrier shall

1079 maintain a copy of the permit within each eligible motor vehicle that
1080 such carrier operates or causes to be operated in the state.

1081 (e) (1) Whenever a carrier fails to comply with any provision of this
1082 section, the commissioner shall order a hearing to be held, requiring
1083 such carrier to show cause why such carrier's permit should not be
1084 revoked or suspended. The commissioner shall provide at least ten days'
1085 notice, in writing, to such carrier of the date, time and place of such
1086 hearing and may serve such notice personally or by registered or
1087 certified mail. If, after such hearing, the commissioner revokes or
1088 suspends a permit, the commissioner shall not restore such permit to or
1089 issue a new permit for such carrier unless the commissioner is satisfied
1090 that the carrier will comply with the provisions of this section.

1091 (2) Whenever a carrier files returns for four successive monthly
1092 periods showing that none of the eligible motor vehicles operated or
1093 caused to be operated by such carrier used any highway of the state, the
1094 commissioner shall order a hearing to be held, requiring such carrier to
1095 show cause why such carrier's permit should not be cancelled. The
1096 commissioner shall provide at least thirty days' notice, in writing, to
1097 such carrier of the date, time and place of such hearing and may serve
1098 such notice personally or by registered or certified mail. If, after such
1099 hearing, the commissioner cancels a permit, the commissioner shall not
1100 issue a new permit for such carrier unless the commissioner is satisfied
1101 that the carrier will make use of the highways of the state.

1102 (f) Each person, other than a carrier, who is required, on behalf of
1103 such carrier, to collect, truthfully account for and pay over a tax imposed
1104 on such carrier under this section and who wilfully fails to collect,
1105 truthfully account for and pay over such tax or who wilfully attempts in
1106 any manner to evade or defeat the tax or the payment thereof, shall, in
1107 addition to other penalties provided by law, be liable for a penalty equal
1108 to the total amount of the tax evaded, or not collected, or not accounted
1109 for and paid over, including any penalty or interest attributable to such
1110 wilful failure to collect or truthfully account for and pay over such tax
1111 or such wilful attempt to evade or defeat such tax, provided such

1112 penalty shall only be imposed against such person in the event that such
1113 tax, penalty or interest cannot otherwise be collected from such carrier.
1114 The amount of such penalty with respect to which a person may be
1115 personally liable under this section shall be collected in accordance with
1116 the provisions of subsection (n) of this section and any amount so
1117 collected shall be allowed as a credit against the amount of such tax,
1118 penalty or interest due and owing from the carrier. The dissolution of
1119 the carrier shall not discharge any person in relation to any personal
1120 liability under this section for wilful failure to collect or truthfully
1121 account for and pay over such tax or for a wilful attempt to evade or
1122 defeat such tax prior to dissolution, except as otherwise provided in this
1123 section. For purposes of this subsection, "person" includes any
1124 individual, corporation, limited liability company or partnership and
1125 any officer or employee of any corporation, including a dissolved
1126 corporation, and a member of or employee of any partnership or limited
1127 liability company who, as such officer, employee or member, is under a
1128 duty to file a tax return under this section on behalf of a carrier or to
1129 collect or truthfully account for and pay over a tax imposed under this
1130 section on behalf of such carrier.

1131 (g) (1) The commissioner may examine the records of any carrier
1132 subject to a tax imposed under the provisions of this section as the
1133 commissioner deems necessary. If the commissioner determines that
1134 there is a deficiency with respect to the payment of any such tax due
1135 under the provisions of this section, the commissioner shall assess or
1136 reassess the deficiency in tax, give notice of such deficiency assessment
1137 or reassessment to the taxpayer and make demand upon the taxpayer
1138 for payment. Such amount shall bear interest at the rate of one per cent
1139 per month or fraction thereof from the date when the original tax was
1140 due and payable. When it appears that any part of the deficiency for
1141 which a deficiency assessment is made is due to negligence or
1142 intentional disregard of the provisions of this section or regulations
1143 promulgated thereunder, there shall be imposed a penalty equal to ten
1144 per cent of the amount of such deficiency assessment, or fifty dollars,
1145 whichever is greater. When it appears that any part of the deficiency for

1146 which a deficiency assessment is made is due to fraud or intent to evade
1147 the provisions of this section or regulations promulgated thereunder,
1148 there shall be imposed a penalty equal to twenty-five per cent of the
1149 amount of such deficiency assessment. No taxpayer shall be subject to
1150 more than one penalty under this subsection in relation to the same tax
1151 period. Subject to the provisions of section 12-3a of the general statutes,
1152 the commissioner may waive all or part of the penalties provided under
1153 this section when it is proven to the commissioner's satisfaction that the
1154 failure to pay any tax was due to reasonable cause and was not
1155 intentional or due to neglect. Any decision rendered by any federal
1156 court holding that a taxpayer has filed a fraudulent return with the
1157 Director of Internal Revenue shall subject the taxpayer to the penalty
1158 imposed by this section without the necessity of further proof thereof,
1159 except when it can be shown that the return to the state so differed from
1160 the return to the federal government as to afford a reasonable
1161 presumption that the attempt to defraud did not extend to the return
1162 filed with the state. Within thirty days of the mailing of such notice, the
1163 taxpayer shall pay to the commissioner, in cash, or by check, draft or
1164 money order drawn to the order of the Commissioner of Revenue
1165 Services, any additional amount of tax, penalty and interest shown to be
1166 due.

1167 (2) Except in the case of a wilfully false or fraudulent return with
1168 intent to evade the tax, no assessment of additional tax shall be made
1169 after the expiration of more than three years from the date of the filing
1170 of a return or from the original due date of a return, whichever is later.
1171 If no return has been filed as provided under the provisions of this
1172 section, the commissioner may make such return at any time thereafter,
1173 according to the best information obtainable and according to the form
1174 prescribed. To the tax imposed upon the basis of such return, there shall
1175 be added an amount equal to ten per cent of such tax, or fifty dollars,
1176 whichever is greater. The tax shall bear interest at the rate of one per
1177 cent per month or fraction thereof from the due date of such tax to the
1178 date of payment. Where, before the expiration of the period prescribed
1179 herein for the assessment of an additional tax, a taxpayer has consented

1180 in writing that such period may be extended, the amount of such
1181 additional tax due may be determined at any time within such extended
1182 period. The period so extended may be further extended by subsequent
1183 consents in writing before the expiration of the extended period.

1184 (h) (1) Any carrier believing that it has overpaid any taxes due under
1185 the provisions of this section may file a claim for refund in writing with
1186 the commissioner within three years from the due date for which such
1187 overpayment was made, stating the specific grounds upon which the
1188 claim is founded. Failure to file a claim within the time prescribed in this
1189 section constitutes a waiver of any demand against the state on account
1190 of overpayment. The commissioner shall review such claim within a
1191 reasonable time and, if the commissioner determines that a refund is
1192 due, the commissioner shall credit the overpayment against any amount
1193 then due and payable from the carrier under this section or any
1194 provision of the general statutes and shall refund any balance
1195 remaining. The commissioner shall notify the Comptroller of the
1196 amount of such refund and the Comptroller shall draw an order on the
1197 Treasurer in the amount thereof for payment to such carrier. If the
1198 commissioner determines that such claim is not valid, either in whole or
1199 in part, the commissioner shall mail notice of the proposed disallowance
1200 to the claimant, which notice shall set forth briefly the commissioner's
1201 findings of fact and the basis of disallowance in each case decided in
1202 whole or in part adversely to the claimant. Sixty days after the date on
1203 which it is mailed, a notice of proposed disallowance shall constitute a
1204 final disallowance except only for such amounts as to which the
1205 taxpayer filed, as provided in subdivision (2) of this subsection, a
1206 written protest with the commissioner.

1207 (2) On or before the sixtieth day after the mailing of the proposed
1208 disallowance, the claimant may file with the commissioner a written
1209 protest against the proposed disallowance in which the claimant shall
1210 set forth the grounds on which the protest is based. If a protest is filed,
1211 the commissioner shall reconsider the proposed disallowance and, if the
1212 claimant has so requested, may grant or deny the claimant or the
1213 claimant's authorized representatives an oral hearing.

1214 (3) The commissioner shall mail notice of the commissioner's
1215 determination to the claimant, which notice shall set forth briefly the
1216 commissioner's findings of fact and the basis of decision in each case
1217 decided in whole or in part adversely to the claimant.

1218 (4) The action of the commissioner on the claimant's protest shall be
1219 final upon the expiration of thirty days from the date on which the
1220 commissioner mails notice of the commissioner's action to the company
1221 or municipal utility unless within such period the claimant seeks
1222 judicial review of the commissioner's determination pursuant to
1223 subsection (l) of this section.

1224 (i) (1) Any person required under this section or regulations adopted
1225 thereunder to pay any tax, make a return, keep any record or supply
1226 any information, who wilfully fails to pay such tax, make such return,
1227 keep such records or supply such information, at the time required by
1228 law, shall, in addition to any other penalty provided by law, be fined
1229 not more than one thousand dollars or imprisoned not more than one
1230 year, or both. Notwithstanding the provisions of section 54-193 of the
1231 general statutes, no person shall be prosecuted for a violation of the
1232 provisions of this subsection committed on or after January 1, 2023,
1233 except within three years next after such violation has been committed.
1234 As used in this subsection, "person" includes any officer or employee of
1235 a corporation or a member or employee of a partnership under a duty
1236 to pay such tax, make such return, keep such records or supply such
1237 information.

1238 (2) Any person who wilfully delivers or discloses to the commissioner
1239 or the commissioner's authorized agent any list, return, account,
1240 statement or other document, known by such person to be fraudulent
1241 or false in any material matter, shall, in addition to any other penalty
1242 provided by law, be guilty of a class D felony. No person shall be
1243 charged with an offense under both subdivisions (1) and (2) of this
1244 subsection in relation to the same tax period but such person may be
1245 charged and prosecuted for both such offenses upon the same
1246 information.

1247 (j) (1) Each carrier shall keep such records, receipts, invoices and other
1248 pertinent papers in such form as the commissioner requires.

1249 (2) In addition to the requirements set forth under subdivision (1) of
1250 this subsection, each carrier shall maintain, on a monthly basis, a list of
1251 all the eligible motor vehicles that such carrier operates or causes to
1252 operate on a highway in the state during such month. All such lists shall
1253 be maintained by the carrier for not less than four years after the date of
1254 each such month and shall be made available to the commissioner upon
1255 request.

1256 (3) The commissioner or the commissioner's authorized agent may
1257 examine the records, receipts, invoices, other pertinent papers and
1258 equipment of any person liable under the provisions of this section and
1259 may investigate the character of the business of such person to verify
1260 the accuracy of any return made or, if no return is made by such person,
1261 to ascertain and determine the amount required to be paid.

1262 (k) Any carrier that is aggrieved by the action of the commissioner or
1263 an authorized agent of the commissioner in fixing the amount of any
1264 tax, penalty or interest under this section may apply to the
1265 commissioner, in writing, not later than sixty days after the notice of
1266 such action is delivered or mailed to such carrier, for a hearing and a
1267 correction of the amount of such tax, penalty or interest, setting forth the
1268 reasons why such hearing should be granted and the amount by which
1269 such tax, penalty or interest should be reduced. The commissioner shall
1270 promptly consider each such application and may grant or deny the
1271 hearing requested. If the hearing request is denied, the carrier shall be
1272 notified forthwith. If the hearing request is granted, the commissioner
1273 shall notify the carrier of the date, time and place for such hearing. After
1274 such hearing, the commissioner may make such order as appears just
1275 and lawful to the commissioner and shall furnish a copy of such order
1276 to the carrier. The commissioner may, by notice in writing, order a
1277 hearing on the commissioner's own initiative and require a carrier or
1278 any other individual who the commissioner believes to be in possession
1279 of relevant information concerning such carrier to appear before the

1280 commissioner or the commissioner's authorized agent with any
1281 specified books of account, papers or other documents, for examination
1282 under oath.

1283 (l) Any carrier that is aggrieved because of any order, decision,
1284 determination or disallowance the commissioner made under
1285 subsection (h) or (k) of this section may, not later than thirty days after
1286 service of notice of such order, decision, determination or disallowance,
1287 take an appeal therefrom to the superior court for the judicial district of
1288 New Britain, which appeal shall be accompanied by a citation to the
1289 commissioner to appear before said court. Such citation shall be signed
1290 by the same authority and such appeal shall be returnable at the same
1291 time and served and returned in the same manner as is required in the
1292 case of a summons in a civil action. The authority issuing the citation
1293 shall take from the appellant a bond or recognizance to the state of
1294 Connecticut, with surety, to prosecute the appeal to effect and to comply
1295 with the orders and decrees of the court in the premises. Such appeals
1296 shall be preferred cases, to be heard, unless cause appears to the
1297 contrary, at the first session, by the court or by a committee appointed
1298 by the court. Said court may grant such relief as may be equitable and,
1299 if such tax has been paid prior to the granting of such relief, may order
1300 the Treasurer to pay the amount of such relief. If the appeal has been
1301 taken without probable cause, the court may tax double or triple costs,
1302 as the case demands and, upon all such appeals that are denied, costs
1303 may be taxed against such carrier at the discretion of the court but no
1304 costs shall be taxed against the state.

1305 (m) The commissioner and any agent of the commissioner duly
1306 authorized to conduct any inquiry, investigation or hearing pursuant to
1307 this section shall have power to administer oaths and take testimony
1308 under oath relative to the matter of inquiry or investigation. At any
1309 hearing ordered by the commissioner, the commissioner or the
1310 commissioner's agent authorized to conduct such hearing and having
1311 authority by law to issue such process may subpoena witnesses and
1312 require the production of books, papers and documents pertinent to
1313 such inquiry or investigation. No witness under subpoena authorized

1314 to be issued under the provisions of this section shall be excused from
1315 testifying or from producing books, papers or documentary evidence on
1316 the ground that such testimony or the production of such books, papers
1317 or documentary evidence would tend to incriminate such witness, but
1318 such books, papers or documentary evidence so produced shall not be
1319 used in any criminal proceeding against such witness. If any person
1320 disobeys such process or, having appeared in obedience thereto, refuses
1321 to answer any pertinent question put to such person by the
1322 commissioner or the commissioner's authorized agent, or to produce
1323 any books, papers or other documentary evidence pursuant thereto, the
1324 commissioner or such agent may apply to the superior court of the
1325 judicial district wherein the carrier has a business address or wherein
1326 the carrier's business has been conducted, or to any judge of such court
1327 if the same is not in session, setting forth such disobedience to process
1328 or refusal to answer, and such court or such judge shall cite such person
1329 to appear before such court or such judge to answer such question or to
1330 produce such books, papers or other documentary evidence and, upon
1331 such person's refusal so to do, shall commit such person to a community
1332 correctional center until such person testifies, but not for a period longer
1333 than sixty days. Notwithstanding the serving of the term of such
1334 commitment by any person, the commissioner may proceed in all
1335 respects with such inquiry and examination as if the witness had not
1336 previously been called upon to testify. Officers who serve subpoenas
1337 issued by the commissioner or under the commissioner's authority and
1338 witnesses attending hearings conducted by the commissioner pursuant
1339 to this section shall receive fees and compensation at the same rates as
1340 officers and witnesses in the courts of this state, to be paid on vouchers
1341 of the commissioner on order of the Comptroller from the proper
1342 appropriation for the administration of this section.

1343 (n) The amount of any tax, penalty or interest due and unpaid under
1344 the provisions of this section may be collected under the provisions of
1345 section 12-35 of the general statutes. The warrant provided under said
1346 section shall be signed by the commissioner or the commissioner's
1347 authorized agent. The amount of any such tax, penalty and interest shall

1348 be a lien on the real estate of the carrier from the last day of the month
1349 next preceding the due date of such civil penalty until such civil penalty
1350 is paid. The commissioner may record such lien in the records of any
1351 town in which the real estate of such carrier is situated but no such lien
1352 shall be enforceable against a bona fide purchaser or qualified
1353 encumbrancer of such real estate. When any tax with respect to which a
1354 lien has been recorded under the provisions of this subsection has been
1355 satisfied, the commissioner shall, upon request of any interested party,
1356 issue a certificate discharging such lien, which certificate shall be
1357 recorded in the same office in which the lien was recorded. Any action
1358 for the foreclosure of such lien shall be brought by the Attorney General
1359 in the name of the state in the superior court for the judicial district in
1360 which the real estate subject to such lien is situated, or, if such real estate
1361 is located in two or more judicial districts, in the superior court for any
1362 one such judicial district, and the court may limit the time for
1363 redemption or order the sale of such real estate or pass such other or
1364 further decree as it judges equitable.

1365 (o) No tax credit or credits shall be allowable against the tax imposed
1366 under this section.

1367 (p) Any person who knowingly violates any provision of this section
1368 for which no other penalty is provided shall be fined one thousand
1369 dollars.

1370 (q) The commissioner may adopt regulations, in accordance with the
1371 provisions of chapter 54 of the general statutes, to implement the
1372 provisions of this section.

1373 (r) At the close of each fiscal year, commencing with the fiscal year
1374 ending June 30, 2023, in which the tax imposed under the provisions of
1375 this section are received by the commissioner, the Comptroller is
1376 authorized to record as revenue for such fiscal year the amount of such
1377 tax that are received by the commissioner not later than five business
1378 days from the July thirty-first immediately following the end of such
1379 fiscal year.

1380 Sec. 25. Section 3-20j of the general statutes is repealed and the
1381 following is substituted in lieu thereof (*Effective from passage*):

1382 (a) As used in this section, the following terms have the following
1383 meanings, unless the context clearly indicates a different meaning or
1384 intent:

1385 (1) "Credit revenue bonds" means revenue bonds issued pursuant to
1386 this section;

1387 (2) "Collection agent" means the financial institution acting as the
1388 trustee or agent for the trustee that receives the pledged revenues
1389 directed by the state to be paid to it by taxpayers;

1390 (3) "Debt service requirements" means (A) (i) principal and interest
1391 with respect to bonds, (ii) interest with respect to bond anticipation
1392 notes, and (iii) unrefunded principal with respect to bond anticipation
1393 notes, (B) the purchase price of bonds and bond anticipation notes that
1394 are subject to purchase or redemption at the option of the bondowner or
1395 noteowner, (C) the amounts, if any, required to establish or maintain
1396 reserves, sinking funds or other funds or accounts at the respective
1397 levels required to be established or maintained therein in accordance
1398 with the proceedings authorizing the issuance of bonds, (D) expenses of
1399 issuance and administration with respect to bonds and bond
1400 anticipation notes, as determined by the Treasurer, (E) the amounts, if
1401 any, becoming due and payable under a reimbursement agreement or
1402 similar agreement entered into pursuant to authority granted under the
1403 proceedings authorizing the issuance of bonds and bond anticipation
1404 notes, and (F) any other costs or expenses deemed by the Treasurer to
1405 be necessary or proper to be paid in connection with the bonds and bond
1406 anticipation notes, including, without limitation, the cost of any credit
1407 facility, including, but not limited to, a letter of credit or policy of bond
1408 insurance, issued by a financial institution pursuant to an agreement
1409 approved pursuant to the proceedings authorizing the issuance of
1410 bonds and bond anticipation notes;

1411 (4) "Dedicated savings" for a period means the amounts for such

1412 period determined by the Treasurer pursuant to subsection (n) of this
1413 section to have been saved by the issuance of credit revenue bonds;

1414 (5) "Pledged revenues" means withholding taxes statutorily pledged
1415 to repayment of credit revenue bonds;

1416 (6) "Proceedings" means the proceedings of the State Bond
1417 Commission authorizing the issuance of bonds pursuant to this section,
1418 the provisions of any resolution or trust indenture securing bonds, that
1419 are incorporated into such proceedings, the provisions of any other
1420 documents or agreements that are incorporated into such proceedings
1421 and, to the extent applicable, a certificate of determination filed by the
1422 Treasurer in accordance with this section;

1423 (7) "Trustee" means the financial institution acting as trustee under
1424 the trust indenture pursuant to which bonds or notes are issued; and

1425 (8) "Withholding taxes" means taxes required to be deducted and
1426 withheld pursuant to sections 12-705 and 12-706 and paid to the
1427 Commissioner of Revenue Services pursuant to section 12-707 upon
1428 receipt by the state and including penalty and interest charges on such
1429 taxes.

1430 (b) Whenever any general statute or public or special act, whether
1431 enacted before, on or after October 31, 2017, authorizes general
1432 obligation bonds of the state to be issued for any purpose, such general
1433 statute or public or special act shall be deemed to have authorized such
1434 bonds to be issued as either general obligation bonds or credit revenue
1435 bonds under this section. In no event shall the total of the principal
1436 amount of general obligation bonds and credit revenue bonds issued
1437 pursuant to the authority of any general statute or public or special act
1438 exceed the amount authorized thereunder. Except as provided for in this
1439 section, all provisions of section 3-20, except subsection (p) of said
1440 section, shall apply to such credit revenue bonds.

1441 (c) Bonds issued pursuant to this section shall be special obligations
1442 of the state and shall not be payable from or charged upon any funds

1443 other than the pledged revenues or other receipts, funds or moneys
1444 pledged therefor, nor shall the state or any political subdivision thereof
1445 be subject to any liability thereon, except to the extent of such pledged
1446 revenues or other receipts, funds or moneys pledged therefor as
1447 provided in this section. As part of the contract of the state with the
1448 owners of such bonds, all amounts necessary for punctual payment of
1449 principal of and interest on such bonds, and redemption premium, if
1450 any, with respect to such bonds, is hereby appropriated and the
1451 Treasurer shall pay such principal and interest and redemption
1452 premium, if any, as the same shall become due but only from such
1453 sources. The issuance of bonds issued under this section shall not
1454 directly or indirectly or contingently obligate the state or any political
1455 subdivision thereof to levy or to pledge any form of taxation whatever
1456 therefor, except for taxes included in the pledged revenues, or to make
1457 any additional appropriation for their payment. Such bonds shall not
1458 constitute a charge, lien or encumbrance, legal or equitable, upon any
1459 property of the state or of any political subdivision thereof other than
1460 the pledged revenues or other receipts, funds or moneys pledged
1461 therefor as provided in this section, and the substance of such limitation
1462 shall be plainly stated on the face of each such bond and bond
1463 anticipation note.

1464 (d) The state hereby pledges all its right, title and interest to the
1465 pledged revenues to secure the due and punctual payment of the
1466 principal of and interest on the credit revenue bonds, and redemption
1467 premium, if any, with respect to such bonds. Such pledge shall secure
1468 all such credit revenue bonds equally, and such pledge is and shall be
1469 prior in interest to any other claim of any party to the pledged revenues,
1470 including any holder of general obligation bonds of the state. Such
1471 bonds also may be secured by a pledge of reserves, sinking funds and
1472 any other funds and accounts, including proceeds from investment of
1473 any of the foregoing, authorized hereby or by the proceedings
1474 authorizing the issuance of such bonds, and by moneys paid under a
1475 credit facility including, but not limited to, a letter of credit or policy of
1476 bond insurance, issued by a financial institution pursuant to an

1477 agreement authorized by such proceedings.

1478 (e) The pledge of the pledged revenues under this section is made by
1479 the state by operation of law through this section, and as a statutory lien
1480 is effective without any further act or agreement by the state, and shall
1481 be valid and binding from the time the pledge is made, and any
1482 revenues or other receipts, funds or moneys so pledged and received by
1483 the state shall be subject immediately to the lien of such pledge without
1484 any physical delivery thereof or further act. The lien of any such pledge
1485 shall be valid and binding as against all parties having claims of any
1486 kind in tort, contract or otherwise against the state, irrespective of
1487 whether such parties have notice thereof.

1488 (f) In the proceedings authorizing any credit revenue bonds, the state
1489 shall direct the trustee to establish one or more collection accounts with
1490 the collection agent to receive the pledged revenues and shall direct
1491 payment of the pledged revenues into such collection accounts of the
1492 collection agent. Funds in such collection accounts shall be kept separate
1493 and apart from any other funds of the state until disbursed as provided
1494 for in the proceedings authorizing such credit revenue bonds. Such
1495 proceedings shall provide that no funds from such collection accounts
1496 shall be disbursed to the control of the state until and at such times as
1497 all current claims of any trustee set out in the proceedings have been
1498 satisfied, and thereafter may be disbursed to the control of the state free
1499 and clear of any claim by the trustee or the holders of any credit revenue
1500 bonds. The agreements with the depositaries establishing the collection
1501 accounts may provide for customary settlement terms for the collection
1502 of revenues. The expenses of the state in establishing such collection
1503 accounts and directing the deposit of pledged revenues therein,
1504 including the expenses of the Department of Revenue Services and the
1505 office of the Comptroller in establishing mechanisms to verify, allocate,
1506 track and audit such accounts and the deposits therein, may be paid as
1507 costs of issuance of any bonds issued pursuant to section 3-20 or this
1508 section.

1509 (g) The proceedings under which bonds are authorized to be issued,

1510 pursuant to this section, may, subject to the provisions of the general
1511 statutes, contain any or all of the following:

1512 (1) Covenants that confirm, as part of the contract with the holders of
1513 the credit revenue bonds, the agreements of the state set forth in
1514 subsections (d) to (f), inclusive, of this section;

1515 (2) Provisions for the execution of reimbursement agreements or
1516 similar agreements in connection with credit facilities including, but not
1517 limited to, letters of credit or policies of bond insurance, remarketing
1518 agreements and agreements for the purpose of moderating interest rate
1519 fluctuations, and of such other agreements entered into pursuant to
1520 section 3-20a;

1521 (3) Provisions for the collection, custody, investment, reinvestment
1522 and use of the pledged revenues or other receipts, funds or moneys
1523 pledged therefor;

1524 (4) Provisions regarding the establishment and maintenance of
1525 reserves, sinking funds and any other funds and accounts as shall be
1526 approved by the State Bond Commission in such amounts as may be
1527 established by the State Bond Commission, and the regulation and
1528 disposition thereof, including requirements that any such funds and
1529 accounts be held separate from or not be commingled with other funds
1530 of the state;

1531 (5) Provisions for the issuance of additional bonds on a parity with
1532 bonds theretofore issued, including establishment of coverage
1533 requirements as a condition of the issuance of such additional bonds;

1534 (6) Provisions regarding the rights and remedies available in case of
1535 a default to the bondowners, or any trustee under any contract, loan
1536 agreement, document, instrument or trust indenture, including the right
1537 to appoint a trustee to represent their interests upon occurrence of an
1538 event of default, as defined in said proceedings, provided, if any bonds
1539 shall be secured by a trust indenture, the respective owners of such
1540 bonds or notes shall have no authority except as set forth in such trust

1541 indenture to appoint a separate trustee to represent them, and provided
1542 further no such right or remedy shall allow principal and interest on
1543 such bonds to be accelerated; and

1544 (7) Provisions or covenants of like or different character from the
1545 foregoing which are consistent with this and which the State Bond
1546 Commission determines in such proceedings are necessary, convenient
1547 or desirable to better secure the bonds, or will tend to make the bonds
1548 more marketable, and which are in the best interests of the state. Any
1549 provision which may be included in proceedings authorizing the
1550 issuance of bonds hereunder may be included in a trust indenture duly
1551 approved in accordance with this subsection which secures the bonds
1552 and any notes issued in anticipation thereof, and in such case the
1553 provisions of such indenture shall be deemed to be a part of such
1554 proceedings as though they were expressly included therein.

1555 (h) Bonds issued pursuant to this section shall be secured by a trust
1556 indenture, approved by the State Bond Commission, by and between
1557 the state and a corporate trustee, which may be any trust company or
1558 bank having the powers of a trust company within or without the state.
1559 Such trust indenture may contain such provisions for protecting and
1560 enforcing the rights and remedies of the bondowners as may be
1561 reasonable and proper and not in violation of law, including covenants
1562 setting forth the duties of the state in relation to the exercise of its powers
1563 pursuant to the pledged revenues and the custody, safeguarding and
1564 application of all moneys. The state may provide by such trust indenture
1565 for the payment of the pledged revenues or other receipts, funds or
1566 moneys to the trustee under such trust indenture or to any other
1567 depository, and for the method of disbursement thereof, with such
1568 safeguards and restrictions as it may determine, but consistent with the
1569 provisions of subsections (d) to (f), inclusive, of this section.

1570 (i) The Treasurer shall have power to purchase bonds of the state
1571 issued pursuant to this section out of any funds available therefor. The
1572 Treasurer may hold, pledge, cancel or resell such bonds subject to and
1573 in accordance with agreements with bondowners.

1574 (j) Bonds issued pursuant to this section are hereby made negotiable
1575 instruments within the meaning of and for all purposes of the Uniform
1576 Commercial Code, whether or not such bonds are of such form and
1577 character as to be negotiable instruments under the terms of the
1578 Uniform Commercial Code, subject only to the provisions of such bonds
1579 for registration.

1580 (k) Any moneys held by the Treasurer or a trustee pursuant to a trust
1581 indenture with respect to bonds issued pursuant to this section,
1582 including pledged revenues, other pledged receipts, funds or moneys
1583 and proceeds from the sale of such bonds, may, pending the use or
1584 application of the proceeds thereof for an authorized purpose, be (1)
1585 invested and reinvested in such obligations, securities and investments
1586 as are set forth in subsection (f) of section 3-20 and in participation
1587 certificates in the Short Term Investment Fund created under section 3-
1588 27a, or (2) deposited or redeposited in such bank or banks as shall be
1589 provided in the resolution authorizing the issuance of such bonds, the
1590 certificate of determination authorizing issuance of such bond
1591 anticipation notes or in the indenture securing such bonds. Proceeds
1592 from investments authorized by this subsection, less amounts required
1593 under the proceedings authorizing the issuance of bonds, shall be
1594 credited to the General Fund.

1595 (l) Bonds issued pursuant to this section are hereby made securities
1596 in which all public officers and public bodies of the state and its political
1597 subdivisions, all insurance companies, credit unions, building and loan
1598 associations, investment companies, banking associations, trust
1599 companies, executors, administrators, trustees and other fiduciaries and
1600 pension, profit-sharing and retirement funds may properly and legally
1601 invest funds, including capital in their control or belonging to them.
1602 Such bonds are hereby made securities which may properly and legally
1603 be deposited with and received by any state or municipal officer or any
1604 agency or political subdivision of the state for any purpose for which
1605 the deposit of bonds or obligations of the state is now or may hereafter
1606 be authorized by law.

1607 (m) The state covenants with the purchasers and all subsequent
1608 owners and transferees of bonds issued by the state pursuant to this
1609 section, in consideration of the acceptance of the payment for the bonds,
1610 until such bonds, together with the interest thereon, with interest on any
1611 unpaid installment of interest and all costs and expenses in connection
1612 with any action or proceeding on behalf of such owners, are fully met
1613 and discharged, or unless expressly permitted or otherwise authorized
1614 by the terms of each contract and agreement made or entered into by or
1615 on behalf of the state with or for the benefit of such owners, that the state
1616 will impose, charge, raise, levy, collect and apply the pledged revenues
1617 and other receipts, funds or moneys pledged for the payment of debt
1618 service requirements as provided in this section, in such amounts as
1619 may be necessary to pay such debt service requirements in each year in
1620 which bonds are outstanding and further, that the state (1) will not limit
1621 or alter the duties imposed on the Treasurer and other officers of the
1622 state by law and by the proceedings authorizing the issuance of bonds
1623 with respect to application of pledged revenues or other receipts, funds
1624 or moneys pledged for the payment of debt service requirements as
1625 provided in said sections; (2) will not alter the provisions establishing
1626 collection accounts with the collection agent or the direction of pledged
1627 revenues to such collection accounts, or the provisions applying such
1628 pledged revenues to the debt service requirements with respect to bonds
1629 or notes; (3) will not issue any bonds, notes or other evidences of
1630 indebtedness, other than the bonds, having any rights arising out of said
1631 sections or secured by any pledge of or other lien or charge on the
1632 pledged revenues or other receipts, funds or moneys pledged for the
1633 payment of debt service requirements as provided in said sections; (4)
1634 will not create or cause to be created any lien or charge on such pledged
1635 amounts, other than a lien or pledge created thereon pursuant to said
1636 sections, provided nothing in this subsection shall prevent the state from
1637 issuing evidences of indebtedness (A) which are secured by a pledge or
1638 lien which is and shall on the face thereof be expressly subordinate and
1639 junior in all respects to every lien and pledge created by or pursuant to
1640 said sections; (B) for which the full faith and credit of the state is pledged
1641 and which are not expressly secured by any specific lien or charge on

1642 such pledged amounts; or (C) which are secured by a pledge of or lien
1643 on moneys or funds derived on or after such date as every pledge or lien
1644 thereon created by or pursuant to said sections shall be discharged and
1645 satisfied; (5) will carry out and perform, or cause to be carried out and
1646 performed, every promise, covenant, agreement or contract made or
1647 entered into by the state or on its behalf with the owners of any bonds;
1648 (6) will not in any way impair the rights, exemptions or remedies of such
1649 owners; and (7) will not limit, modify, rescind, repeal or otherwise alter
1650 the rights or obligations of the appropriate officers of the state to impose,
1651 maintain, charge or collect the taxes, fees, charges and other receipts
1652 constituting the pledged revenues as may be necessary to produce
1653 sufficient revenues to fulfill the terms of the proceedings authorizing the
1654 issuance of the bonds; and provided further the state may change the
1655 rate of withholding taxes, calculation of amounts to which the rate
1656 applies, including exemptions and deductions so long as any such
1657 change, had it been in effect, would not have reduced the withholding
1658 taxes for any twelve consecutive months within the preceding fifteen
1659 months to less than an amount three times the maximum debt service
1660 payable on bonds issued and outstanding under this section for the
1661 current or any future fiscal year. The State Bond Commission is
1662 authorized to include this covenant of the state in any agreement with
1663 the owner of any such bonds.

1664 [(n) At the time of issuance of any credit revenue bonds pursuant to
1665 this section, the Treasurer shall determine the amount of principal and
1666 interest estimated to be saved by the issuance of credit revenue bonds
1667 instead of general obligation bonds, as measured by the difference
1668 between the stated principal and interest payable with respect to such
1669 credit revenue bonds in each fiscal year during which bonds shall be
1670 outstanding, and the principal and interest estimated to be payable in
1671 each fiscal year during which such bonds would have been outstanding
1672 had such bonds been issued as general obligation bonds payable over
1673 the same period on the basis of equal amounts of principal stated to be
1674 due in each fiscal year, subject to any specific adjustments which the
1675 Treasurer may consider appropriate to take into account in the structure

1676 for a specific bond issue, provided in any fiscal year that the Treasurer
1677 determines there are no savings, the estimated savings shall be zero for
1678 such fiscal year. The Treasurer shall base such determination on such
1679 factors as the Treasurer shall deem relevant, which may include advice
1680 from financial advisors to the state, historical trading patterns of
1681 outstanding state general obligation bonds and spreads to common
1682 municipal bond indexes. The Treasurer shall set out such estimated
1683 savings for each fiscal year during which each issue of credit revenue
1684 bonds shall be stated to be outstanding in a bond determination which
1685 shall be filed with the State Bond Commission at or prior to the issuance
1686 of such credit revenue bonds, and such amounts shall be dedicated
1687 savings for purposes of this section.

1688 (o) For each fiscal year during which credit revenue bonds shall be
1689 outstanding, there shall be transferred from the General Fund of the
1690 state to the Budget Reserve Fund established pursuant to section 4-30a,
1691 at the beginning of such fiscal year, an amount equal to the aggregate
1692 dedicated savings for all such bonds issued and to be outstanding in
1693 such fiscal year, unless the Governor declares an emergency or the
1694 existence of extraordinary circumstances, in which the provisions of
1695 section 4-85 are invoked, and at least three-fifths of the members of each
1696 chamber of the General Assembly vote to diminish such required
1697 transfer during the fiscal year for which the emergency or existence of
1698 extraordinary circumstances are determined, or in such other
1699 circumstances as may be permitted by the terms of the bonds, notes or
1700 other obligations issued pursuant to this section. Amounts so
1701 transferred shall not be available for appropriation for any other
1702 purpose, but shall only be used as provided in section 4-30a.

1703 (p) (1) Prior to July 1, 2021, net earnings of investments of proceeds
1704 of bonds issued pursuant to section 3-20 or pursuant to this section and
1705 accrued interest on the issuance of such bonds and premiums on the
1706 issuance of such bonds shall be deposited to the credit of the General
1707 Fund, after (A) payment of any expenses incurred by the Treasurer or
1708 State Bond Commission in connection with such issuance, or (B)
1709 application to interest on bonds, notes or other obligations of the state.

1710 (2) On and after July 1, 2021, notwithstanding subsection (f) of section
1711 3-20, (A) net earnings of investments of proceeds of bonds issued
1712 pursuant to section 3-20 or pursuant to this section and accrued interest
1713 on the issuance of such bonds shall be deposited to the credit of the
1714 General Fund, and (B) premiums, net of any original issue discount, on
1715 the issuance of such bonds shall, after payment of any expenses incurred
1716 by the Treasurer or State Bond Commission in connection with such
1717 issuance, be deposited at the direction of the Treasurer to the credit of
1718 an account or fund to fund all or a portion of any purpose or project
1719 authorized by the State Bond Commission pursuant to any bond act up
1720 to the amount authorized by the State Bond Commission, provided the
1721 bonds for such purpose or project are unissued, and provided further
1722 the certificate of determination the Treasurer files with the secretary of
1723 the State Bond Commission for such authorized bonds sets forth the
1724 amount of the deposit applied to fund each such purpose and project.
1725 Upon such filing, the Treasurer shall record bonds in the amount of net
1726 premiums credited to each purpose and project as set forth in the
1727 certificate of determination of the Treasurer as deemed issued and
1728 retired and the Treasurer shall not thereafter exercise authority to issue
1729 bonds in such amount for such purpose or project. Upon such recording
1730 by the Treasurer, such bonds shall be deemed to have been issued,
1731 retired and no longer authorized for issuance or outstanding for the
1732 purposes of section 3-21, and for the purpose of aligning the funding of
1733 such authorized purpose and project with amounts generated by net
1734 premiums, but shall not constitute an actual bond issuance or bond
1735 retirement for any other purposes including, but not limited to, financial
1736 reporting purposes.]

1737 [(q)] (n) Any general obligation bonds or notes issued pursuant to
1738 section 3-20 may be refunded by credit revenue bonds or notes issued
1739 pursuant to this section, and any credit revenue bonds issued pursuant
1740 to this section may be refunded by general obligation bonds or notes
1741 issued pursuant to subsection (g) of section 3-20 in the manner, and
1742 subject to the same conditions, as set out in subsection (g) of section 3-
1743 20.

1744 Sec. 26. Subparagraph (B) of subdivision (20) of subsection (a) of
1745 section 12-701 of the general statutes is repealed and the following is
1746 substituted in lieu thereof (*Effective from passage and applicable to taxable*
1747 *years commencing on or after January 1, 2021*):

1748 (B) There shall be subtracted therefrom:

1749 (i) To the extent properly includable in gross income for federal
1750 income tax purposes, any income with respect to which taxation by any
1751 state is prohibited by federal law;

1752 (ii) To the extent allowable under section 12-718, exempt dividends
1753 paid by a regulated investment company;

1754 (iii) To the extent properly includable in gross income for federal
1755 income tax purposes, the amount of any refund or credit for
1756 overpayment of income taxes imposed by this state, or any other state
1757 of the United States or a political subdivision thereof, or the District of
1758 Columbia;

1759 (iv) To the extent properly includable in gross income for federal
1760 income tax purposes and not otherwise subtracted from federal
1761 adjusted gross income pursuant to clause (x) of this subparagraph in
1762 computing Connecticut adjusted gross income, any tier 1 railroad
1763 retirement benefits;

1764 (v) To the extent any additional allowance for depreciation under
1765 Section 168(k) of the Internal Revenue Code for property placed in
1766 service after September 27, 2017, was added to federal adjusted gross
1767 income pursuant to subparagraph (A)(ix) of this subdivision in
1768 computing Connecticut adjusted gross income, twenty-five per cent of
1769 such additional allowance for depreciation in each of the four
1770 succeeding taxable years;

1771 (vi) To the extent properly includable in gross income for federal
1772 income tax purposes, any interest income from obligations issued by or
1773 on behalf of the state of Connecticut, any political subdivision thereof,

1774 or public instrumentality, state or local authority, district or similar
1775 public entity created under the laws of the state of Connecticut;

1776 (vii) To the extent properly includable in determining the net gain or
1777 loss from the sale or other disposition of capital assets for federal income
1778 tax purposes, any gain from the sale or exchange of obligations issued
1779 by or on behalf of the state of Connecticut, any political subdivision
1780 thereof, or public instrumentality, state or local authority, district or
1781 similar public entity created under the laws of the state of Connecticut,
1782 in the income year such gain was recognized;

1783 (viii) Any interest on indebtedness incurred or continued to purchase
1784 or carry obligations or securities the interest on which is subject to tax
1785 under this chapter but exempt from federal income tax, to the extent that
1786 such interest on indebtedness is not deductible in determining federal
1787 adjusted gross income and is attributable to a trade or business carried
1788 on by such individual;

1789 (ix) Ordinary and necessary expenses paid or incurred during the
1790 taxable year for the production or collection of income which is subject
1791 to taxation under this chapter but exempt from federal income tax, or
1792 the management, conservation or maintenance of property held for the
1793 production of such income, and the amortizable bond premium for the
1794 taxable year on any bond the interest on which is subject to tax under
1795 this chapter but exempt from federal income tax, to the extent that such
1796 expenses and premiums are not deductible in determining federal
1797 adjusted gross income and are attributable to a trade or business carried
1798 on by such individual;

1799 (x) (I) For taxable years commencing prior to January 1, 2019, for a
1800 person who files a return under the federal income tax as an unmarried
1801 individual whose federal adjusted gross income for such taxable year is
1802 less than fifty thousand dollars, or as a married individual filing
1803 separately whose federal adjusted gross income for such taxable year is
1804 less than fifty thousand dollars, or for a husband and wife who file a
1805 return under the federal income tax as married individuals filing jointly

1806 whose federal adjusted gross income for such taxable year is less than
1807 sixty thousand dollars or a person who files a return under the federal
1808 income tax as a head of household whose federal adjusted gross income
1809 for such taxable year is less than sixty thousand dollars, an amount
1810 equal to the Social Security benefits includable for federal income tax
1811 purposes;

1812 (II) For taxable years commencing prior to January 1, 2019, for a
1813 person who files a return under the federal income tax as an unmarried
1814 individual whose federal adjusted gross income for such taxable year is
1815 fifty thousand dollars or more, or as a married individual filing
1816 separately whose federal adjusted gross income for such taxable year is
1817 fifty thousand dollars or more, or for a husband and wife who file a
1818 return under the federal income tax as married individuals filing jointly
1819 whose federal adjusted gross income from such taxable year is sixty
1820 thousand dollars or more or for a person who files a return under the
1821 federal income tax as a head of household whose federal adjusted gross
1822 income for such taxable year is sixty thousand dollars or more, an
1823 amount equal to the difference between the amount of Social Security
1824 benefits includable for federal income tax purposes and the lesser of
1825 twenty-five per cent of the Social Security benefits received during the
1826 taxable year, or twenty-five per cent of the excess described in Section
1827 86(b)(1) of the Internal Revenue Code;

1828 (III) For the taxable year commencing January 1, 2019, and each
1829 taxable year thereafter, for a person who files a return under the federal
1830 income tax as an unmarried individual whose federal adjusted gross
1831 income for such taxable year is less than seventy-five thousand dollars,
1832 or as a married individual filing separately whose federal adjusted gross
1833 income for such taxable year is less than seventy-five thousand dollars,
1834 or for a husband and wife who file a return under the federal income tax
1835 as married individuals filing jointly whose federal adjusted gross
1836 income for such taxable year is less than one hundred thousand dollars
1837 or a person who files a return under the federal income tax as a head of
1838 household whose federal adjusted gross income for such taxable year is
1839 less than one hundred thousand dollars, an amount equal to the Social

1840 Security benefits includable for federal income tax purposes; and

1841 (IV) For the taxable year commencing January 1, 2019, and each
1842 taxable year thereafter, for a person who files a return under the federal
1843 income tax as an unmarried individual whose federal adjusted gross
1844 income for such taxable year is seventy-five thousand dollars or more,
1845 or as a married individual filing separately whose federal adjusted gross
1846 income for such taxable year is seventy-five thousand dollars or more,
1847 or for a husband and wife who file a return under the federal income tax
1848 as married individuals filing jointly whose federal adjusted gross
1849 income from such taxable year is one hundred thousand dollars or more
1850 or for a person who files a return under the federal income tax as a head
1851 of household whose federal adjusted gross income for such taxable year
1852 is one hundred thousand dollars or more, an amount equal to the
1853 difference between the amount of Social Security benefits includable for
1854 federal income tax purposes and the lesser of twenty-five per cent of the
1855 Social Security benefits received during the taxable year, or twenty-five
1856 per cent of the excess described in Section 86(b)(1) of the Internal
1857 Revenue Code;

1858 (xi) To the extent properly includable in gross income for federal
1859 income tax purposes, any amount rebated to a taxpayer pursuant to
1860 section 12-746;

1861 (xii) To the extent properly includable in the gross income for federal
1862 income tax purposes of a designated beneficiary, any distribution to
1863 such beneficiary from any qualified state tuition program, as defined in
1864 Section 529(b) of the Internal Revenue Code, established and
1865 maintained by this state or any official, agency or instrumentality of the
1866 state;

1867 (xiii) To the extent allowable under section 12-701a, contributions to
1868 accounts established pursuant to any qualified state tuition program, as
1869 defined in Section 529(b) of the Internal Revenue Code, established and
1870 maintained by this state or any official, agency or instrumentality of the
1871 state;

1872 (xiv) To the extent properly includable in gross income for federal
1873 income tax purposes, the amount of any Holocaust victims' settlement
1874 payment received in the taxable year by a Holocaust victim;

1875 (xv) To the extent properly includable in gross income for federal
1876 income tax purposes of an account holder, as defined in section 31-
1877 51ww, interest earned on funds deposited in the individual
1878 development account, as defined in section 31-51ww, of such account
1879 holder;

1880 (xvi) To the extent properly includable in the gross income for federal
1881 income tax purposes of a designated beneficiary, as defined in section
1882 3-123aa, interest, dividends or capital gains earned on contributions to
1883 accounts established for the designated beneficiary pursuant to the
1884 Connecticut Homecare Option Program for the Elderly established by
1885 sections 3-123aa to 3-123ff, inclusive;

1886 (xvii) To the extent properly includable in gross income for federal
1887 income tax purposes, any income received from the United States
1888 government as retirement pay for a retired member of (I) the Armed
1889 Forces of the United States, as defined in Section 101 of Title 10 of the
1890 United States Code, or (II) the National Guard, as defined in Section 101
1891 of Title 10 of the United States Code;

1892 (xviii) To the extent properly includable in gross income for federal
1893 income tax purposes for the taxable year, any income from the discharge
1894 of indebtedness in connection with any reacquisition, after December
1895 31, 2008, and before January 1, 2011, of an applicable debt instrument or
1896 instruments, as those terms are defined in Section 108 of the Internal
1897 Revenue Code, as amended by Section 1231 of the American Recovery
1898 and Reinvestment Act of 2009, to the extent any such income was added
1899 to federal adjusted gross income pursuant to subparagraph (A)(xi) of
1900 this subdivision in computing Connecticut adjusted gross income for a
1901 preceding taxable year;

1902 (xix) To the extent not deductible in determining federal adjusted
1903 gross income, the amount of any contribution to a manufacturing

1904 reinvestment account established pursuant to section 32-9zz in the
1905 taxable year that such contribution is made;

1906 (xx) To the extent properly includable in gross income for federal
1907 income tax purposes, (I) for the taxable year commencing January 1,
1908 2015, ten per cent of the income received from the state teachers'
1909 retirement system, (II) for the taxable years commencing January 1,
1910 2016, to January 1, [2020] 2022, inclusive, twenty-five per cent of the
1911 income received from the state teachers' retirement system, and (III) for
1912 the taxable year commencing January 1, [2021] 2023, and each taxable
1913 year thereafter, fifty per cent of the income received from the state
1914 teachers' retirement system or the percentage, if applicable, pursuant to
1915 clause (xxi) of this subparagraph;

1916 (xxi) To the extent properly includable in gross income for federal
1917 income tax purposes, except for retirement benefits under clause (iv) of
1918 this subparagraph and retirement pay under clause (xvii) of this
1919 subparagraph, for a person who files a return under the federal income
1920 tax as an unmarried individual whose federal adjusted gross income for
1921 such taxable year is less than seventy-five thousand dollars, or as a
1922 married individual filing separately whose federal adjusted gross
1923 income for such taxable year is less than seventy-five thousand dollars,
1924 or as a head of household whose federal adjusted gross income for such
1925 taxable year is less than seventy-five thousand dollars, or for a husband
1926 and wife who file a return under the federal income tax as married
1927 individuals filing jointly whose federal adjusted gross income for such
1928 taxable year is less than one hundred thousand dollars, (I) for the taxable
1929 year commencing January 1, 2019, fourteen per cent of any pension or
1930 annuity income, (II) for the taxable [year] years commencing January 1,
1931 2020, to January 1, 2022, inclusive, twenty-eight per cent of any pension
1932 or annuity income, (III) for the taxable year commencing January 1,
1933 [2021] 2023, forty-two per cent of any pension or annuity income, (IV)
1934 for the taxable year commencing January 1, [2022] 2024, fifty-six per cent
1935 of any pension or annuity income, (V) for the taxable year commencing
1936 January 1, [2023] 2025, seventy per cent of any pension or annuity
1937 income, (VI) for the taxable year commencing January 1, [2024] 2026,

1938 eighty-four per cent of any pension or annuity income, and (VII) for the
1939 taxable year commencing January 1, [2025] 2027, and each taxable year
1940 thereafter, any pension or annuity income;

1941 (xxii) The amount of lost wages and medical, travel and housing
1942 expenses, not to exceed ten thousand dollars in the aggregate, incurred
1943 by a taxpayer during the taxable year in connection with the donation
1944 to another person of an organ for organ transplantation occurring on or
1945 after January 1, 2017;

1946 (xxiii) To the extent properly includable in gross income for federal
1947 income tax purposes, the amount of any financial assistance received
1948 from the Crumbling Foundations Assistance Fund or paid to or on
1949 behalf of the owner of a residential building pursuant to sections 8-442
1950 and 8-443;

1951 (xxiv) To the extent properly includable in gross income for federal
1952 income tax purposes, the amount calculated pursuant to subsection (b)
1953 of section 12-704g for income received by a general partner of a venture
1954 capital fund, as defined in 17 CFR 275.203(l)-1, as amended from time to
1955 time; and

1956 (xxv) To the extent any portion of a deduction under Section 179 of
1957 the Internal Revenue Code was added to federal adjusted gross income
1958 pursuant to subparagraph (A)(xiv) of this subdivision in computing
1959 Connecticut adjusted gross income, twenty-five per cent of such
1960 disallowed portion of the deduction in each of the four succeeding
1961 taxable years.

1962 Sec. 27. (*Effective from passage*) The provisions of section 12-722 of the
1963 general statutes shall not apply to any additional tax due as a result of
1964 the changes made to subparagraph (B) of subdivision (20) of subsection
1965 (a) of section 12-701 of the general statutes pursuant to section 26 of this
1966 act, for the taxable year commencing January 1, 2021.

1967 Sec. 28. Subdivision (2) of subsection (b) of section 12-704c of the
1968 general statutes is repealed and the following is substituted in lieu

1969 thereof (*Effective from passage and applicable to taxable years commencing on*
1970 *or after January 1, 2021*):

1971 (2) Notwithstanding the provisions of subsection (a) of this section,
1972 for the taxable years commencing January 1, 2017, to January 1, [2020]
1973 2022, inclusive, the credit under this section shall be allowed only for a
1974 resident of this state (A) who has attained age sixty-five before the close
1975 of the applicable taxable year, or (B) who files a return under the federal
1976 income tax for the applicable taxable year validly claiming one or more
1977 dependents.

1978 Sec. 29. Subparagraph (L) of subdivision (1) of section 12-408 of the
1979 general statutes is repealed and the following is substituted in lieu
1980 thereof (*Effective from passage*):

1981 (L) For calendar months commencing on or after July 1, [2021] 2023,
1982 the commissioner shall deposit into the municipal revenue sharing
1983 account established pursuant to section 4-66l seven and nine-tenths per
1984 cent of the amounts received by the state from the tax imposed under
1985 subparagraph (A) of this subdivision; and

1986 Sec. 30. Subparagraph (K) of subdivision (1) of section 12-411 of the
1987 general statutes is repealed and the following is substituted in lieu
1988 thereof (*Effective from passage*):

1989 (K) For calendar months commencing on or after July 1, [2021] 2023,
1990 the commissioner shall deposit into said municipal revenue sharing
1991 account seven and nine-tenths per cent of the amounts received by the
1992 state from the tax imposed under subparagraph (A) of this subdivision;
1993 and

1994 Sec. 31. Subdivision (8) of subsection (b) of section 12-214 of the
1995 general statutes is repealed and the following is substituted in lieu
1996 thereof (*Effective from passage*):

1997 (8) (A) With respect to income years commencing on or after January
1998 1, 2018, [and prior to January 1, 2021,] any company subject to the tax

1999 imposed in accordance with subsection (a) of this section shall pay, for
2000 such income year, except when the tax so calculated is equal to two
2001 hundred fifty dollars, an additional tax in an amount equal to ten per
2002 cent of the tax calculated under said subsection (a) for such income year,
2003 without reduction of the tax so calculated by the amount of any credit
2004 against such tax. The additional amount of tax determined under this
2005 subsection for any income year shall constitute a part of the tax imposed
2006 by the provisions of said subsection (a) and shall become due and be
2007 paid, collected and enforced as provided in this chapter.

2008 (B) Any company whose gross income for the income year was less
2009 than one hundred million dollars shall not be subject to the additional
2010 tax imposed under subparagraph (A) of this subdivision. This exception
2011 shall not apply to taxable members of a combined group that files a
2012 combined unitary tax return.

2013 Sec. 32. Subdivision (8) of subsection (b) of section 12-219 of the
2014 general statutes is repealed and the following is substituted in lieu
2015 thereof (*Effective from passage*):

2016 (8) (A) With respect to income years commencing on or after January
2017 1, 2018, [and prior to January 1, 2021,] the additional tax imposed on any
2018 company and calculated in accordance with subsection (a) of this section
2019 shall, for such income year, except when the tax so calculated is equal to
2020 two hundred fifty dollars, be increased by adding thereto an amount
2021 equal to ten per cent of the additional tax so calculated for such income
2022 year, without reduction of the tax so calculated by the amount of any
2023 credit against such tax. The increased amount of tax payable by any
2024 company under this section, as determined in accordance with this
2025 subsection, shall become due and be paid, collected and enforced as
2026 provided in this chapter.

2027 (B) Any company whose gross income for the income year was less
2028 than one hundred million dollars shall not be subject to the additional
2029 tax imposed under subparagraph (A) of this subdivision. This exception
2030 shall not apply to taxable members of a combined group that files a

2031 combined unitary tax return.

2032 Sec. 33. Subdivision (1) of subsection (a) of section 12-219 of the
2033 general statutes is repealed and the following is substituted in lieu
2034 thereof (*Effective from passage*):

2035 (a) (1) Each company subject to the provisions of this part shall pay
2036 for the privilege of carrying on or doing business within the state, the
2037 larger of the tax, if any, imposed by section 12-214, as amended by this
2038 act, and the tax calculated under this subsection. The tax calculated
2039 under this section shall be a tax of (A) three and one-tenth mills per
2040 dollar for income years commencing prior to January 1, [2021] 2024, (B)
2041 two and six-tenths mills per dollar for the income year commencing on
2042 or after January 1, [2021] 2024, and prior to January 1, [2022] 2025, (C)
2043 two and one-tenth mills per dollar for the income year commencing on
2044 or after January 1, [2022] 2025, and prior to January 1, [2023] 2026, (D)
2045 one and six-tenths mills per dollar for the income year commencing on
2046 or after January 1, 2026, and prior to January 1, 2027, (E) one and one-
2047 tenth mills per dollar for the income year commencing on or after
2048 January 1, [2023] 2027, and prior to January 1, [2024] 2028, and [(E)] (F)
2049 zero mills per dollar for income years commencing on or after January
2050 1, [2024] 2028, of the amount derived (i) by adding (I) the average value
2051 of the issued and outstanding capital stock, including treasury stock at
2052 par or face value, fractional shares, scrip certificates convertible into
2053 shares of stock and amounts received on subscriptions to capital stock,
2054 computed on the balances at the beginning and end of the taxable year
2055 or period, the average value of surplus and undivided profit computed
2056 on the balances at the beginning and end of the taxable year or period,
2057 and (II) the average value of all surplus reserves computed on the
2058 balances at the beginning and end of the taxable year or period, (ii) by
2059 subtracting from the sum so calculated (I) the average value of any
2060 deficit carried on the balance sheet computed on the balances at the
2061 beginning and end of the taxable year or period, and (II) the average
2062 value of any holdings of stock of private corporations including treasury
2063 stock shown on the balance sheet computed on the balances at the
2064 beginning and end of the taxable year or period, and (iii) by

2065 apportioning the remainder so derived between this and other states
2066 under the provisions of section 12-219a, provided in no event shall the
2067 tax so calculated exceed one million dollars or be less than two hundred
2068 fifty dollars.

2069 Sec. 34. (*Effective from passage*) The provisions of section 12-242d of the
2070 general statutes shall not apply to any additional tax due as a result of
2071 the changes made to subdivision (8) of subsection (b) of section 12-214
2072 of the general statutes pursuant to section 31 of this act or to section 12-
2073 219 of the general statutes pursuant to sections 32 and 33 of this act, for
2074 income years commencing on or after January 1, 2021, but prior to the
2075 effective date of sections 32 to 34, inclusive, of this act.

2076 Sec. 35. Subsection (d) of section 12-217n of the general statutes is
2077 repealed and the following is substituted in lieu thereof (*Effective from*
2078 *passage and applicable to income years commencing on or after January 1,*
2079 *2021*):

2080 (d) (1) The credit provided for by this section shall be allowed for any
2081 income year commencing on or after January 1, 1993, provided any
2082 credits allowed for income years commencing on or after January 1,
2083 1993, and prior to January 1, 1995, may not be taken until income years
2084 commencing on or after January 1, 1995, and, for the purposes of
2085 subdivision (2) of this subsection, shall be treated as if the credit for each
2086 such income year first became allowable in the first income year
2087 commencing on or after January 1, 1995.

2088 (2) No more than one-third of the amount of the credit allowable for
2089 any income year may be included in the calculation of the amount of the
2090 credit that may be taken in that income year.

2091 (3) The total amount of the credit under subdivision (1) of this
2092 subsection that may be taken for any income year may not exceed the
2093 greater of (A) fifty per cent of the taxpayer's tax liability or in the case of
2094 a combined return, fifty per cent of the combined tax liability, for such
2095 income year, determined without regard to any credits allowed under
2096 this section, and (B) the lesser of (i) two hundred per cent of the credit

2097 otherwise allowed under subsection (c) of this section for such income
2098 year, and (ii) ninety per cent of the taxpayer's tax liability or in the case
2099 of a combined return, ninety per cent of the combined liability for such
2100 income year, determined without regard to any credits allowed under
2101 this section.

2102 (4) (A) Credits that are allowed under this section [but] for income
2103 years commencing prior to January 1, 2021, that exceed the amount
2104 permitted to be taken in an income year [by reason] pursuant to the
2105 provisions of subdivision (1), (2) or (3) of this subsection [.] shall be
2106 carried forward to each of the successive income years until such credits,
2107 or applicable portion thereof, are fully taken.

2108 (B) Credits that are allowed under this section for income years
2109 commencing on or after January 1, 2021, that exceed the amount
2110 permitted to be taken in an income year pursuant to the provisions of
2111 subdivision (1), (2) or (3) of this subsection shall be carried forward to
2112 each of the successive income years until such credits, or applicable
2113 portion thereof, are fully taken. No credit or portion thereof allowed
2114 under this section for income years commencing on or after January 1,
2115 2021, shall be carried forward for a period of more than fifteen years.

2116 (C) No credit [permitted] allowed under this section shall be taken in
2117 any income year until the full amount of all allowable credits carried
2118 forward to such year from any prior income year, commencing with the
2119 earliest such prior year, that otherwise may be taken under subdivision
2120 (2) of this subsection in that income year, have been fully taken.

2121 Sec. 36. Subsection (a) of section 12-264 of the general statutes is
2122 repealed and the following is substituted in lieu thereof (*Effective July 1,*
2123 *2021*):

2124 (a) Each (1) municipality, or department or agency thereof, or district
2125 manufacturing, selling or distributing gas to be used for light, heat or
2126 power, (2) company the principal business of which is manufacturing,
2127 selling or distributing gas or steam to be used for light, heat or power,
2128 including each foreign electric company, as defined in section 16-246f,

2129 that holds property in this state, and (3) company required to register
2130 pursuant to section 16-258a, shall pay a quarterly tax upon gross
2131 earnings from such operations in this state. Gross earnings from such
2132 operations under subdivisions (1) and (2) of this subsection shall
2133 include, as determined by the Commissioner of Revenue Services, (A)
2134 all income included in operating revenue accounts in the uniform
2135 systems of accounts prescribed by the Public Utilities Regulatory
2136 Authority for operations within the taxable quarter and, with respect to
2137 each such company, (B) all income identified in said uniform systems of
2138 accounts as income from merchandising, jobbing and contract work, (C)
2139 all revenues identified in said uniform systems of accounts as income
2140 from nonutility operations, (D) all revenues identified in said uniform
2141 systems of accounts as nonoperating retail income, and (E) receipts from
2142 the sale of residuals and other by-products obtained in connection with
2143 the production of gas, electricity or steam. Gross earnings from such
2144 operations under subdivision (3) of this subsection shall be gross income
2145 from the sales of natural gas. [provided gross income shall not include
2146 income from the sale of natural gas to an existing combined cycle facility
2147 comprised of three gas turbines providing electric generation services,
2148 as defined in section 16-1, with a total capacity of seven hundred
2149 seventy-five megawatts, for use in the production of electricity.] Gross
2150 earnings of a gas company, as defined in section 16-1, shall not include
2151 income earned in a taxable quarter commencing prior to June 30, 2008,
2152 from the sale of natural gas or propane as a fuel for a motor vehicle. No
2153 deductions shall be allowed from such gross earnings for any
2154 commission, rebate or other payment, except a refund resulting from an
2155 error or overcharge and those specifically mentioned in section 12-265.
2156 Gross earnings of a company, as described in subdivision (2) of this
2157 subsection, shall not include income earned in any taxable quarter
2158 commencing on or after July 1, 2000, from the sale of steam.

2159 Sec. 37. (NEW) (*Effective from passage and applicable to quarterly periods*
2160 *commencing on or after July 1, 2021*) Notwithstanding any provision of the
2161 general statutes allowing for a higher amount, for quarterly periods
2162 commencing on or after July 1, 2021, the amount of the tax credit or

2163 credits allowable against the tax imposed under chapter 212 of the
2164 general statutes shall not exceed fifty and one one-hundredths per cent
2165 of the amount of tax due from a taxpayer under said chapter with
2166 respect to any such quarterly period of the taxpayer prior to the
2167 application of such credit or credits.

2168 Sec. 38. (*Effective from passage*) (a) As used in this section:

2169 (1) "Person" has the same meaning as provided in section 12-1 of the
2170 general statutes;

2171 (2) "Affected taxable period" means any taxable period ending on or
2172 before December 30, 2020;

2173 (3) "Affected person" means a person owing any tax for an affected
2174 taxable period;

2175 (4) "Tax" means any tax imposed by any law of this state and required
2176 to be collected by the department, other than the tax imposed under
2177 chapter 222 of the general statutes on any licensee, as defined in
2178 subdivision (1) of subsection (c) of section 12-486 of the general statutes;

2179 (5) "Commissioner" means the Commissioner of Revenue Services;
2180 and

2181 (6) "Department" means the Department of Revenue Services.

2182 (b) (1) The commissioner shall establish a tax amnesty program for
2183 persons owing any tax for any affected taxable period. The tax amnesty
2184 program shall be conducted during the period from November 1, 2021,
2185 to January 31, 2022, inclusive.

2186 (2) An amnesty application shall be prepared by the commissioner
2187 that shall provide for specification by the affected person of the tax and
2188 the affected taxable period for which amnesty is being sought under the
2189 tax amnesty program. The commissioner may require that such amnesty
2190 applications be filed electronically and that the amounts associated with
2191 such applications be paid electronically.

2192 (3) Any affected person who files an amnesty application shall,
2193 subject to review of such application by the commissioner, be eligible
2194 for a reduction of interest due on the amount of tax owed by such person
2195 for an affected taxable period. Upon compliance with all requirements
2196 of the tax amnesty program under this section, an affected person whose
2197 application is granted by the commissioner shall be entitled to a
2198 seventy-five per cent reduction in interest that would otherwise be
2199 owed on the tax such person owes for the affected taxable period.

2200 (4) The tax amnesty program shall provide that, upon the filing of an
2201 amnesty application by an affected person and payment by such person
2202 of the tax and interest determined to be due by the commissioner from
2203 such person for an affected taxable period, the commissioner shall not
2204 seek to collect any civil penalties that may be applicable and shall not
2205 seek criminal prosecution for any affected person for an affected taxable
2206 period for which amnesty has been granted.

2207 (5) An amnesty application, if filed by an affected person and if
2208 granted by the commissioner, shall constitute an express and absolute
2209 relinquishment by the affected person of all of the affected person's
2210 administrative and judicial rights of appeal that have not run or
2211 otherwise expired as of the date payment is made for an affected taxable
2212 period, and no payment made by an affected person pursuant to this
2213 section for an affected taxable period shall be refunded or credited to
2214 such person. The commissioner shall not consider any request to
2215 exercise the authority granted to the commissioner under section 12-39s
2216 of the general statutes in connection with any amnesty application
2217 granted by the commissioner under this section.

2218 (6) Each affected person who files an amnesty application during the
2219 period the tax amnesty program under this section is conducted shall
2220 pay all amounts due to the state under such program with such
2221 application. Any person who fails to pay all such amounts due shall be
2222 ineligible for amnesty under such program.

2223 (7) No amnesty application shall be accepted for an affected taxable

2224 period in which the liability for such period has already been paid,
2225 unless such application is filed to report an additional amount of tax for
2226 such period. In no event shall an amnesty application result in a refund
2227 or credit of any amount of tax, penalty or interest previously paid.

2228 (c) Amnesty shall not be granted pursuant to subsection (b) of this
2229 section to any affected person who (1) is a party to any criminal
2230 investigation or to any criminal litigation that is pending on July 1, 2021,
2231 in any court of the United States or this state, (2) is a party to a closing
2232 agreement with the commissioner, (3) has made an offer of compromise
2233 that has been accepted by the commissioner, or (4) is a party to a
2234 managed audit agreement.

2235 (d) The provisions of subsection (d) of section 12-35i of the general
2236 statutes shall not apply to an affected taxable period that ends on or
2237 before November 30, 2012, for which no return has been previously
2238 filed, if such period is the subject of or included in any amnesty
2239 application granted by the commissioner under this section, provided
2240 the affected person pays all amounts due to the state in connection with
2241 such application in accordance with the provisions of subdivision (6) of
2242 subsection (b) of this section.

2243 (e) Any person who wilfully delivers or discloses to the commissioner
2244 or the commissioner's authorized agent any application, list return,
2245 account, statement or other document, known by such person to be
2246 fraudulent or false in any material matter, shall be ineligible for the tax
2247 amnesty program under this section and may, in addition to any other
2248 penalty provided by law, be fined not more than five thousand dollars
2249 or imprisoned not more than five years nor less than one year, or both.

2250 (f) Notwithstanding any provision of the general statutes, the
2251 commissioner may do all things necessary to provide for the timely
2252 implementation of this section.

2253 Sec. 39. (*Effective from passage*) Notwithstanding the provisions of
2254 section 4-66k of the general statutes, as amended by this act, the
2255 Comptroller shall transfer from the regional planning incentive account,

2256 established pursuant to said section: (1) On or before June 30, 2022, three
2257 million dollars, to be credited to the resources of the General Fund for
2258 the fiscal year ending June 30, 2022; and (2) on or before June 30, 2023,
2259 three million dollars, to be credited to the resources of the General Fund
2260 for the fiscal year ending June 30, 2023.

2261 Sec. 40. Section 4-66k of the general statutes is repealed and the
2262 following is substituted in lieu thereof (*Effective from passage*):

2263 (a) There is established an account to be known as the "regional
2264 planning incentive account" which shall be a separate, nonlapsing
2265 account within the General Fund. The account shall contain any moneys
2266 required by law to be deposited in the account. [Except as provided in
2267 subsection (d) of this section, moneys,] Moneys in the account shall be
2268 expended by the Secretary of the Office of Policy and Management in
2269 accordance with subsection (b) of this section for the purposes of first
2270 providing funding to regional planning organizations in accordance
2271 with the provisions of subsections (b) and (c) of this section and then to
2272 providing grants under the regional performance incentive program
2273 established pursuant to section 4-124s.

2274 (b) For the fiscal year ending June 30, 2014, funds from the regional
2275 planning incentive account shall be distributed to each regional
2276 planning organization, as defined in section 4-124i, revision of 1958,
2277 revised to January 1, 2013, in the amount of one hundred twenty-five
2278 thousand dollars. Any regional council of governments that is
2279 comprised of any two or more regional planning organizations that
2280 voluntarily consolidate on or before December 31, 2013, shall receive an
2281 additional payment in an amount equal to the amount the regional
2282 planning organizations would have received if such regional planning
2283 organizations had not voluntarily consolidated.

2284 (c) Beginning in the fiscal year ending June 30, 2015, and annually
2285 thereafter, funds from the regional planning incentive account shall be
2286 distributed to each regional council of governments formed pursuant to
2287 section 4-124j, in the amount of one hundred twenty-five thousand

2288 dollars plus fifty cents per capita, using population information from
2289 the most recent federal decennial census. Any regional council of
2290 governments that is comprised of any two or more regional planning
2291 organizations, as defined in section 4-124i, revision of 1958, revised to
2292 January 1, 2013, that voluntarily consolidated on or before December 31,
2293 2013, shall receive a payment in the amount of one hundred twenty-five
2294 thousand dollars for each such regional planning organization that
2295 voluntarily consolidated on or before said date.

2296 [(d) There is established a regionalization subaccount within the
2297 regional planning incentive account. If the Connecticut Lottery
2298 Corporation offers online its existing lottery draw games through the
2299 corporation's Internet web site, online service or mobile application, the
2300 revenue from such online offering that exceeds an amount equivalent to
2301 the costs of the debt-free community college program under section 10a-
2302 174 shall be deposited in the subaccount, or, if such online offering is not
2303 established, the amount provided under subsection (b) of section 364 of
2304 public act 19-117 for regionalization initiatives shall be deposited in the
2305 subaccount. Moneys in the subaccount shall be expended only for the
2306 purposes recommended by the task force established under section 4-
2307 66s.]

2308 Sec. 41. Subsection (a) of section 4-66s of the general statutes is
2309 repealed and the following is substituted in lieu thereof (*Effective from*
2310 *passage*):

2311 (a) There is established a task force to study ways to encourage
2312 greater and improved collaboration among the state and municipal
2313 governments and regional bodies. Such study shall include, but not be
2314 limited to, (1) the examination of functions, activities or services,
2315 currently performed by municipalities individually, that might be more
2316 efficiently performed by the Office of Policy and Management on behalf
2317 of municipalities willing to opt in or opt out of accepting such
2318 performance on their behalf, (2) the examination of functions, activities
2319 or services, currently performed by the state or municipalities that
2320 might be provided in a more efficient, high-quality, cost-effective or

2321 responsive manner by regional councils of governments, regional
2322 educational service centers or other similar regional bodies that are
2323 responsive to residents, (3) cost savings of government services,
2324 including, but not limited to, joint purchasing, for a municipality and its
2325 local or regional school district, (4) cost savings through the sharing of
2326 government services, including, but not limited to, joint purchasing,
2327 among municipalities, (5) the standardization and alignment of various
2328 regions of the state, and (6) analyses of any other initiatives that might
2329 facilitate the delivery of services in a more efficient, high-quality, cost-
2330 effective or responsive manner. [and (7) a recommendation of the
2331 division, if any, of revenue in the regionalization subaccount within the
2332 regional planning incentive account established under section 4-66k,
2333 between the Office of Policy and Management and the regional councils
2334 of governments, regional educational service centers or similar regional
2335 bodies for the purposes of subdivisions (1) and (2) of this subsection.]
2336 Any initiative recommended to be undertaken by the task force shall be
2337 offered to municipalities on a voluntary basis.

2338 Sec. 42. (*Effective from passage*) The Comptroller shall transfer from the
2339 General Fund to the Tourism Fund established under section 10-395b of
2340 the general statutes: (1) For the fiscal year ending June 30, 2021, nine
2341 million eight hundred thousand dollars; and (2) for the fiscal year
2342 ending June 30, 2022, three million one hundred thousand dollars.

2343 Sec. 43. (*Effective from passage*) For the fiscal years ending June 30,
2344 2022, and June 30, 2023, the amount deemed appropriated pursuant to
2345 sections 3-20i and 3-115b of the general statutes in each of said fiscal
2346 years shall be one dollar.

2347 Sec. 44. (*Effective from passage*) Notwithstanding the provisions of
2348 section 4-30a of the general statutes, the Comptroller shall transfer from
2349 the Budget Reserve Fund: (1) On July 1, 2021, seven hundred seventy-
2350 five million dollars, to be credited to the resources of the General Fund
2351 and used as revenue for the fiscal year ending June 30, 2022; and (2) on
2352 July 1, 2022, nine hundred seventy-five million dollars, to be credited to
2353 the resources of the General Fund and used as revenue for the fiscal year

2354 ending June 30, 2023. The amount of a transfer set forth in this section
2355 shall be reduced by the amount of any federal aid received by the state
2356 that is used to reduce state budgetary requirements for such fiscal year.

2357 Sec. 45. Subsection (a) of section 10a-8c of the general statutes is
2358 repealed and the following is substituted in lieu thereof (*Effective from*
2359 *passage*):

2360 (a) Except as provided in subsection (b) of this section,
2361 notwithstanding the provisions of sections 10a-77a, 10a-99a, 10a-109c,
2362 10a-109i and 10a-143a, no funds shall be appropriated to the Office of
2363 Higher Education for grants pursuant to subdivision (2) of subsection
2364 (a) of section 10a-77a, subdivision (2) of subsection (a) of section 10a-
2365 99a, subdivision (2) of subsection (b) of section 10a-109i and subdivision
2366 (2) of subsection (a) of section 10a-143a, [:(1) Until] until such time as
2367 the amount in the Budget Reserve Fund, established in section 4-30a,
2368 equals [ten] fifteen per cent of the net General Fund appropriations for
2369 the fiscal year in progress, [(2)] and provided further, (1) the amount of
2370 the grants appropriated shall be reduced proportionately if the amount
2371 available is less than the amount required for such grants, and [(3)] (2)
2372 the amount of funds available to be appropriated during any fiscal year
2373 for such grants shall not exceed twenty-five million dollars.

2374 Sec. 46. (NEW) (*Effective from passage*) (a) The Attorney General may,
2375 pursuant to the Attorney General's authority under section 3-125 of the
2376 general statutes, enter into any agreement concerning any state-wide
2377 opioid claim, including an agreement to compromise, release, waive or
2378 otherwise settle such claim, on behalf of the state and any political
2379 subdivisions. For the purposes of this section, "state-wide opioid claim"
2380 means any claim the state asserts or could assert concerning the
2381 manufacturing, marketing, distributing or selling of opioids, or
2382 activities related thereto.

2383 (b) Notwithstanding any provision of the general statutes, no
2384 claimant may assert any state-wide opioid claim for which the state has
2385 entered into an agreement to compromise, release, waive or otherwise

2386 settle such claim pursuant to this section.

2387 Sec. 47. Section 368 of public act 19-117 is repealed. (*Effective from*
2388 *passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2022</i>	1-1j
Sec. 2	<i>July 1, 2022</i>	3-99a(g)
Sec. 3	<i>July 1, 2022</i>	14-11i
Sec. 4	<i>July 1, 2022</i>	19a-88(g)
Sec. 5	<i>July 1, 2022</i>	45a-113b
Sec. 6	<i>July 1, 2022</i>	51-193b
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	12-806(b)(4)
Sec. 9	<i>from passage</i>	12-806(b)(13)
Sec. 10	<i>from passage</i>	12-810
Sec. 11	<i>from passage</i>	12-818
Sec. 12	<i>from passage</i>	52-553
Sec. 13	<i>from passage</i>	52-554
Sec. 14	<i>July 1, 2021, and applicable to calendar quarters commencing on or after July 1, 2021</i>	12-263p
Sec. 15	<i>July 1, 2021, and applicable to calendar quarters commencing on or after July 1, 2021</i>	New section
Sec. 16	<i>July 1, 2021</i>	12-263i
Sec. 17	<i>July 1, 2021, and applicable to calendar quarters commencing on or after July 1, 2021</i>	12-263s
Sec. 18	<i>July 1, 2021, and applicable to calendar quarters commencing on or after July 1, 2021</i>	12-263t
Sec. 19	<i>July 1, 2021, and applicable to calendar quarters commencing on or after July 1, 2021</i>	12-263u

Sec. 20	<i>July 1, 2021</i>	12-263v
Sec. 21	<i>July 1, 2021, and applicable to calendar quarters commencing on or after July 1, 2021</i>	12-263x
Sec. 22	<i>July 1, 2021</i>	3-114s
Sec. 23	<i>from passage</i>	19a-37f
Sec. 24	<i>from passage and applicable to calendar months commencing on or after January 1, 2023</i>	New section
Sec. 25	<i>from passage</i>	3-20j
Sec. 26	<i>from passage and applicable to taxable years commencing on or after January 1, 2021</i>	12-701(a)(20)(B)
Sec. 27	<i>from passage</i>	New section
Sec. 28	<i>from passage and applicable to taxable years commencing on or after January 1, 2021</i>	12-704c(b)(2)
Sec. 29	<i>from passage</i>	12-408(1)(L)
Sec. 30	<i>from passage</i>	12-411(1)(K)
Sec. 31	<i>from passage</i>	12-214(b)(8)
Sec. 32	<i>from passage</i>	12-219(b)(8)
Sec. 33	<i>from passage</i>	12-219(a)(1)
Sec. 34	<i>from passage</i>	New section
Sec. 35	<i>from passage and applicable to income years commencing on or after January 1, 2021</i>	12-217n(d)
Sec. 36	<i>July 1, 2021</i>	12-264(a)
Sec. 37	<i>from passage and applicable to quarterly periods commencing on or after July 1, 2021</i>	New section
Sec. 38	<i>from passage</i>	New section
Sec. 39	<i>from passage</i>	New section
Sec. 40	<i>from passage</i>	4-66k
Sec. 41	<i>from passage</i>	4-66s(a)
Sec. 42	<i>from passage</i>	New section
Sec. 43	<i>from passage</i>	New section

Sec. 44	<i>from passage</i>	New section
Sec. 45	<i>from passage</i>	10a-8c(a)
Sec. 46	<i>from passage</i>	New section
Sec. 47	<i>from passage</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.]