

OFFICE OF FISCAL ANALYSIS

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SB-351

AN ACT CONCERNING THE EXTENSION OF RESEARCH AND
DEVELOPMENT TAX CREDITS TO PASS-THROUGH ENTITIES.

As Amended by Senate "A" (LCO 4864)

Senate Calendar No.: 233

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 23 \$	FY 24 \$
Department of Economic & Community Development	GF - Potential Cost	Minimal	None

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a potential minimal cost in FY 23 only by requiring the Department of Economic and Community Development (DECD), in consultation with the Department of Revenue Services (DRS), to conduct a study regarding the extension of research and development tax credits to pass-through entities. There would be a cost only to the extent that the agencies would require third party consultation to assist in research for the study.

Senate "A" has no fiscal impact by requiring DECD to consult with DRS on the study in the underlying bill.

The Out Years

As the report is due by January 1, 2023, the impact would be to FY 23 only.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of

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informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.