
OLR Bill Analysis

HB 5404

AN ACT CONCERNING A SALES AND USE TAXES EXEMPTION FOR WATER COMPANIES.

SUMMARY

This bill exempts from sales and use tax the goods and services water companies purchase to maintain, operate, manage, or control a pond, lake, reservoir, stream, well, or distributing plant or system that supplies water to at least 50 customers. Under the bill, “water companies” are those regulated by the Public Utilities Regulatory Authority (i.e., private, investor-owned water companies).

EFFECTIVE DATE: July 1, 2022, and applicable to sales occurring on or after that date.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 51 Nay 0 (04/06/2022)