



General Assembly
December Special Session, 2015

Bill No. 1601

LCO No. 9857



Referred to Committee on No Committee

Introduced by:

SEN. LOONEY, 11th Dist.

SEN. DUFF, 25th Dist.

REP. SHARKEY, 88th Dist.

REP. ARESIMOWICZ, 30th Dist.

AN ACT MAKING CERTAIN STRUCTURAL CHANGES TO THE STATE BUDGET AND ADJUSTMENTS TO THE STATE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2017.

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

- 1 Section 1. (*Effective from passage*) (a) The Secretary of the Office of
2 Policy and Management may make reductions in allotments for the
3 fiscal years ending June 30, 2016, and June 30, 2017, in the following
4 accounts of the GENERAL FUND in the following amounts in order to
5 achieve budget savings in said fiscal years:

T1	GENERAL FUND			
T2			2015-2016	2016-2017
T3	AGRICULTURAL EXPERIMENT STATION	Personal Services	63,853	63,853
T4	AGRICULTURAL EXPERIMENT STATION	Other Expenses	156,700	156,700

T5	AGRICULTURAL EXPERIMENT STATION	Equipment	874	874
T6	AGRICULTURAL EXPERIMENT STATION	Mosquito Control	25,199	25,199
T7	AGRICULTURAL EXPERIMENT STATION	Wildlife Disease Prevention	3,941	3,941
T8	BOARD OF REGENTS FOR HIGHER EDUCATION	Charter Oak State College	27,334	27,334
T9	BOARD OF REGENTS FOR HIGHER EDUCATION	Board of Regents	22,642	22,642
T10	BOARD OF REGENTS FOR HIGHER EDUCATION	Transform CSCU	582,173	582,173
T11	COUNCIL ON ENVIRONMENTAL QUALITY	Other Expenses	1,000	1,000
T12	OFFICE OF THE CHIEF MEDICAL EXAMINER	Equipment	961	961
T13	OFFICE OF THE CHIEF MEDICAL EXAMINER	Medicolegal Investigations	1,285	1,285
T14	STATE LIBRARY	Other Expenses	25,765	25,765
T15	STATE LIBRARY	State-Wide Digital Library	164,163	164,163
T16	STATE LIBRARY	Legal/Legislative Library Materials	64,893	64,893
T17	STATE LIBRARY	Computer Access	14,890	14,890
T18	STATE LIBRARY	Support Cooperating Library Service Units	7,434	7,434
T19	STATE LIBRARY	Grants To Public Libraries	9,542	9,542
T20	STATE LIBRARY	Connecticard Payments	45,000	45,000
T21	STATE LIBRARY	Connecticut Humanities Council	76,865	76,865
T22	DEPARTMENT OF AGRICULTURE	Personal Services	10,000	10,000
T23	DEPARTMENT OF AGRICULTURE	Other Expenses	50,000	50,000
T24	DEPARTMENT OF AGRICULTURE	Tuberculosis and Brucellosis Indemnity	5	5
T25	DEPARTMENT OF ADMINISTRATIVE SERVICES	Personal Services	500,000	500,000
T26	DEPARTMENT OF ADMINISTRATIVE SERVICES	Other Expenses	100,000	100,000
T27	DEPARTMENT OF ADMINISTRATIVE SERVICES	Management Services	100,000	100,000
T28	DEPARTMENT OF ADMINISTRATIVE SERVICES	Employees' Review Board	833	833
T29	DEPARTMENT OF ADMINISTRATIVE SERVICES	Refunds Of Collections	1,029	1,029
T30	DEPARTMENT OF ADMINISTRATIVE SERVICES	Rents and Moving	250,000	250,000

T31	DEPARTMENT OF ADMINISTRATIVE SERVICES	Connecticut Education Network	127,760	127,760
T32	DEPARTMENT OF ADMINISTRATIVE SERVICES	State Insurance and Risk Mgmt Operations	200,000	200,000
T33	DEPARTMENT OF CHILDREN AND FAMILIES	Personal Services	250,000	250,000
T34	DEPARTMENT OF CHILDREN AND FAMILIES	Other Expenses	372,500	372,500
T35	DEPARTMENT OF CHILDREN AND FAMILIES	Juvenile Justice Outreach Services	144,974	144,974
T36	DEPARTMENT OF CHILDREN AND FAMILIES	No Nexus Special Education	77,334	77,334
T37	DEPARTMENT OF CHILDREN AND FAMILIES	Covenant to Care	7,990	7,990
T38	DEPARTMENT OF CHILDREN AND FAMILIES	Neighborhood Center	10,017	10,017
T39	DIVISION OF CRIMINAL JUSTICE	Personal Services	500,000	500,000
T40	DIVISION OF CRIMINAL JUSTICE	Other Expenses	102,454	102,454
T41	DIVISION OF CRIMINAL JUSTICE	Witness Protection	9,000	9,000
T42	DIVISION OF CRIMINAL JUSTICE	Training And Education	4,590	4,590
T43	DIVISION OF CRIMINAL JUSTICE	Expert Witnesses	22,645	22,645
T44	DIVISION OF CRIMINAL JUSTICE	Criminal Justice Commission	24	24
T45	DIVISION OF CRIMINAL JUSTICE	Cold Case Unit	24,200	24,200
T46	DEPARTMENT OF CONSUMER PROTECTION	Personal Services	47,511	47,511
T47	DEPARTMENT OF DEVELOPMENTAL SERVICES	Personal Services	3,045,968	3,045,968
T48	DEPARTMENT OF DEVELOPMENTAL SERVICES	Other Expenses	412,389	412,389
T49	DEPARTMENT OF DEVELOPMENTAL SERVICES	Cooperative Placements Program	300,000	300,000
T50	DEPARTMENT OF DEVELOPMENTAL SERVICES	Clinical Services	7,132	7,132
T51	DEPARTMENT OF DEVELOPMENTAL SERVICES	Behavioral Services Program	297,312	297,312
T52	DEPARTMENT OF DEVELOPMENTAL SERVICES	Supplemental Payments for Medical Services	250,000	250,000
T53	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Personal Services	70,848	70,848
T54	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Other Expenses	200,000	200,000
T55	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Mosquito Control	10,904	10,904
T56	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	State Superfund Site Maintenance	39,552	39,552

T57	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Laboratory Fees	7,584	7,584
T58	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Dam Maintenance	5,719	5,719
T59	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Emergency Spill Response	150,000	150,000
T60	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Underground Storage Tank	41,612	41,612
T61	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Clean Air	50,000	50,000
T62	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Environmental Conservation	145,419	145,419
T63	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Environmental Quality	100,000	100,000
T64	DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION	Conservation Districts & Soil and Water Councils	10,650	10,650
T65	OFFICE OF HIGHER EDUCATION	Other Expenses	8,699	8,699
T66	OFFICE OF HIGHER EDUCATION	Minority Advancement Program	87,541	87,541
T67	OFFICE OF HIGHER EDUCATION	Alternate Route to Certification	48,860	48,860
T68	DEPARTMENT OF CORRECTION	Personal Services	4,450,796	4,450,796
T69	DEPARTMENT OF CORRECTION	Other Expenses	1,000,000	1,000,000
T70	DEPARTMENT OF CORRECTION	Inmate Medical Services	3,000,000	3,000,000
T71	DEPARTMENT OF CORRECTION	Program Evaluation	25,501	25,501
T72	DEPARTMENT OF CORRECTION	Aid to Paroled and Discharged Inmates	423	423
T73	DEPARTMENT OF CORRECTION	Volunteer Services	13,588	13,588
T74	DEPARTMENT OF CORRECTION	Community Support Services	100,000	100,000
T75	DEPARTMENT OF HOUSING	Personal Services	44,693	44,693
T76	DEPARTMENT OF HOUSING	Elderly Rental Registry and Counselors	47,846	47,846
T77	DEPARTMENT OF HOUSING	Housing Assistance and Counseling Program	20,554	20,554
T78	LABOR DEPARTMENT	Personal Services	50,000	50,000
T79	LABOR DEPARTMENT	Other Expenses	25,372	25,372
T80	LABOR DEPARTMENT	CETC Workforce	27,478	27,478
T81	LABOR DEPARTMENT	Jobs First Employment Services	901,831	901,831
T82	LABOR DEPARTMENT	STRIDE	20,724	20,724
T83	LABOR DEPARTMENT	Apprenticeship Program	23,356	23,356
T84	LABOR DEPARTMENT	Spanish-American Merchants Association	20,021	20,021

T85	LABOR DEPARTMENT	Connecticut Career Resource Network	6,642	6,642
T86	LABOR DEPARTMENT	Incumbent Worker Training	36,284	36,284
T87	LABOR DEPARTMENT	STRIVE	9,484	9,484
T88	LABOR DEPARTMENT	Customized Services	17,562	17,562
T89	LABOR DEPARTMENT	Opportunities for Long Term Unemployed	31,613	31,613
T90	LABOR DEPARTMENT	Veterans' Opportunity Pilot	21,075	21,075
T91	LABOR DEPARTMENT	2Gen - TANF	60,000	60,000
T92	LABOR DEPARTMENT	New Haven Jobs Funnel	21,000	21,000
T93	LABOR DEPARTMENT	ConnectiCorps	25,000	25,000
T94	DEPARTMENT OF PUBLIC HEALTH	Personal Services	192,322	192,322
T95	DEPARTMENT OF PUBLIC HEALTH	Other Expenses	286,513	286,513
T96	DEPARTMENT OF PUBLIC HEALTH	Children's Health Initiatives	77,719	77,719
T97	DEPARTMENT OF PUBLIC HEALTH	Childhood Lead Poisoning	3,391	3,391
T98	DEPARTMENT OF PUBLIC HEALTH	AIDS Services	3,400	3,400
T99	DEPARTMENT OF PUBLIC HEALTH	Children with Special Health Care Needs	40,887	40,887
T100	DEPARTMENT OF PUBLIC HEALTH	Community Health Services	100,974	100,974
T101	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Personal Services	1,338,856	1,338,856
T102	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Other Expenses	50,000	50,000
T103	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Equipment	3,760	3,760
T104	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fleet Purchase	247,335	247,335
T105	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Willimantic	3,923	3,923
T106	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Maintenance of County Base Fire Radio Network	957	957

T107	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Maintenance of State-Wide Fire Radio Network	637	637
T108	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Torrington	2,361	2,361
T109	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - New Haven	1,577	1,577
T110	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Derby	1,182	1,182
T111	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Wolcott	2,752	2,752
T112	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Fairfield	1,967	1,967
T113	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Hartford	3,920	3,920
T114	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Middletown	1,172	1,172
T115	DEPARTMENT OF EMERGENCY SERVICES AND PUBLIC PROTECTION	Fire Training School - Stamford	1,174	1,174
T116	DEPARTMENT OF REVENUE SERVICES	Personal Services	150,000	150,000
T117	DEPARTMENT OF REVENUE SERVICES	Other Expenses	133,953	133,953
T118	DEPARTMENT OF SOCIAL SERVICES	Personal Services	672,637	672,637
T119	DEPARTMENT OF SOCIAL SERVICES	Other Expenses	2,000,000	2,000,000
T120	DEPARTMENT OF SOCIAL SERVICES	HUSKY Performance Monitoring	7,282	7,282
T121	DEPARTMENT OF SOCIAL SERVICES	Genetic Tests in Paternity Actions	31,011	31,011
T122	DEPARTMENT OF SOCIAL SERVICES	Medicaid	34,161,186	34,161,186
T123	DEPARTMENT OF SOCIAL SERVICES	Food Stamp Training Expenses	450	450
T124	DEPARTMENT OF SOCIAL SERVICES	Healthy Start	50,061	50,061
T125	DEPARTMENT OF SOCIAL SERVICES	Human Resource Development-Hispanic Programs	35,465	35,465

T126	DEPARTMENT OF SOCIAL SERVICES	Refunds Of Collections	5,531	5,531
T127	DEPARTMENT OF SOCIAL SERVICES	Services for Persons With Disabilities	26,338	26,338
T128	DEPARTMENT OF SOCIAL SERVICES	Nutrition Assistance	22,484	22,484
T129	DEPARTMENT OF SOCIAL SERVICES	Connecticut Children's Medical Center	146,055	146,055
T130	DEPARTMENT OF SOCIAL SERVICES	Community Services	44,029	44,029
T131	DEPARTMENT OF SOCIAL SERVICES	Human Service Infrastructure Community Action Program	151,083	151,083
T132	DEPARTMENT OF SOCIAL SERVICES	Teen Pregnancy Prevention	80,385	80,385
T133	DEPARTMENT OF SOCIAL SERVICES	Family Programs - TANF	21,664	21,664
T134	DEPARTMENT OF SOCIAL SERVICES	Community Services - Municipality	3,141	3,141
T135	DEPARTMENT OF VETERANS' AFFAIRS	Personal Services	143,496	143,496
T136	DEPARTMENT OF VETERANS' AFFAIRS	Other Expenses	151,782	151,782
T137	DEPARTMENT OF VETERANS' AFFAIRS	SSMF Administration	23,732	23,732
T138	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Other Expenses	250,000	250,000
T139	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Statewide Marketing	1,000,000	1,000,000
T140	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Small Business Incubator Program	13,597	13,597
T141	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Hartford Urban Arts Grant	15,800	15,800
T142	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	New Britain Arts Council	2,527	2,527
T143	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Main Street Initiatives	6,092	6,092
T144	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Office of Military Affairs	8,664	8,664

T145	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Hydrogen/Fuel Cell Economy	6,147	6,147
T146	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	CCAT-CT Manufacturing Supply Chain	33,721	33,721
T147	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Capital Region Development Authority	393,218	393,218
T148	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Neighborhood Music School	5,055	5,055
T149	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Nutmeg Games	2,563	2,563
T150	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Discovery Museum	12,637	12,637
T151	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	National Theatre of the Deaf	5,055	5,055
T152	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	CONNSTEP	19,828	19,828
T153	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Development Research and Economic Assistance	10,656	10,656
T154	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Connecticut Science Center	21,700	21,700
T155	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	CT Flagship Producing Theaters Grant	16,684	16,684
T156	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Women's Business Center	15,750	15,750
T157	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Performing Arts Centers	50,549	50,549
T158	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Performing Theaters Grant	19,717	19,717
T159	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Arts Commission	63,149	63,149
T160	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Art Museum Consortium	18,441	18,441

T161	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	CT Invention Convention	787	787
T162	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Litchfield Jazz Festival	1,875	1,875
T163	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Connecticut River Museum	1,000	1,000
T164	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Arte Inc.	1,000	1,000
T165	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	CT Virtuosi Orchestra	1,000	1,000
T166	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Barnum Museum	1,000	1,000
T167	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Greater Hartford Arts Council	3,559	3,559
T168	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Stepping Stones Museum for Children	1,478	1,478
T169	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Maritime Center Authority	19,493	19,493
T170	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Tourism Districts	80,690	80,690
T171	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Amistad Committee for the Freedom Trail	1,581	1,581
T172	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Amistad Vessel	12,637	12,637
T173	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	New Haven Festival of Arts and Ideas	26,604	26,604
T174	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	New Haven Arts Council	3,159	3,159
T175	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Beardsley Zoo	13,085	13,085
T176	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Mystic Aquarium	20,692	20,692

T177	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Quinebaug Tourism	1,386	1,386
T178	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Northwestern Tourism	1,386	1,386
T179	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Eastern Tourism	1,386	1,386
T180	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Central Tourism	1,386	1,386
T181	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Twain/Stowe Homes	3,955	3,955
T182	DEPARTMENT OF ECONOMIC AND COMMUNITY DEVELOPMENT	Cultural Alliance of Fairfield	3,159	3,159
T183	GOVERNOR'S OFFICE	Other Expenses	10,029	10,029
T184	GOVERNOR'S OFFICE	New England Governors' Conference	5,310	5,310
T185	GOVERNOR'S OFFICE	National Governors' Association	6,323	6,323
T186	COMMISSION ON HUMAN RIGHTS AND OPPORTUNITIES	Other Expenses	7,385	7,385
T187	LIEUTENANT GOVERNOR'S OFFICE	Personal Services	31,999	31,999
T188	LIEUTENANT GOVERNOR'S OFFICE	Other Expenses	3,432	3,432
T189	DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Personal Services	662,466	662,466
T190	DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Managed Service System	50,000	50,000
T191	DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Medicaid Adult Rehabilitation Option	48,163	48,163
T192	DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Nursing Home Contract	19,400	19,400
T193	DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Grants for Substance Abuse Services	222,679	222,679
T194	DEPARTMENT OF MENTAL HEALTH AND ADDICTION SERVICES	Employment Opportunities	520,860	520,860
T195	MILITARY DEPARTMENT	Other Expenses	51,904	51,904

T196	ATTORNEY GENERAL	Other Expenses	53,118	53,118
T197	OFFICE OF EARLY CHILDHOOD	Personal Services	100,000	100,000
T198	OFFICE OF EARLY CHILDHOOD	Other Expenses	6,999	6,999
T199	OFFICE OF EARLY CHILDHOOD	Children's Trust Fund	60,000	60,000
T200	OFFICE OF EARLY CHILDHOOD	Early Childhood Program	108,401	108,401
T201	OFFICE OF EARLY CHILDHOOD	Community Plans for Early Childhood	35,156	35,156
T202	OFFICE OF EARLY CHILDHOOD	Improving Early Literacy	5,625	5,625
T203	OFFICE OF EARLY CHILDHOOD	Child Care Quality Enhancements	124,299	124,299
T204	OFFICE OF EARLY CHILDHOOD	Head Start - Early Childhood Link	34,693	34,693
T205	OFFICE OF EARLY CHILDHOOD	School Readiness Quality Enhancement	205,556	205,556
T206	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Other Expenses	2,861	2,861
T207	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Child Fatality Review Panel	4,307	4,307
T208	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Information Technology Initiatives	4,339	4,339
T209	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Elections Enforcement Commission	144,969	144,969
T210	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Office of State Ethics	63,226	63,226
T211	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Freedom of Information Commission	69,053	69,053
T212	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Contracting Standards Board	12,575	12,575
T213	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Judicial Review Council	5,851	5,851
T214	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Judicial Selection Commission	3,724	3,724
T215	OFFICE OF GOVERNMENTAL ACCOUNTABILITY	Board of Firearms Permit Examiners	5,118	5,118
T216	PROTECTION AND ADVOCACY FOR PERSONS WITH DISABILITIES	Other Expenses	9,732	9,732
T217	OFFICE OF POLICY AND MANAGEMENT	Personal Services	75,000	75,000
T218	OFFICE OF POLICY AND MANAGEMENT	Other Expenses	100,000	100,000
T219	OFFICE OF POLICY AND MANAGEMENT	Automated Budget System and Data Base Link	2,330	2,330
T220	OFFICE OF POLICY AND MANAGEMENT	Justice Assistance Grants	40,350	40,350
T221	RESERVE FOR SALARY ADJUSTMENTS	Reserve For Salary Adjustments	2,000,000	2,000,000

T222	STATE COMPTRROLLER	Personal Services	100,000	100,000
T223	STATE COMPTRROLLER	Other Expenses	100,000	100,000
T224	STATE COMPTRROLLER - MISCELLANEOUS	Nonfunctional - Change to Accruals	3,000,000	3,000,000
T225	STATE COMPTRROLLER - FRINGE BENEFITS	Employers Social Security Tax	264,800	264,800
T226	STATE COMPTRROLLER - FRINGE BENEFITS	State Employees Health Service Cost	183,900	183,900
T227	STATE TREASURER	Personal Services	16,277	16,277
T228	STATE TREASURER	Other Expenses	7,697	7,697
T229	STATE DEPARTMENT ON AGING	Personal Services	12,136	12,136
T230	STATE DEPARTMENT ON AGING	Other Expenses	10,964	10,964
T231	STATE DEPARTMENT ON AGING	Programs for Senior Citizens	22,227	22,227
T232	DEPARTMENT OF EDUCATION	Personal Services	203,979	203,979
T233	DEPARTMENT OF EDUCATION	Development of Mastery Exams Grades 4, 6, and 8	200,000	200,000
T234	DEPARTMENT OF EDUCATION	Primary Mental Health	21,360	21,360
T235	DEPARTMENT OF EDUCATION	Leadership, Education, Athletics in Partnership (LEAP)	27,253	27,253
T236	DEPARTMENT OF EDUCATION	Adult Education Action	9,627	9,627
T237	DEPARTMENT OF EDUCATION	Connecticut Pre-Engineering Program	9,844	9,844
T238	DEPARTMENT OF EDUCATION	Connecticut Writing Project	2,775	2,775
T239	DEPARTMENT OF EDUCATION	Resource Equity Assessments	6,302	6,302
T240	DEPARTMENT OF EDUCATION	Neighborhood Youth Centers	45,177	45,177
T241	DEPARTMENT OF EDUCATION	Longitudinal Data Systems	47,628	47,628
T242	DEPARTMENT OF EDUCATION	School Accountability	75,000	75,000
T243	DEPARTMENT OF EDUCATION	Sheff Settlement	200,000	200,000
T244	DEPARTMENT OF EDUCATION	CommPACT Schools	14,000	14,000
T245	DEPARTMENT OF EDUCATION	Parent Trust Fund Program	41,250	41,250
T246	DEPARTMENT OF EDUCATION	Regional Vocational-Technical School System	1,350,000	1,350,000
T247	DEPARTMENT OF EDUCATION	Wrap Around Services	19,375	19,375
T248	DEPARTMENT OF EDUCATION	New or Replicated Schools	13,560	13,560
T249	DEPARTMENT OF EDUCATION	Bridges to Success	50,000	50,000
T250	DEPARTMENT OF EDUCATION	K-3 Reading Assessment Pilot	114,798	114,798

T251	DEPARTMENT OF EDUCATION	Talent Development	465,109	465,109
T252	DEPARTMENT OF EDUCATION	Common Core	295,312	295,312
T253	DEPARTMENT OF EDUCATION	Alternative High School and Adult Reading Incentive Program	7,400	7,400
T254	DEPARTMENT OF EDUCATION	Special Master	74,195	74,195
T255	DEPARTMENT OF EDUCATION	Regional Education Services	54,657	54,657
T256	DEPARTMENT OF EDUCATION	Youth Service Bureau Enhancement	28,612	28,612
T257	DEPARTMENT OF EDUCATION	Health Foods Initiative	24,000	24,000
T258	DEPARTMENT OF EDUCATION	Transportation of School Children	1,000,000	1,000,000
T259	DEPARTMENT OF EDUCATION	Health and Welfare Services Pupils Private Schools	152,389	152,389
T260	DEPARTMENT OF EDUCATION	Education Equalization Grants	2,321,000	2,321,000
T261	DEPARTMENT OF EDUCATION	Young Parents Program	9,173	9,173
T262	DEPARTMENT OF EDUCATION	Interdistrict Cooperation	250,000	250,000
T263	DEPARTMENT OF EDUCATION	Open Choice Program	1,450,000	1,450,000
T264	DEPARTMENT OF EDUCATION	Magnet Schools	6,000,000	6,000,000
T265	DEPARTMENT OF REHABILITATION SERVICES	Other Expenses	31,524	31,524
T266	DEPARTMENT OF REHABILITATION SERVICES	Part-Time Interpreters	61	61
T267	DEPARTMENT OF REHABILITATION SERVICES	Employment Opportunities - Blind & Disabled	53,629	53,629
T268	DEPARTMENT OF REHABILITATION SERVICES	Supplementary Relief and Services	8,229	8,229
T269	DEPARTMENT OF REHABILITATION SERVICES	Connecticut Radio Information Service	6,868	6,868
T270	SECRETARY OF THE STATE	Personal Services	14,619	14,619
T271	SECRETARY OF THE STATE	Other Expenses	36,409	36,409
T272	SECRETARY OF THE STATE	Commercial Recording Division	175,000	175,000
T273	SECRETARY OF THE STATE	Board of Accountancy	65,000	65,000
T274	UNIVERSITY OF CONNECTICUT HEALTH CENTER	AHEC	21,378	21,378

6 (b) In implementing reductions in allotments pursuant to subsection
7 (a) of this section, the Secretary of the Office of Policy and
8 Management shall achieve such reductions proportionally across

9 programs, except as necessary to achieve the budgeted level of savings.

10 Sec. 2. (*Effective from passage*) The Secretary of the Office of Policy
11 and Management may make reductions in allotments for the fiscal year
12 ending June 30, 2016, in order to achieve \$35,200,000 in budget savings
13 in the Special Transportation Fund during said fiscal year.

14 Sec. 3. (*Effective from passage*) (a) (1) The Secretary of the Office of
15 Policy and Management may make reductions in allotments for the
16 executive branch for the fiscal years ending June 30, 2016, and June 30,
17 2017, in order to achieve budget savings of \$93,076,192 in the General
18 Fund during each such fiscal year.

19 (2) The provisions of subdivision (1) of this subsection shall not be
20 construed to authorize the reduction of any allotment concerning aid
21 to municipalities. No reduction made in accordance with subdivision
22 (1) of this subsection shall result in a reduction of more than one per
23 cent of any appropriation.

24 (b) The Secretary of the Office of Policy and Management may make
25 reductions in allotments for the legislative branch for the fiscal years
26 ending June 30, 2016, and June 30, 2017, in order to achieve budget
27 savings of \$2,000,000 in the General Fund during each such fiscal year.
28 Such reductions shall be achieved as determined by the president pro
29 tempore and majority leader of the Senate, the speaker and majority
30 leader of the House of Representatives, the minority leader of the
31 Senate and the minority leader of the House of Representatives.

32 (c) The Secretary of the Office of Policy and Management may make
33 reductions in allotments for the judicial branch for the fiscal years
34 ending June 30, 2016, and June 30, 2017, in order to achieve budget
35 savings of \$15,000,000 in the General Fund during each such fiscal
36 year. Such reductions shall be achieved as determined by the Chief
37 Justice and Chief Public Defender.

38 Sec. 4. (*Effective from passage*) Notwithstanding the provisions of

39 subsection (e) of section 4-89 of the general statutes, \$1,000,000 of the
40 amount appropriated in section 1 of public act 15-244, as amended by
41 section 155 of public act 15-5 of the June special session, to the
42 Department of Economic and Community Development, for Statewide
43 Marketing, for the fiscal year ending June 30, 2016, shall lapse on June
44 30, 2016.

45 Sec. 5. (*Effective from passage*) Notwithstanding the provisions of
46 subsection (f) of section 4-89 of the general statutes, \$87,541 of the
47 amount appropriated in section 1 of public act 15-244, as amended by
48 section 155 of public act 15-5 of the June special session, to the Office of
49 Higher Education, for Minority Advancement Program, for the fiscal
50 year ending June 30, 2016, shall lapse on June 30, 2016.

51 Sec. 6. (*Effective from passage*) Notwithstanding the provisions of
52 section 32-356 of the general statutes, \$13,597 of the amount
53 appropriated in section 1 of public act 15-244, as amended by section
54 155 of public act 15-5 of the June special session, to the Department of
55 Economic and Community Development, for Small Business Incubator
56 Program, for the fiscal year ending June 30, 2016, shall lapse on June
57 30, 2016.

58 Sec. 7. (*Effective from passage*) Notwithstanding the provisions of
59 subsection (g) of section 4-89 of the general statutes, \$61 of the amount
60 appropriated in section 1 of public act 15-244, as amended by section
61 155 of public act 15-5 of the June special session, to the Department of
62 Rehabilitation Services, for Part-Time Interpreters, for the fiscal year
63 ending June 30, 2016, shall lapse on June 30, 2016.

64 Sec. 8. Subsection (b) of section 2-35 of the general statutes is
65 repealed and the following is substituted in lieu thereof (*Effective from*
66 *passage*):

67 (b) The state budget act passed by the legislature for funding the
68 expenses of operations of the state government in the ensuing
69 biennium shall contain a statement of estimated revenue, based upon

70 the most recent consensus revenue estimate or the revised consensus
71 revenue estimate issued pursuant to section 2-36c, itemized by major
72 source, for each appropriated fund. The statement of estimated
73 revenue applicable to each such fund shall include, for any fiscal year,
74 an estimate of total revenue with respect to such fund, which amount
75 shall be reduced by (1) an estimate of total refunds of taxes to be paid
76 from such revenue in accordance with the authorization in section 12-
77 39f, and (2) an estimate of total refunds of payments to be paid from
78 such revenue in accordance with the provisions of sections 3-70a and
79 4-37. Such statement of estimated revenue, including the estimated
80 refunds of taxes to be offset against such revenue, shall be supplied by
81 the joint standing committee of the General Assembly having
82 cognizance of matters relating to state finance, revenue and bonding.
83 The total estimated revenue for each fund, as adjusted in accordance
84 with this section, shall not be less than the total net appropriations
85 made from each fund plus, for the fiscal year ending June 30, 2014, and
86 each fiscal year thereafter, the amount necessary to extinguish any
87 unassigned negative balance in each budgeted fund as [reported]
88 addressed in the most recently [audited comprehensive annual
89 financial report issued by the Comptroller prior to the start of the fiscal
90 year, reduced, in the case of the General Fund, by (A) the negative
91 unassigned fund balance, as reported by the Comptroller for the fiscal
92 year ending June 30, 2013, then unamortized pursuant to section 3-
93 115b, and (B) any funds from other resources deposited in the General
94 Fund for the purpose of reducing the negative unassigned balance of
95 the fund] issued annual report of the Comptroller published in
96 accordance with section 3-115. On or before July first of each fiscal year
97 said committee shall, if any revisions in such estimates are required by
98 virtue of legislative amendments to the revenue measures proposed by
99 said committee, changes in conditions or receipt of new information
100 since the original estimate was supplied, meet and revise such
101 estimates and, through its cochairpersons, report to the Comptroller
102 any such revisions.

103 Sec. 9. Subsection (b) of section 2-35 of the general statutes, as
104 amended by section 167 of public act 15-244, is repealed and the
105 following is substituted in lieu thereof (*Effective July 1, 2019*):

106 (b) The state budget act passed by the legislature for funding the
107 expenses of operations of the state government in the ensuing
108 biennium shall contain a statement of estimated revenue, based upon
109 the most recent consensus revenue estimate or the revised consensus
110 revenue estimate issued pursuant to section 2-36c, as amended by [this
111 act] public act 15-244, itemized by major source, for each appropriated
112 fund. Commencing in the fiscal year ending June 30, 2020, such
113 itemization shall include the estimate for each major component of the
114 personal income tax imposed pursuant to chapter 229 as follows:
115 Withholding payments, estimated payments and final payments. The
116 statement of estimated revenue applicable to each such fund shall
117 include, for any fiscal year, an estimate of total revenue with respect to
118 such fund, which amount shall be reduced by (1) an estimate of total
119 refunds of taxes to be paid from such revenue in accordance with the
120 authorization in section 12-39f, and (2) an estimate of total refunds of
121 payments to be paid from such revenue in accordance with the
122 provisions of sections 3-70a and 4-37. Such statement of estimated
123 revenue, including the estimated refunds of taxes to be offset against
124 such revenue, shall be supplied by the joint standing committee of the
125 General Assembly having cognizance of matters relating to state
126 finance, revenue and bonding. The total estimated revenue for each
127 fund, as adjusted in accordance with this section, shall not be less than
128 the total net appropriations made from each fund plus, for the fiscal
129 year ending June 30, 2014, and each fiscal year thereafter, the amount
130 necessary to extinguish any unassigned negative balance in each
131 budgeted fund as [reported] addressed in the most recently [audited
132 comprehensive annual financial report issued by the Comptroller prior
133 to the start of the fiscal year, reduced, in the case of the General Fund,
134 by (A) the negative unassigned fund balance, as reported by the
135 Comptroller for the fiscal year ending June 30, 2013, then unamortized

136 pursuant to section 3-115b, and (B) any funds from other resources
137 deposited in the General Fund for the purpose of reducing the
138 negative unassigned balance of the fund] issued annual report of the
139 Comptroller published in accordance with section 3-115. On or before
140 July first of each fiscal year said committee shall, if any revisions in
141 such estimates are required by virtue of legislative amendments to the
142 revenue measures proposed by said committee, changes in conditions
143 or receipt of new information since the original estimate was supplied,
144 meet and revise such estimates and, through its cochairpersons, report
145 to the Comptroller any such revisions.

146 Sec. 10. Section 3-115b of the general statutes is repealed and the
147 following is substituted in lieu thereof (*Effective from passage*):

148 (a) Commencing with the fiscal year ending June 30, 2014, the
149 Comptroller, in the Comptroller's sole discretion, may initiate a
150 process intended to result in the implementation of the use of
151 generally accepted accounting principles, as prescribed by the
152 Governmental Accounting Standards Board, with respect to the
153 preparation and maintenance of the annual financial statements of the
154 state pursuant to section 3-115.

155 (b) Commencing with the fiscal year ending June 30, 2014, the
156 Secretary of the Office of Policy and Management shall initiate a
157 process intended to result in the implementation of generally accepted
158 accounting principles, as prescribed by the Governmental Accounting
159 Standards Board, with respect to the preparation of the biennial
160 budget of the state.

161 (c) The Comptroller shall establish an opening combined balance
162 sheet for each appropriated fund as of July 1, 2013, on the basis of
163 generally accepted accounting principles. The accumulated deficit in
164 the General Fund on June 30, 2013, as determined on the basis of
165 generally accepted accounting principles and identified in the
166 comprehensive annual financial report of the state as the unassigned

167 negative balance of the General Fund on said date, reduced by any
168 funds deposited in the General Fund from other resources for the
169 purpose of reducing the negative unassigned balance of the fund, shall
170 be amortized in equal increments in each fiscal year of each biennial
171 budget, commencing with the fiscal year ending June 30, 2016, and for
172 the succeeding twelve fiscal years. The Comptroller shall, to the extent
173 necessary to report the fiscal position of the state in accordance with
174 generally accepted accounting principles, reconcile the unassigned
175 balance in the General Fund at the end of each fiscal year to the
176 unassigned balance in the General Fund on June 30, 2013, the portion
177 already amortized and any unassigned balance created after June 30,
178 2013.

179 (d) The unreserved negative balance in the General Fund reported
180 in the comprehensive annual financial report issued by the
181 Comptroller for the fiscal year ending June 30, 2014, reduced by (1) the
182 negative unassigned balance in the General Fund for the fiscal year
183 ending June 30, 2013, and (2) any funds from other resources deposited
184 in the General Fund for the purpose of reducing the negative
185 unassigned balance of the fund shall be amortized in equal increments
186 in each fiscal year of each biennial budget, commencing with the fiscal
187 year ending June 30, 2017, and for the succeeding eleven fiscal years.

188 Sec. 11. Section 4-72 of the general statutes is repealed and the
189 following is substituted in lieu thereof (*Effective from passage*):

190 The budget document shall consist of the Governor's budget
191 message in which he or she shall set forth as follows: (1) The
192 Governor's program for meeting all the expenditure needs of the
193 government for each fiscal year of the biennium to which the budget
194 relates, indicating the classes of funds, general or special, from which
195 such appropriations are to be made and the means through which such
196 expenditure shall be financed; and (2) financial statements giving in
197 summary form: (A) The financial position of all major state operating
198 funds including revolving funds at the end of the last-completed fiscal

199 year in a form consistent with accepted accounting practice. The
200 Governor shall also set forth in similar form the estimated position of
201 each such fund at the end of the year in progress and the estimated
202 position of each such fund at the end of each fiscal year of the
203 biennium to which the budget relates if the Governor's proposals are
204 put into effect; (B) a statement showing as of the close of the last-
205 completed fiscal year, a year by year summary of all outstanding
206 general obligation and special tax obligation debt of the state and a
207 statement showing the yearly interest requirements on such
208 outstanding debt; (C) a summary of appropriations recommended for
209 each fiscal year of the biennium to which the budget relates for each
210 budgeted agency and for the state as a whole in comparison with
211 actual expenditures of the last-completed fiscal year and
212 appropriations and estimated expenditures for the year in progress;
213 (D) for the biennium commencing July 1, 1999, and each biennium
214 thereafter, a summary of estimated expenditures for certain fringe
215 benefits for each fiscal year of the biennium to which the budget
216 relates for each budgeted agency; (E) a summary of permanent full-
217 time positions setting forth the number filled and the number vacant
218 as of the end of the last-completed fiscal year, the total number
219 intended to be funded by appropriations without reduction for
220 turnover for the fiscal year in progress, the total number requested and
221 the total number recommended for each fiscal year of the biennium to
222 which the budget relates; (F) a statement of expenditures for the last-
223 completed and current fiscal years, the agency request and the
224 Governor's recommendation for each fiscal year of the ensuing
225 biennium and, for any new or expanded program, estimated
226 expenditure requirements for the fiscal year next succeeding the
227 biennium to which the budget relates; (G) an explanation of any
228 significant program changes requested by the agency or recommended
229 by the Governor; (H) a summary of the revenue estimated to be
230 received by the state during each fiscal year of the biennium to which
231 the budget relates classified according to sources in comparison with
232 the actual revenue received by the state during the last-completed

233 fiscal year and estimated revenue during the year in progress; and (I)
234 such other financial statements, data and comments as in the
235 Governor's opinion are necessary or desirable in order to make known
236 in all practicable detail the financial condition and operations of the
237 government and the effect that the budget as proposed by the
238 Governor will have on such condition and operations. If the estimated
239 revenue of the state for the ensuing biennium as set forth in the budget
240 on the basis of existing statutes is less than the sum of net
241 appropriations recommended for the ensuing biennium as contained
242 in the budget, plus, for the fiscal year ending June 30, 2014, and each
243 fiscal year thereafter, the projected amount necessary to extinguish any
244 unreserved negative balance in such fund as reported in the most
245 recently audited comprehensive annual financial report issued by the
246 Comptroller prior to the start of the biennium, the Governor shall
247 make recommendations to the General Assembly in respect to the
248 manner in which such deficit shall be met, whether by an increase in
249 the indebtedness of the state, by the imposition of new taxes, by
250 increased rates on existing taxes or otherwise. If the aggregate of such
251 estimated revenue is greater than the sum of such recommended
252 appropriations for the ensuing biennium plus, for the fiscal year
253 ending June 30, 2014, and each fiscal year thereafter, the projected
254 amount necessary to extinguish any unreserved negative balance in
255 such fund as reported in the most recently [audited comprehensive
256 annual financial report issued by the Comptroller prior to the start of
257 the biennium] issued annual report of the Comptroller published in
258 accordance with section 3-115, the Governor shall make such
259 recommendations for the use of such surplus for the reduction of
260 indebtedness, for the reduction in taxation or for other purposes as in
261 the Governor's opinion are in the best interest of the public welfare.

262 Sec. 12. Subsection (c) of section 4-28e of the general statutes, as
263 amended by section 10 of public act 15-227 and section 90 of public act
264 15-244, is repealed and the following is substituted in lieu thereof
265 (*Effective from passage*):

266 (c) (1) For the fiscal year ending June 30, 2001, disbursements from
267 the Tobacco Settlement Fund shall be made as follows: (A) To the
268 General Fund in the amount identified as "Transfer from Tobacco
269 Settlement Fund" in the General Fund revenue schedule adopted by
270 the General Assembly; (B) to the Department of Mental Health and
271 Addiction Services for a grant to the regional action councils in the
272 amount of five hundred thousand dollars; and (C) to the Tobacco and
273 Health Trust Fund in an amount equal to nineteen million five
274 hundred thousand dollars.

275 (2) For each of the fiscal years ending June 30, 2002, to June 30, 2015,
276 inclusive, disbursements from the Tobacco Settlement Fund shall be
277 made as follows: (A) To the Tobacco and Health Trust Fund in an
278 amount equal to twelve million dollars, except in the fiscal years
279 ending June 30, 2014, and June 30, 2015, said disbursement shall be in
280 an amount equal to six million dollars; (B) to the Biomedical Research
281 Trust Fund in an amount equal to four million dollars; (C) to the
282 General Fund in the amount identified as "Transfer from Tobacco
283 Settlement Fund" in the General Fund revenue schedule adopted by
284 the General Assembly; and (D) any remainder to the Tobacco and
285 Health Trust Fund.

286 (3) For the fiscal [years] year ending June 30, 2016, [and June 30,
287 2017,] disbursements from the Tobacco Settlement Fund shall be made
288 as follows: (A) To the General Fund (i) in the amount identified as
289 "Transfer from Tobacco Settlement Fund" in the General Fund revenue
290 schedule adopted by the General Assembly, and (ii) in an amount
291 equal to two million dollars; (B) to the Biomedical Research Trust Fund
292 in an amount equal to [four] two million dollars; and (C) any
293 remainder to the Tobacco and Health Trust Fund.

294 (4) For the fiscal year ending June 30, 2017, disbursements from the
295 Tobacco Settlement Fund shall be made as follows: (A) To the General
296 Fund in the amount identified as "Transfer from Tobacco Settlement
297 Fund" in the General Fund revenue schedule adopted by the General

298 Assembly; (B) to the Biomedical Research Trust Fund in an amount
299 equal to four million dollars; and (C) any remainder to the Tobacco
300 and Health Trust Fund.

301 [(4)] (5) For the fiscal year ending June 30, 2018, and each fiscal year
302 thereafter, disbursements from the Tobacco Settlement Fund shall be
303 made as follows: (A) To the Tobacco and Health Trust Fund in an
304 amount equal to six million dollars; (B) to the Biomedical Research
305 Trust Fund in an amount equal to four million dollars; (C) to the
306 General Fund in the amount identified as "Transfer from Tobacco
307 Settlement Fund" in the General Fund revenue schedule adopted by
308 the General Assembly; and (D) any remainder to the Tobacco and
309 Health Trust Fund.

310 [(5)] (6) For each of the fiscal years ending June 30, 2008, to June 30,
311 2012, inclusive, the sum of ten million dollars shall be disbursed from
312 the Tobacco Settlement Fund to the Regenerative Medicine Research
313 Fund established by section 32-41kk for grants-in-aid to eligible
314 institutions for the purpose of conducting embryonic or human adult
315 stem cell research.

316 [(6)] (7) For each of the fiscal years ending June 30, 2016, to June 30,
317 2025, inclusive, the sum of ten million dollars shall be disbursed from
318 the Tobacco Settlement Fund to the smart start competitive operating
319 grant account established by section 10-507 for grants-in-aid to towns
320 for the purpose of establishing or expanding a preschool program
321 under the jurisdiction of the board of education for the town, except
322 that in the fiscal years ending June 30, 2016, and June 30, 2017, said
323 disbursement shall be in an amount equal to five million dollars.

324 Sec. 13. (*Effective from passage*) Notwithstanding any provision of the
325 general statutes, on or before June 30, 2016, the sum of \$2,000,000 shall
326 be transferred from the school bus seat belt account, established in
327 section 14-50b of the general statutes, and credited to the resources of
328 the General Fund for the fiscal year ending June 30, 2016.

329 Sec. 14. (*Effective from passage*) Notwithstanding any provision of the
330 general statutes, on or before June 30, 2016, the sum of \$1,000,000 shall
331 be transferred from the lottery assessment account, established in
332 section 12-806b of the general statutes, and credited to the resources of
333 the General Fund for the fiscal year ending June 30, 2016.

334 Sec. 15. (*Effective from passage*) Notwithstanding any provision of the
335 general statutes, on or before June 30, 2016, the sum of \$400,000 shall
336 be transferred from the drug asset forfeiture account, established in
337 section 54-36i of the general statutes, and credited to the resources of
338 the General Fund for the fiscal year ending June 30, 2016.

339 Sec. 16. (*Effective from passage*) Notwithstanding any provision of the
340 general statutes, on or before June 30, 2016, the sum of \$300,000 shall
341 be transferred from the nonlapsing fund, established in section 17a-
342 451d of the general statutes, and credited to the resources of the
343 General Fund for the fiscal year ending June 30, 2016.

344 Sec. 17. (*Effective from passage*) Notwithstanding any provision of the
345 general statutes, on or before June 30, 2016, the sum of \$2,000,000 shall
346 be transferred from the private occupational school student protection
347 account, established in section 10a-22u of the general statutes, and
348 credited to the resources of the General Fund for the fiscal year ending
349 June 30, 2016.

350 Sec. 18. Section 173 of public act 15-244 is repealed and the
351 following is substituted in lieu thereof (*Effective from passage*):

352 Not later than June 30, 2016, the Comptroller may designate an
353 amount, to be specified by the Secretary of the Office of Policy and
354 Management, up to \$25,000,000 of the resources of the General Fund
355 for the fiscal year ending June 30, 2016, to be accounted for as revenue
356 of the General Fund for the fiscal year ending June 30, 2017.

357 Sec. 19. (*Effective from passage*) (a) The sum of \$8,500,000 shall be
358 transferred from The University of Connecticut Operating Fund and

359 credited to the resources of the General Fund for the fiscal year ending
360 June 30, 2016.

361 (b) The transfer in subsection (a) of this section includes \$4,400,000
362 of net excess in-kind fringe benefits constituting full repayment of all
363 funds owed by the university and satisfies any obligation of the
364 university to the General Fund for fringe benefit assessment
365 overcharges for the fiscal years ending June 30, 2003, to June 30, 2015,
366 inclusive, pursuant to the contingencies in the notes to financial
367 statements contained in The University of Connecticut's Financial
368 Statement for the fiscal year ending June 30, 2014.

369 (c) The sum of \$1,800,000 shall be transferred from the Connecticut
370 State University Operating Fund and credited to the resources of the
371 General Fund for the fiscal year ending June 30, 2016.

372 (d) The sum of \$1,800,000 shall be transferred from the Regional
373 Community College Operating Fund and credited to the resources of
374 the General Fund for the fiscal year ending June 30, 2016.

375 (e) The sum of \$3,000,000 shall be transferred from the University of
376 Connecticut Health Center Operating Fund and credited to the
377 resources of the General Fund for the fiscal year ending June 30, 2016.

378 Sec. 20. (*Effective from passage*) The Commissioner of Correction and
379 the Secretary of the Office of Policy and Management shall issue a
380 request for information regarding options available to the state for the
381 provision of inmate medical services and the costs associated with
382 such options.

383 Sec. 21. (NEW) (*Effective from passage*) For purposes of this section,
384 "state agency" has the same meaning as provided in section 4-212 of
385 the general statutes. On or before January 1, 2016, and quarterly
386 thereafter, the Office of Fiscal Analysis shall issue a report on the
387 overtime granted by each state agency to its employees. Such report
388 shall include an analysis of (1) how much overtime is granted by each

389 state agency and (2) how many employees received overtime pay. The
390 Office of Fiscal Analysis shall submit such report, in accordance with
391 the provisions of section 11-4a of the general statutes, to the joint
392 standing committee of the General Assembly having cognizance of
393 matters relating to appropriations and the budgets of state agencies.

394 Sec. 22. (*Effective from passage*) Not later than March 15, 2016, and not
395 later than March 15, 2017, the Secretary of the Office of Policy and
396 Management shall report, in accordance with the provisions of section
397 11-4a of the general statutes, to the joint standing committee of the
398 General Assembly having cognizance of matters relating to
399 appropriations and the budgets of state agencies on efforts to reduce
400 overtime in the executive branch during the fiscal years ending June
401 30, 2016, and June 30, 2017, respectively.

402 Sec. 23. (*Effective from passage*) Not later than December 31, 2016, the
403 Secretary of the Office of Policy and Management, in consultation with
404 the Commissioner of Developmental Services, shall submit a report, in
405 accordance with the provisions of section 11-4a of the general statutes,
406 to the joint standing committees of the General Assembly having
407 cognizance of matters relating to appropriations and the budgets of
408 state agencies and public health on a plan to implement the closure of
409 facilities operated by the Department of Developmental Services,
410 including, but not limited to, Southbury Training School and regional
411 centers, in order to achieve targeted savings.

412 Sec. 24. (*Effective from passage*) (a) There is established a spending
413 cap commission to create proposed definitions of "increase in personal
414 income", "increase in inflation" and "general budget expenditures" for
415 purposes of the general budget expenditures requirement pursuant to
416 section 18 of article third of the Constitution of the state.

417 (b) The commission shall consist of the following members:

418 (1) Two appointed by the speaker of the House of Representatives;

419 (2) Two appointed by the president pro tempore of the Senate;

420 (3) One appointed by the majority leader of the House of
421 Representatives;

422 (4) One appointed by the majority leader of the Senate;

423 (5) One appointed by the minority leader of the House of
424 Representatives;

425 (6) One appointed by the minority leader of the Senate;

426 (7) Three persons appointed by the Governor;

427 (8) The chairpersons and ranking members of the joint standing
428 committees of the General Assembly having cognizance of matters
429 relating to appropriations and the budgets of state agencies, finance,
430 revenue and bonding, and government administration and elections,
431 or each chairperson's or ranking member's designee; and

432 (9) The Secretary of the Office of Policy and Management, or the
433 secretary's designee.

434 (c) Any member of the commission appointed under subdivision
435 (1), (2), (3), (4), (5), (6) or (8) of subsection (b) of this section may be a
436 member of the General Assembly.

437 (d) All appointments to the commission shall be made not later than
438 thirty days after the effective date of this section. Any vacancy shall be
439 filled by the appointing authority.

440 (e) The speaker of the House of Representatives and the president
441 pro tempore of the Senate shall select the chairpersons of the
442 commission from among the members of the commission. Such
443 chairpersons shall schedule the first meeting of the commission, which
444 shall be held not later than sixty days after the effective date of this
445 section.

446 (f) The administrative staff of the joint standing committee of the
447 General Assembly having cognizance of matters relating to
448 appropriations and the budgets of state agencies shall serve as
449 administrative staff of the commission.

450 (g) The commission shall hold a public hearing relating to the
451 proposed definitions in each congressional district in the state.

452 (h) Not later than December 1, 2016, the commission shall submit its
453 proposed definitions to the joint standing committees of the General
454 Assembly having cognizance of matters relating to appropriations and
455 the budgets of state agencies, finance, revenue and bonding, and
456 government administration and elections, in accordance with the
457 provisions of section 11-4a of the general statutes. The commission
458 shall terminate on the date that the commission submits its proposed
459 definitions or December 1, 2016, whichever is later.

460 Sec. 25. (*Effective from passage*) (a) There is established an efficiency
461 planning task force to (1) identify and evaluate the efficiency of state
462 services that on average cost the state more than two hundred fifty
463 thousand dollars per recipient annually to provide, and (2) make
464 recommendations for any legislation necessary for more efficient
465 provision of such services.

466 (b) The task force shall consist of the following members:

467 (1) One legislator appointed by the speaker of the House of
468 Representatives;

469 (2) One legislator appointed by the president pro tempore of the
470 Senate;

471 (3) One legislator appointed by the majority leader of the House of
472 Representatives;

473 (4) One legislator appointed by the majority leader of the Senate;

474 (5) Two legislators appointed by the minority leader of the House of
475 Representatives; and

476 (6) Two legislators appointed by the minority leader of the Senate.

477 (c) All members of the task force shall be members of the General
478 Assembly. The task force shall be composed of an equal number of
479 Democrat and Republican members.

480 (d) All appointments to the task force shall be made not later than
481 thirty days after the effective date of this section. Any vacancy shall be
482 filled by the appointing authority.

483 (e) The speaker of the House of Representatives and the president
484 pro tempore of the Senate shall jointly select one chairperson of the
485 task force from among the members of the task force. The minority
486 leader of the House of Representatives and the minority leader of the
487 Senate shall select a second chairperson of the task force from among
488 the members of the task force. Such chairpersons shall schedule the
489 first meeting of the task force, which shall be held not later than sixty
490 days after the effective date of this section.

491 (f) The administrative staff of the joint standing committee of the
492 General Assembly having cognizance of matters relating to
493 government administration shall serve as administrative staff of the
494 task force.

495 (g) Not later than December 8, 2016, the task force shall submit a
496 report on its findings and recommendations to the joint standing
497 committees of the General Assembly having cognizance of matters
498 relating to appropriations and government administration, in
499 accordance with the provisions of section 11-4a of the general statutes.
500 The task force shall terminate on the date that it submits such report or
501 December 8, 2016, whichever is later.

502 Sec. 26. Section 12-711 of the general statutes is repealed and the

503 following is substituted in lieu thereof (*Effective from passage and*
504 *applicable to taxable years commencing on or after January 1, 2016*):

505 (a) The income of a nonresident natural person derived from or
506 connected with sources within this state shall be the sum of the net
507 amount of items of income, gain, loss and deduction entering into his
508 or her Connecticut adjusted gross income for the taxable year, derived
509 from or connected with sources within this state, including: (1) His or
510 her distributive share of partnership income, gain, loss and deduction,
511 determined under section 12-712; (2) his or her pro rata share of S
512 corporation income, gain, loss and deduction, determined under
513 section 12-712; (3) his or her share of estate or trust income, gain, loss
514 and deduction, determined under section 12-714; and (4) his or her
515 compensation from nonqualified deferred compensation plans
516 attributable to services performed within [the] this state, including, but
517 not limited to, compensation required to be included in federal gross
518 income under Section 457A of the Internal Revenue Code.

519 (b) (1) Items of income, gain, loss and deduction derived from or
520 connected with sources within this state shall be those items
521 attributable to: (A) The ownership or disposition of any interest in real
522 property in this state or tangible personal property in this state, as
523 determined pursuant to subdivision [(5)] (6) of this subsection; (B) a
524 business, trade, profession or occupation carried on in this state; (C) in
525 the case of a shareholder of an S corporation, the ownership of shares
526 issued by such corporation, to the extent determined under section 12-
527 712; or (D) winnings from a wager placed in a lottery conducted by the
528 Connecticut Lottery Corporation, if the proceeds from such wager are
529 required, under the Internal Revenue Code or regulations adopted
530 thereunder, to be reported by the Connecticut Lottery Corporation to
531 the Internal Revenue Service.

532 (2) (A) Before, on and after the effective date of this section, income
533 from a business, trade, profession or occupation carried on in this state
534 includes, but is not limited to, compensation paid to a nonresident

535 natural person for rendering personal services as an employee in this
536 state. For taxable years commencing on or after January 1, 2016,
537 compensation for personal services rendered in this state by such
538 nonresident employee who is present in this state for not more than
539 fifteen days during a taxable year shall not constitute income derived
540 from sources within this state. If a nonresident employee is present in
541 this state for more than fifteen days during a taxable year, all
542 compensation the employee receives for the rendering of all personal
543 services in this state during the taxable year shall constitute income
544 derived from sources within this state during the taxable year.

545 (B) For purposes of determining whether a nonresident employee is
546 "present in this state" under subparagraph (A) of this subdivision,
547 presence in this state for any part of a day constitutes being present in
548 this state for that entire day unless such presence is solely for the
549 purpose of transit through this state. The provisions of this
550 subparagraph shall not apply to subsection (c) of this section or to any
551 other provision of law unless expressly provided.

552 (C) The provisions of this subdivision shall not apply to sources of
553 income from a business, trade, profession, or occupation carried on in
554 this state other than compensation for personal services rendered by a
555 nonresident employee, and shall not apply to sources of income
556 derived by an athlete, entertainer or performing artist, including, but
557 not limited to, a member of an athletic team.

558 [(2)] (3) Income from intangible personal property, including
559 annuities, dividends, interest and gains from the disposition of
560 intangible personal property, shall constitute income derived from
561 sources within this state only to the extent that such income is from (A)
562 property employed in a business, trade, profession or occupation
563 carried on in this state, or (B) winnings from a wager placed in a
564 lottery conducted by the Connecticut Lottery Corporation, if the
565 proceeds from such wager are required, under the Internal Revenue
566 Code or regulations adopted thereunder, to be reported by the

567 Connecticut Lottery Corporation to the Internal Revenue Service.

568 [(3)] (4) Deductions with respect to capital losses and net operating
569 losses shall be based solely on income, gain, loss and deduction
570 derived from or connected with sources within this state, under
571 regulations adopted by the commissioner, but otherwise shall be
572 determined in the same manner as the corresponding federal
573 deductions.

574 [(4)] (5) Income directly or indirectly derived by an athlete,
575 entertainer or performing artist, including, but not limited to, a
576 member of an athletic team, from closed-circuit and cable television
577 transmissions of an event, other than events occurring on a regularly
578 scheduled basis, taking place within this state as a result of the
579 rendition of services by such athlete, entertainer or performing artist
580 shall constitute income derived from or connected with sources within
581 this state only to the extent that such transmissions were received or
582 exhibited within this state.

583 [(5)] (6) For purposes of subparagraph (A) of subdivision (1) of this
584 subsection, "real property in this state" includes an interest in an entity,
585 and "entity" means a partnership, limited liability company or S
586 corporation that owns real property that is located within this state
587 and has a fair market value that equals or exceeds fifty per cent of all
588 the assets of the entity on the date of sale or disposition by a
589 nonresident natural person of such person's interest in the entity. Only
590 those assets that the entity owned for at least two years prior to the
591 date of the sale or disposition of the person's interest in the entity shall
592 be used in determining the fair market value of all the assets of the
593 entity on the date of such sale or disposition. The gain or loss derived
594 from Connecticut sources from such person's sale or disposition of an
595 interest in such entity is the total gain or loss for federal income tax
596 purposes from such sale or disposition multiplied by a fraction, the
597 numerator of which is the fair market value of all real property located
598 in this state owned by the entity on the date of such sale or disposition,

599 and the denominator of which is the fair market value of all the assets
600 of the entity on the date of such sale or disposition.

601 (c) (1) If a business, trade, profession or occupation is carried on
602 partly within and partly without this state, as determined under rules
603 or regulations of the commissioner, the items of income, gain, loss and
604 deduction derived from or connected with sources within this state
605 shall be determined by apportionment under such rules or regulations
606 and the provisions of this subsection.

607 (2) The proportion of the net amount of the items of income, gain,
608 loss and deduction attributable to the activities of the business, trade,
609 profession or occupation carried on in this state shall be determined by
610 multiplying the net amount of the items of income, gain, loss and
611 deduction of the business, trade, profession or occupation by the
612 average of the percentages of property, payroll and gross income in
613 this state. The gross income percentage shall be computed by dividing
614 the gross receipts from sales of property or services earned within this
615 state by the total gross receipts from sales of property or services,
616 whether earned within or without this state. Gross receipts from sales
617 of property are considered to be earned within this state when the
618 property is delivered or shipped to a purchaser within this state,
619 regardless of the F.O.B. point or other conditions of the sale. Gross
620 receipts from sales of services are considered to be earned within [the]
621 this state when the services are performed by an employee, agent,
622 agency or independent contractor chiefly situated at, connected by
623 contract or otherwise, with or sent out from, offices or branches of the
624 business, trade, profession or occupation or other agencies or locations
625 situated within this state.

626 (d) Compensation paid by the United States for active service in the
627 armed forces of the United States, performed by an individual not
628 domiciled in this state, shall not constitute income derived from
629 sources within this state.

630 (e) If a husband and wife determine their federal income tax on a
631 joint return but are required to determine their Connecticut income
632 taxes separately, they shall determine their incomes derived from or
633 connected with sources within this state separately as if their federal
634 adjusted gross incomes had been determined separately.

635 (f) Any nonresident, other than a dealer holding property primarily
636 for sale to customers in the ordinary course of his trade or business,
637 shall not be deemed to carry on a trade, business, profession or
638 occupation in this state solely by reason of the purchase or sale of
639 intangible property or the purchase, sale or writing of stock option
640 contracts, or both, for his own account.

641 Sec. 27. Subdivision (2) of subsection (b) of section 12-587 of the
642 general statutes is repealed and the following is substituted in lieu
643 thereof (*Effective from passage and applicable to first sales made on or after*
644 *December 1, 2015*):

645 (2) Gross earnings derived from the first sale of the following
646 petroleum products within this state shall be exempt from tax: (A) Any
647 petroleum products sold for exportation from this state for sale or use
648 outside this state; (B) the product designated by the American Society
649 for Testing and Materials as "Specification for Heating Oil D396-69",
650 commonly known as number 2 heating oil, to be used exclusively for
651 heating purposes or to be used in a commercial fishing vessel, which
652 vessel qualifies for an exemption pursuant to section 12-412; (C)
653 kerosene, commonly known as number 1 oil, to be used exclusively for
654 heating purposes, provided delivery is of both number 1 and number 2
655 oil, and via a truck with a metered delivery ticket to a residential
656 dwelling or to a centrally metered system serving a group of
657 residential dwellings; (D) the product identified as propane gas, to be
658 used [exclusively] primarily for heating purposes; (E) bunker fuel oil,
659 intermediate fuel, marine diesel oil and marine gas oil to be used in
660 any vessel (i) having a displacement exceeding four thousand dead
661 weight tons, or (ii) primarily engaged in interstate commerce; (F) for

662 any first sale occurring prior to July 1, 2008, propane gas to be used as
663 a fuel for a motor vehicle; (G) for any first sale occurring on or after
664 July 1, 2002, grade number 6 fuel oil, as defined in regulations adopted
665 pursuant to section 16a-22c, to be used exclusively by a company
666 which, in accordance with census data contained in the Standard
667 Industrial Classification Manual, United States Office of Management
668 and Budget, 1987 edition, is included in code classifications 2000 to
669 3999, inclusive, or in Sector 31, 32 or 33 in the North American
670 Industrial Classification System United States Manual, United States
671 Office of Management and Budget, 1997 edition; (H) for any first sale
672 occurring on or after July 1, 2002, number 2 heating oil to be used
673 exclusively in a vessel primarily engaged in interstate commerce,
674 which vessel qualifies for an exemption under section 12-412; (I) for
675 any first sale occurring on or after July 1, 2000, paraffin or
676 microcrystalline waxes; (J) for any first sale occurring prior to July 1,
677 2008, petroleum products to be used as a fuel for a fuel cell, as defined
678 in subdivision (113) of section 12-412; (K) a commercial heating oil
679 blend containing not less than ten per cent of alternative fuels derived
680 from agricultural produce, food waste, waste vegetable oil or
681 municipal solid waste, including, but not limited to, biodiesel or low
682 sulfur dyed diesel fuel; (L) for any first sale occurring on or after July 1,
683 2007, diesel fuel other than diesel fuel to be used in an electric
684 generating facility to generate electricity; (M) for any first sale
685 occurring on or after July 1, 2013, cosmetic grade mineral oil; or (N)
686 propane gas to be used as a fuel for a school bus.

687 Sec. 28. Subsection (a) of section 12-217g of the general statutes is
688 repealed and the following is substituted in lieu thereof (*Effective*
689 *January 1, 2016, and applicable to taxable and income years commencing on*
690 *or after January 1, 2016*):

691 (a) (1) There shall be allowed a credit for any taxpayer against the
692 tax imposed under this chapter for any income year with respect to
693 each apprenticeship in the manufacturing trades commenced by such
694 taxpayer in such year under a qualified apprenticeship training

695 program as described in this section, certified in accordance with
696 regulations adopted by the Labor Commissioner and registered with
697 the Connecticut State Apprenticeship Council established under
698 section 31-22n, in an amount equal to six dollars per hour multiplied
699 by the total number of hours worked during the income year by
700 apprentices in the first half of a two-year term of apprenticeship and
701 the first three-quarters of a four-year term of apprenticeship, provided
702 the amount of credit allowed for any income year with respect to each
703 such apprenticeship may not exceed seven thousand five hundred
704 dollars or fifty per cent of actual wages paid in such income year to an
705 apprentice in the first half of a two-year term of apprenticeship or in
706 the first three-quarters of a four-year term of apprenticeship,
707 whichever is less.

708 (2) Effective for income years commencing on and after January 1,
709 2015, for purposes of this subsection, "taxpayer" includes an affected
710 business entity, as defined in section 12-284b. Any affected business
711 entity allowed a credit under this subsection may sell, assign or
712 otherwise transfer such credit, in whole or in part, to one or more
713 taxpayers to offset any state tax due or otherwise payable by such
714 taxpayers under chapter 208, or, with respect to income years
715 commencing on or after January 1, 2016, chapter 212 or 227, provided
716 such credit may be sold, assigned or otherwise transferred, in whole or
717 in part, not more than three times.

718 Sec. 29. Section 12-217zz of the general statutes, as amended by
719 section 88 of public act 15-244, is repealed and the following is
720 substituted in lieu thereof (*Effective from passage*):

721 (a) Notwithstanding any other provision of law, and except as
722 otherwise provided in subsection (b) of this section, the amount of tax
723 credit or credits otherwise allowable against the tax imposed under
724 this chapter shall be as follows:

725 (1) For any income year commencing on or after January 1, 2002,

726 and prior to January 1, 2015, the amount of tax credit or credits
727 otherwise allowable shall not exceed seventy per cent of the amount of
728 tax due from such taxpayer under this chapter with respect to any such
729 income year of the taxpayer prior to the application of such credit or
730 credits;

731 (2) For any income year commencing on or after January 1, 2015, the
732 amount of tax credit or credits otherwise allowable shall not exceed
733 fifty and one one-hundredths per cent of the amount of tax due from
734 such taxpayer under this chapter with respect to any such income year
735 of the taxpayer prior to the application of such credit or credits.

736 (3) Notwithstanding the provisions of subdivision (2) of this
737 subsection, any taxpayer that possesses excess credits may utilize the
738 excess credits as follows:

739 (A) For income years commencing on or after January 1, 2016, and
740 prior to January 1, 2017, the aggregate amount of tax credits and excess
741 credits allowable shall not exceed fifty-five per cent of the amount of
742 tax due from such taxpayer under this chapter with respect to any such
743 income year of the taxpayer prior to the application of such credit or
744 credits;

745 (B) For income years commencing on or after January 1, 2017, and
746 prior to January 1, 2018, the aggregate amount of tax credits and excess
747 credits allowable shall not exceed sixty per cent of the amount of tax
748 due from such taxpayer under this chapter with respect to any such
749 income year of the taxpayer prior to the application of such credit or
750 credits;

751 (C) For income years commencing on or after January 1, 2018, and
752 prior to January 1, 2019, the aggregate amount of tax credits and excess
753 credits allowable shall not exceed sixty-five per cent of the amount of
754 tax due from such taxpayer under this chapter with respect to any such
755 income year of the taxpayer prior to the application of such credit or
756 credits;

757 (D) For income years commencing on or after January 1, 2019, the
758 aggregate amount of tax credits and excess credits allowable shall not
759 exceed seventy per cent of the amount of tax due from such taxpayer
760 under this chapter with respect to any such income year of the
761 taxpayer prior to the application of such credit or credits.

762 (4) For purposes of this subsection, "excess credits" means any
763 remaining credits available under section 12-217j, 12-217n or 32-9t after
764 tax credits are utilized in accordance with subdivision (2) of this
765 subsection.

766 (b) (1) For an income year commencing on or after January 1, 2011,
767 and prior to January 1, 2013, the amount of tax credit or credits
768 otherwise allowable against the tax imposed under this chapter for
769 such income year may exceed the amount specified in subsection (a) of
770 this section only by the amount computed under subparagraph (A) of
771 subdivision (2) of this subsection, provided in no event may the
772 amount of tax credit or credits otherwise allowable against the tax
773 imposed under this chapter for such income year exceed one hundred
774 per cent of the amount of tax due from such taxpayer under this
775 chapter with respect to such income year of the taxpayer prior to the
776 application of such credit or credits.

777 (2) (A) The taxpayer's average monthly net employee gain for an
778 income year shall be multiplied by six thousand dollars.

779 (B) The taxpayer's average monthly net employee gain for an
780 income year shall be computed as follows: For each month in the
781 taxpayer's income year, the taxpayer shall subtract from the number of
782 its employees in this state on the last day of such month the number of
783 its employees in this state on the first day of its income year. The
784 taxpayer shall total the differences for the twelve months in such
785 income year, and such total, when divided by twelve, shall be the
786 taxpayer's average monthly net employee gain for the income year. For
787 purposes of this computation, only employees who are required to

788 work at least thirty-five hours per week and only employees who were
789 not employed in this state by a related person, as defined in section 12-
790 217ii, within the twelve months prior to the first day of the income
791 year may be taken into account in computing the number of
792 employees.

793 (C) If the taxpayer's average monthly net employee gain is zero or
794 less than zero, the taxpayer may not exceed the seventy per cent limit
795 imposed under subsection (a) of this section.

796 Sec. 30. Subsection (c) of section 12-263b of the general statutes, as
797 amended by section 89 of public act 15-244, is repealed and the
798 following is substituted in lieu thereof (*Effective from passage and*
799 *applicable to calendar quarters commencing on or after January 1, 2016*):

800 (c) Notwithstanding any other provision of law, for each calendar
801 quarter commencing on or after July 1, 2015, and prior to January 1,
802 2016, the amount of tax credit or credits otherwise allowable against
803 the [tax imposed under this chapter] taxes imposed under sections 12-
804 263a to 12-263e, inclusive, and section 172 of public act 15-244, as
805 amended by public act 15-5 of the June special session, shall not exceed
806 fifty and one one-hundredths per cent of the amount of tax due [from
807 such hospital under this chapter] under sections 12-263a to 12-263e,
808 inclusive, and section 172 of public act 15-244, as amended by public
809 act 15-5 of the June special session, with respect to such calendar
810 quarter prior to the application of such credit or credits. For each
811 calendar quarter commencing on or after January 1, 2016, and prior to
812 January 1, 2017, the amount of tax credit or credits otherwise allowable
813 against the taxes imposed under sections 12-263a to 12-263e, inclusive,
814 and section 172 of public act 15-244, as amended by public act 15-5 of
815 the June special session, shall not exceed fifty-five per cent of the
816 amount of tax due under sections 12-263a to 12-263e, inclusive, and
817 section 172 of public act 15-244, as amended by public act 15-5 of the
818 June special session, with respect to such calendar quarter prior to the
819 application of such credit or credits. For each calendar quarter

820 commencing on or after January 1, 2017, and prior to January 1, 2018,
821 the amount of tax credit or credits otherwise allowable against the
822 taxes imposed under sections 12-263a to 12-263e, inclusive, and section
823 172 of public act 15-244, as amended by public act 15-5 of the June
824 special session, shall not exceed sixty per cent of the amount of tax due
825 under sections 12-263a to 12-263e, inclusive, and section 172 of public
826 act 15-244, as amended by public act 15-5 of the June special session,
827 with respect to such calendar quarter prior to the application of such
828 credit or credits. For each calendar quarter commencing on or after
829 January 1, 2018, and prior to January 1, 2019, the amount of tax credit
830 or credits otherwise allowable against the taxes imposed under
831 sections 12-263a to 12-263e, inclusive, and section 172 of public act 15-
832 244, as amended by public act 15-5 of the June special session, shall not
833 exceed sixty-five per cent of the amount of tax due under sections 12-
834 263a to 12-263e, inclusive, and section 172 of public act 15-244, as
835 amended by public act 15-5 of the June special session, with respect to
836 such calendar quarter prior to the application of such credit or credits.
837 For each calendar quarter commencing on or after January 1, 2019, the
838 amount of tax credit or credits otherwise allowable against the taxes
839 imposed under sections 12-263a to 12-263e, inclusive, and section 172
840 of public act 15-244, as amended by public act 15-5 of the June special
841 session, shall not exceed seventy per cent of the amount of tax due
842 under sections 12-263a to 12-263e, inclusive, and section 172 of public
843 act 15-244, as amended by public act 15-5 of the June special session,
844 with respect to such calendar quarter prior to the application of such
845 credit or credits.

846 Sec. 31. Section 4-66l of the general statutes, as amended by section
847 207 of public act 15-244 and sections 110, 111 and 494 of public act 15-5
848 of the June special session, is repealed and the following is substituted
849 in lieu thereof (*Effective from passage*):

850 (a) For the purposes of this section:

851 (1) "FY 15 mill rate" means the mill rate a municipality uses during

852 the fiscal year ending June 30, 2015;

853 (2) "Mill rate" means the mill rate a municipality uses to calculate
854 tax bills for motor vehicles;

855 (3) "Municipality" means any town, city, consolidated town and city
856 or consolidated town and borough;

857 (4) "Municipal spending" means:

T275 Municipal Municipal
T276 spending for spending for
T277 the fiscal year - the fiscal year
T278 prior to the two years
T279 current fiscal prior to the
T280 year current year

$$\frac{\text{Municipal spending for the fiscal year two years prior to the current year}}{\text{Municipal spending for the fiscal year two years prior to the current year}} \times 100 = \text{Municipal spending};$$

T281
T282
T283

858 (5) "Per capita distribution" means:

T284 $\frac{\text{Town population}}{\text{Total state population}} \times \text{Sales tax revenue} = \text{Per capita distribution};$
T285

859 (6) "Pro rata distribution" means:

T286 Municipal weighted
mill rate
T287 calculation
T288 $\frac{\text{Sum of all municipal weighted mill rate calculations combined}}{\text{Sum of all municipal weighted mill rate calculations combined}} \times \text{Sales tax revenue} = \text{Pro rata distribution};$
T289
T290

860 (7) "Regional council of governments" means any such council
861 organized under the provisions of sections 4-124i to 4-124p, inclusive;

862 (8) "Town population" means the number of persons in a
863 municipality according to the most recent estimate of the Department
864 of Public Health;

865 (9) "Total state population" means the number of persons in this
866 state according to the most recent estimate published by the
867 Department of Public Health;

868 (10) "Weighted mill rate" means a municipality's FY 15 mill rate
869 divided by the average of all municipalities' FY 15 mill rate;

870 (11) "Weighted mill rate calculation" means per capita distribution
871 multiplied by a municipality's weighted mill rate;

872 (12) "Sales tax revenue" means the moneys in the account remaining
873 for distribution pursuant to subdivision [(6)] (7) of subsection (b) of
874 this section; [and]

875 (13) "District" means any district, as defined in section 7-324; [.] and

876 (14) "Secretary" means the Secretary of the Office of Policy and
877 Management.

878 (b) There is established an account to be known as the "municipal
879 revenue sharing account" which shall be a separate, nonlapsing
880 account within the General Fund. The account shall contain any
881 moneys required by law to be deposited in the account. [Moneys in the
882 account shall be transferred or disbursed in the following order:] The
883 secretary shall set aside and ensure availability of moneys in the
884 account in the following order of priority and shall transfer or disburse
885 such moneys as follows:

886 (1) Ten million dollars for the fiscal year ending June 30, 2016, [and
887 ten million dollars for the fiscal year ending June 30, 2017,] shall be

888 transferred not later than April fifteenth for the purposes of grants
889 under section 10-262h, as amended by [this act] public act 15-244 and
890 public act 15-5 of the June special session;

891 [(2) For the fiscal year ending June 30, 2017, and each fiscal year
892 thereafter, moneys sufficient to make the grants payable from the
893 select payment in lieu of taxes grant account established pursuant to
894 section 184 of this act shall annually be transferred to the select
895 payment in lieu of taxes account in the Office of Policy and
896 Management;]

897 [(3)] (2) For the fiscal year ending June 30, 2017, and each fiscal year
898 thereafter, moneys sufficient to make motor vehicle property tax
899 grants payable to municipalities pursuant to subsection (c) of this
900 section shall be expended not later than August first annually by the
901 secretary;

902 (3) For the fiscal year ending June 30, 2017, and each fiscal year
903 thereafter, moneys sufficient to make the grants payable from the
904 select payment in lieu of taxes grant account established pursuant to
905 section 184 of public act 15-244 shall annually be transferred to the
906 select payment in lieu of taxes account in the Office of Policy and
907 Management;

908 (4) For the fiscal years ending June 30, 2017, [and] June 30, 2018, and
909 June 30, 2019, moneys sufficient to make the municipal revenue
910 sharing grants payable to municipalities pursuant to subsection (d) of
911 this section shall be expended not later than October thirty-first
912 annually by the secretary;

913 (5) Ten million dollars for the fiscal year ending June 30, 2017, shall
914 be transferred not later than April fifteenth for the purposes of grants
915 under section 10-262h, as amended by public act 15-244 and public act
916 15-5 of the June special session;

917 [(5)] (6) (A) For the fiscal year ending June 30, 2017, three million

918 dollars shall be expended by the secretary for the purposes of the
919 regional services grants pursuant to subsection (e) of this section to the
920 regional councils of governments, and (B) for the fiscal year ending
921 June 30, 2018, and each fiscal year thereafter, seven million dollars
922 shall be expended for the purposes of the regional services grants
923 pursuant to subsection (e) of this section to the regional councils of
924 governments; and

925 ~~[(6)]~~ (7) For the fiscal year ending June 30, ~~[2019]~~ 2020, and each
926 fiscal year thereafter, moneys in the account remaining shall be
927 expended annually by the ~~[Secretary of the Office of Policy and~~
928 ~~Management]~~ secretary for the purposes of the municipal revenue
929 sharing grants established pursuant to subsection (f) of this section.
930 Any such moneys deposited in the account for municipal revenue
931 sharing grants between October first and June thirtieth shall be
932 distributed to municipalities on the following October first and any
933 such moneys deposited in the account between July first and
934 September thirtieth shall be distributed to municipalities on the
935 following January thirty-first. Any town may apply to the Office of
936 Policy and Management on or after July first for early disbursement of
937 a portion of such grant. The Office of Policy and Management may
938 approve such an application if it finds that early disbursement is
939 required in order for a town to meet its cash flow needs. No early
940 disbursement approved by said office may be issued later than
941 September thirtieth.

942 (c) (1) For the fiscal year ending June 30, 2017, motor vehicle
943 property tax grants to municipalities that impose mill rates greater
944 than 32 mills or that, when combined with the mill rate of any district
945 located within the municipality, impose mill rates greater than 32
946 mills, shall be made in an amount equal to the difference between the
947 amount of property taxes levied by the municipality and any district
948 located within the municipality on motor vehicles for the assessment
949 year commencing October 1, 2013, and the amount such levy would
950 have been if the mill rate on motor vehicles for said assessment year

951 was 32 mills; and (2) for the fiscal year ending June 30, 2018, and each
952 fiscal year thereafter, motor vehicle property tax grants to
953 municipalities that impose mill rates greater than 29.36 mills or that,
954 when combined with the mill rate of any district located within the
955 municipality, impose mill rates greater than 29.36 mills, shall be made
956 in an amount equal to the difference between the amount of property
957 taxes levied by the municipality and any district located within the
958 municipality on motor vehicles for the assessment year commencing
959 October 1, 2013, and the amount such levy would have been if the mill
960 rate on motor vehicles for said assessment year was 29.36 mills. Not
961 later than fifteen calendar days after receiving a property tax grant
962 pursuant to this section, the municipality shall disburse to any district
963 located within the municipality the amount of any such property tax
964 grant that is attributable to the district.

965 (d) For the fiscal years ending June 30, 2017, [and] June 30, 2018, and
966 June 30, 2019, each municipality shall receive a municipal revenue
967 sharing grant. The total amount of the grant payable is as follows:

T291	Municipality	Grant Amounts
T292	Andover	96,020
T293	Ansonia	643,519
T294	Ashford	125,591
T295	Avon	539,387
T296	Barkhamsted	109,867
T297	Beacon Falls	177,547
T298	Berlin	1,213,548
T299	Bethany	164,574
T300	Bethel	565,146
T301	Bethlehem	61,554
T302	Bloomfield	631,150
T303	Bolton	153,231
T304	Bozrah	77,420
T305	Branford	821,080

T306	Bridgeport	9,758,441
T307	Bridgewater	22,557
T308	Bristol	1,836,944
T309	Brookfield	494,620
T310	Brooklyn	149,576
T311	Burlington	278,524
T312	Canaan	21,294
T313	Canterbury	84,475
T314	Canton	303,842
T315	Chaplin	69,906
T316	Cheshire	855,170
T317	Chester	83,109
T318	Clinton	386,660
T319	Colchester	475,551
T320	Colebrook	42,744
T321	Columbia	160,179
T322	Cornwall	16,221
T323	Coventry	364,100
T324	Cromwell	415,938
T325	Danbury	2,993,644
T326	Darien	246,849
T327	Deep River	134,627
T328	Derby	400,912
T329	Durham	215,949
T330	East Granby	152,904
T331	East Haddam	268,344
T332	East Hampton	378,798
T333	East Hartford	2,036,894
T334	East Haven	854,319
T335	East Lyme	350,852
T336	East Windsor	334,616
T337	Eastford	33,194
T338	Easton	223,430
T339	Ellington	463,112

T340	Enfield	1,312,766
T341	Essex	107,345
T342	Fairfield	1,144,842
T343	Farmington	482,637
T344	Franklin	37,871
T345	Glastonbury	1,086,151
T346	Goshen	43,596
T347	Granby	352,440
T348	Greenwich	527,695
T349	Griswold	350,840
T350	Groton	623,548
T351	Guilford	657,644
T352	Haddam	245,344
T353	Hamden	2,155,661
T354	Hampton	54,801
T355	Hartford	1,498,643
T356	Hartland	40,254
T357	Harwinton	164,081
T358	Hebron	300,369
T359	Kent	38,590
T360	Killingly	505,562
T361	Killingworth	122,744
T362	Lebanon	214,717
T363	Ledyard	442,811
T364	Lisbon	65,371
T365	Litchfield	244,464
T366	Lyme	31,470
T367	Madison	536,777
T368	Manchester	1,971,540
T369	Mansfield	756,128
T370	Marlborough	188,665
T371	Meriden	1,893,412
T372	Middlebury	222,109
T373	Middlefield	131,529

T374	Middletown	1,388,602
T375	Milford	2,707,412
T376	Monroe	581,867
T377	Montville	578,318
T378	Morris	40,463
T379	Naugatuck	1,251,980
T380	New Britain	3,131,893
T381	New Canaan	241,985
T382	New Fairfield	414,970
T383	New Hartford	202,014
T384	New Haven	114,863
T385	New London	917,228
T386	New Milford	814,597
T387	Newington	937,100
T388	Newtown	824,747
T389	Norfolk	28,993
T390	North Branford	421,072
T391	North Canaan	95,081
T392	North Haven	702,295
T393	North Stonington	155,222
T394	Norwalk	4,896,511
T395	Norwich	1,362,971
T396	Old Lyme	115,080
T397	Old Saybrook	146,146
T398	Orange	409,337
T399	Oxford	246,859
T400	Plainfield	446,742
T401	Plainville	522,783
T402	Plymouth	367,902
T403	Pomfret	78,101
T404	Portland	277,409
T405	Preston	84,835
T406	Prospect	283,717
T407	Putnam	109,975

		Bill No.
T408	Redding	273,185
T409	Ridgefield	738,233
T410	Rocky Hill	584,244
T411	Roxbury	23,029
T412	Salem	123,244
T413	Salisbury	29,897
T414	Scotland	52,109
T415	Seymour	494,298
T416	Sharon	28,022
T417	Shelton	1,016,326
T418	Sherman	56,139
T419	Simsbury	775,368
T420	Somers	203,969
T421	South Windsor	804,258
T422	Southbury	582,601
T423	Southington	1,280,877
T424	Sprague	128,769
T425	Stafford	349,930
T426	Stamford	3,414,955
T427	Sterling	110,893
T428	Stonington	292,053
T429	Stratford	1,627,064
T430	Suffield	463,170
T431	Thomaston	228,716
T432	Thompson	164,939
T433	Tolland	437,559
T434	Torrington	1,133,394
T435	Trumbull	1,072,878
T436	Union	24,878
T437	Vernon	922,743
T438	Voluntown	48,818
T439	Wallingford	1,324,296
T440	Warren	15,842
T441	Washington	36,701

		<i>Bill No.</i>
T442	Waterbury	5,595,448
T443	Waterford	372,956
T444	Watertown	652,100
T445	West Hartford	2,075,223
T446	West Haven	1,614,877
T447	Westbrook	116,023
T448	Weston	304,282
T449	Westport	377,722
T450	Wethersfield	1,353,493
T451	Willington	174,995
T452	Wilton	547,338
T453	Winchester	323,087
T454	Windham	739,671
T455	Windsor	854,935
T456	Windsor Locks	368,853
T457	Wolcott	490,659
T458	Woodbridge	274,418
T459	Woodbury	288,147
T460	Woodstock	140,648

968 (e) For the fiscal year ending June 30, 2017, and each fiscal year
969 thereafter, each regional council of governments shall receive a
970 regional services grant, the amount of which will be based on a
971 formula to be determined by the secretary. No such council shall
972 receive a grant for the fiscal year ending June 30, 2018, or any fiscal
973 year thereafter, unless the secretary approves a spending plan for such
974 grant moneys submitted by such council to the secretary on or before
975 July 1, 2017, and annually thereafter. The regional councils of
976 governments shall use such grants for planning purposes and to
977 achieve efficiencies in the delivery of municipal services by
978 regionalizing such services, including, but not limited to, region-wide
979 consolidation of such services. Such efficiencies shall not diminish the
980 quality of such services. A unanimous vote of the representatives of
981 such council shall be required for approval of any expenditure from

982 such grant. On or before October 1, 2017, and biennially thereafter,
983 each such council shall submit a report, in accordance with section 11-
984 4a, to the joint standing committees of the General Assembly having
985 cognizance of matters relating to planning and development and
986 finance, revenue and bonding. Such report shall summarize
987 expenditure of such grants and provide recommendations concerning
988 the expansion, reduction or modification of such grants.

989 (f) For the fiscal year ending June 30, [2019] 2020, and each fiscal
990 year thereafter, each municipality shall receive a municipal revenue
991 sharing grant as follows:

992 (1) (A) A municipality having a mill rate at or above twenty-five
993 shall receive the per capita distribution or pro rata distribution,
994 whichever is higher for such municipality.

995 (B) Such grants shall be increased by a percentage calculated as
996 follows:

T461	Sum of per capita distribution amount
T462	for all municipalities having a mill rate
T463	below twenty-five - pro rata distribution
T464	amount for all municipalities
T465	having a mill rate below twenty-five
T466	<hr/> Sum of all grants to municipalities
T467	calculated pursuant to subparagraph (A)
T468	of subdivision (1) of this subsection.

997 (C) Notwithstanding the provisions of subparagraphs (A) and (B) of
998 this subdivision, Hartford shall receive not more than 5.2 per cent of
999 the municipal revenue sharing grants distributed pursuant to this
1000 subsection; Bridgeport shall receive not more than 4.5 per cent of the
1001 municipal revenue sharing grants distributed pursuant to this
1002 subsection; New Haven shall receive not more than 2.0 per cent of the
1003 municipal revenue sharing grants distributed pursuant to this

1004 subsection and Stamford shall receive not more than 2.8 per cent of the
1005 equalization grants distributed pursuant to this subsection. Any excess
1006 funds remaining after such reductions in payments to Hartford,
1007 Bridgeport, New Haven and Stamford shall be distributed to all other
1008 municipalities having a mill rate at or above twenty-five on a pro rata
1009 basis according to the payment they receive pursuant to this
1010 subdivision; and

1011 (2) A municipality having a mill rate below twenty-five shall receive
1012 the per capita distribution or pro rata distribution, whichever is less for
1013 such municipality.

1014 (g) Except as provided in subsection (c) of this section, a
1015 municipality may disburse any municipal revenue sharing grant funds
1016 to a district within such municipality.

1017 (h) For the fiscal year ending June 30, 2018, and each fiscal year
1018 thereafter, the amount of the grant payable to a municipality in any
1019 year in accordance with subsection (d) or (f) of this section shall be
1020 reduced if such municipality increases its general budget expenditures
1021 for such fiscal year above a cap equal to the amount of general budget
1022 expenditures authorized for the previous fiscal year by 2.5 per cent or
1023 more or the rate of inflation, whichever is greater. Such reduction shall
1024 be in an amount equal to fifty cents for every dollar expended over the
1025 cap set forth in this subsection. For the purposes of this section,
1026 "municipal spending" does not include expenditures for debt service,
1027 special education, implementation of court orders or arbitration
1028 awards, expenditures associated with a major disaster or emergency
1029 declaration by the President of the United States or a disaster
1030 emergency declaration issued by the Governor pursuant to chapter 517
1031 or any disbursement made to a district pursuant to subsection (c) or (g)
1032 of this section. Each municipality shall annually certify to the
1033 [Secretary of the Office of Policy and Management] secretary, on a
1034 form prescribed by said secretary, whether such municipality has
1035 exceeded the cap set forth in this subsection and if so the amount by

1036 which the cap was exceeded.

1037 (i) [The] For the fiscal year ending June 30, 2020, and each fiscal year
1038 thereafter, the amount of the grant payable to a municipality in any
1039 year in accordance with subsection [(d) or] (f) of this section shall be
1040 reduced proportionately in the event that the total of such grants in
1041 such year exceeds the amount available for such grants in the
1042 municipal revenue sharing account established pursuant to subsection
1043 (b) of this section.

1044 Sec. 32. Subdivision (1) of section 12-408 of the general statutes, as
1045 amended by sections 72 and 74 of public act 15-244 and section 132 of
1046 public act 15-5 of the June special session is repealed and the following
1047 is substituted in lieu thereof (*Effective from passage and applicable to sales*
1048 *occurring on or after October 1, 2015*):

1049 (1) (A) For the privilege of making any sales, as defined in
1050 subdivision (2) of subsection (a) of section 12-407, at retail, in this state
1051 for a consideration, a tax is hereby imposed on all retailers at the rate
1052 of six and thirty-five-hundredths per cent of the gross receipts of any
1053 retailer from the sale of all tangible personal property sold at retail or
1054 from the rendering of any services constituting a sale in accordance
1055 with subdivision (2) of subsection (a) of section 12-407, except, in lieu
1056 of said rate of six and thirty-five-hundredths per cent, the rates
1057 provided in subparagraphs (B) to (H), inclusive, of this subdivision;

1058 (B) At a rate of fifteen per cent with respect to each transfer of
1059 occupancy, from the total amount of rent received for such occupancy
1060 of any room or rooms in a hotel or lodging house for the first period
1061 not exceeding thirty consecutive calendar days;

1062 (C) With respect to the sale of a motor vehicle to any individual who
1063 is a member of the armed forces of the United States and is on full-time
1064 active duty in Connecticut and who is considered, under 50 App USC
1065 574, a resident of another state, or to any such individual and the
1066 spouse thereof, at a rate of four and one-half per cent of the gross

1067 receipts of any retailer from such sales, provided such retailer requires
1068 and maintains a declaration by such individual, prescribed as to form
1069 by the commissioner and bearing notice to the effect that false
1070 statements made in such declaration are punishable, or other evidence,
1071 satisfactory to the commissioner, concerning the purchaser's state of
1072 residence under 50 App USC 574;

1073 (D) (i) With respect to the sales of computer and data processing
1074 services occurring on or after July 1, 1997, and prior to July 1, 1998, at
1075 the rate of five per cent, on or after July 1, 1998, and prior to July 1,
1076 1999, at the rate of four per cent, on or after July 1, 1999, and prior to
1077 July 1, 2000, at the rate of three per cent, on or after July 1, 2000, and
1078 prior to July 1, 2001, at the rate of two per cent, on or after July 1, 2001,
1079 at the rate of one per cent, and (ii) with respect to sales of Internet
1080 access services, on and after July 1, 2001, such services shall be exempt
1081 from such tax;

1082 (E) (i) With respect to the sales of labor that is otherwise taxable
1083 under subparagraph (C) or (G) of subdivision (2) of subsection (a) of
1084 section 12-407 on existing vessels and repair or maintenance services
1085 on vessels occurring on and after July 1, 1999, such services shall be
1086 exempt from such tax;

1087 (ii) With respect to the sale of a vessel, such sale shall be exempt
1088 from such tax provided such vessel is docked in this state for sixty or
1089 fewer days in a calendar year;

1090 (F) With respect to patient care services for which payment is
1091 received by the hospital on or after July 1, 1999, and prior to July 1,
1092 2001, at the rate of five and three-fourths per cent and on and after July
1093 1, 2001, such services shall be exempt from such tax;

1094 (G) With respect to the rental or leasing of a passenger motor
1095 vehicle for a period of thirty consecutive calendar days or less, at a rate
1096 of nine and thirty-five-hundredths per cent;

1097 (H) With respect to the sale of (i) a motor vehicle for a sales price
1098 exceeding fifty thousand dollars, at a rate of seven and three-fourths
1099 per cent on the entire sales price, (ii) jewelry, whether real or imitation,
1100 for a sales price exceeding five thousand dollars, at a rate of seven and
1101 three-fourths per cent on the entire sales price, and (iii) an article of
1102 clothing or footwear intended to be worn on or about the human body,
1103 a handbag, luggage, umbrella, wallet or watch for a sales price
1104 exceeding one thousand dollars, at a rate of seven and three-fourths
1105 per cent on the entire sales price. For purposes of this subparagraph,
1106 "motor vehicle" has the meaning provided in section 14-1, but does not
1107 include a motor vehicle subject to the provisions of subparagraph (C)
1108 of this subdivision, a motor vehicle having a gross vehicle weight
1109 rating over twelve thousand five hundred pounds, or a motor vehicle
1110 having a gross vehicle weight rating of twelve thousand five hundred
1111 pounds or less that is not used for private passenger purposes, but is
1112 designed or used to transport merchandise, freight or persons in
1113 connection with any business enterprise and issued a commercial
1114 registration or more specific type of registration by the Department of
1115 Motor Vehicles;

1116 (I) The rate of tax imposed by this chapter shall be applicable to all
1117 retail sales upon the effective date of such rate, except that a new rate
1118 which represents an increase in the rate applicable to the sale shall not
1119 apply to any sales transaction wherein a binding sales contract without
1120 an escalator clause has been entered into prior to the effective date of
1121 the new rate and delivery is made within ninety days after the effective
1122 date of the new rate. For the purposes of payment of the tax imposed
1123 under this section, any retailer of services taxable under subparagraph
1124 (I) of subdivision (2) of subsection (a) of section 12-407, who computes
1125 taxable income, for purposes of taxation under the Internal Revenue
1126 Code of 1986, or any subsequent corresponding internal revenue code
1127 of the United States, as from time to time amended, on an accounting
1128 basis which recognizes only cash or other valuable consideration
1129 actually received as income and who is liable for such tax only due to

1130 the rendering of such services may make payments related to such tax
1131 for the period during which such income is received, without penalty
1132 or interest, without regard to when such service is rendered;

1133 (J) For calendar quarters ending on or after September 30, 2011,
1134 except for calendar quarters ending on or after July 1, 2016, but prior to
1135 July 1, 2017, the commissioner shall deposit into the regional planning
1136 incentive account, established pursuant to section 4-66k, six and seven-
1137 tenths per cent of the amounts received by the state from the tax
1138 imposed under subparagraph (B) of this subdivision and ten and
1139 seven-tenths per cent of the amounts received by the state from the tax
1140 imposed under subparagraph (G) of this subdivision;

1141 (K) (i) Notwithstanding the provisions of this section, for calendar
1142 months commencing on or after ~~[January]~~ May 1, 2016, but prior to
1143 May 1, 2017, the commissioner shall deposit into the municipal
1144 revenue sharing account established pursuant to section 4-66l, as
1145 amended by ~~[this act]~~ public act 15-244 and public act 15-5 of the June
1146 special session, four and seven-tenths per cent of the amounts received
1147 by the state from the tax imposed under subparagraph (A) of this
1148 subdivision;

1149 (ii) For calendar months commencing on or after May 1, 2017, but
1150 prior to July 1, 2017, the commissioner shall deposit into the municipal
1151 revenue sharing account established pursuant to section 4-66l, as
1152 amended by ~~[this act]~~ public act 15-244 and public act 15-5 of the June
1153 special session, six and three-tenths per cent of the amounts received
1154 by the state from the tax imposed under subparagraph (A) of this
1155 subdivision;

1156 (iii) For calendar months commencing on or after July 1, 2017, the
1157 commissioner shall deposit into the municipal revenue sharing
1158 account established pursuant to section 4-66l, as amended by ~~[this act]~~
1159 public act 15-244 and public act 15-5 of the June special session, seven
1160 and nine-tenths per cent of the amounts received by the state from the

1161 tax imposed under subparagraph (A) of this subdivision; and

1162 (L) (i) Notwithstanding the provisions of this section, for calendar
1163 months commencing on or after [October] December 1, 2015, but prior
1164 to October 1, 2016, the commissioner shall deposit into the Special
1165 Transportation Fund established under section 13b-68 four and seven-
1166 tenths per cent of the amounts received by the state from the tax
1167 imposed under subparagraph (A) of this subdivision;

1168 (ii) For calendar months commencing on or after October 1, 2016,
1169 but prior to July 1, 2017, the commissioner shall deposit into the
1170 Special Transportation Fund established under section 13b-68 six and
1171 three-tenths per cent of the amounts received by the state from the tax
1172 imposed under subparagraph (A) of this subdivision; and

1173 (iii) For calendar months commencing on or after July 1, 2017, the
1174 commissioner shall deposit into the Special Transportation Fund
1175 established under section 13b-68 seven and nine-tenths per cent of the
1176 amounts received by the state from the tax imposed under
1177 subparagraph (A) of this subdivision.

1178 Sec. 33. (NEW) (*Effective from passage*) The Secretary of the Office of
1179 Policy and Management may establish receivables for the revenue
1180 anticipated pursuant to subparagraph (K) of subdivision (1) of section
1181 12-408 of the general statutes, as amended by this act, and section 4-66l
1182 of the general statutes, as amended by this act.

1183 Sec. 34. (NEW) (*Effective from passage and applicable to assessment years*
1184 *commencing on or after October 1, 2015*) (a) As used in this section:

1185 (1) "Average increase in assessed value" means, for the assessment
1186 years commencing October 1, 2012, October 1, 2013, and October 1,
1187 2014, the average of the increase in assessed value of commercial and
1188 industrial property, and personal property used exclusively for
1189 commercial or industrial purposes;

1190 (2) "Base year" means the assessment year commencing October 1,
1191 2014;

1192 (3) "Increase from the base year" means the assessed value of
1193 commercial or industrial property for the current assessment year plus
1194 the current assessment year assessed value of any personal property
1195 acquired after the base year to be used exclusively for commercial or
1196 industrial purposes, less the assessed value of the commercial or
1197 industrial property for the base year; and

1198 (4) "Improvement to commercial or industrial property" or
1199 "improvement" includes, but is not limited to, any personal property
1200 acquired after the base year and used exclusively for commercial or
1201 industrial purposes.

1202 (b) (1) Notwithstanding any provision of the general statutes or any
1203 special act, charter or home rule ordinance, a municipality that
1204 contains an enterprise zone designated pursuant to section 32-70 of the
1205 general statutes may, by vote of its legislative body, or in a
1206 municipality where the legislative body is a town meeting, by vote of
1207 the board of selectmen, provide that, for improvements to commercial
1208 or industrial property that result in an increase from the base year, (A)
1209 the assessment of such improvement shall be reduced as provided in
1210 subparagraph (B) of subdivision (2) of this subsection, and (B) the
1211 increase in tax revenue attributable to such improvement shall be
1212 allocated to reduce the assessments and total tax imposed on
1213 commercial and industrial properties located within the municipality
1214 as provided in subparagraph (C) of subdivision (2) of this subsection.
1215 The reduced assessments and allocations shall continue until the
1216 earlier of (i) the assessment year in which the mill rate for the
1217 municipality is not more than ten per cent greater than the average
1218 regional mill rate calculated pursuant to subdivision (2) of this
1219 subsection, or (ii) a date determined by such vote of the legislative
1220 body or the board of selectmen.

1221 (2) (A) The tax collector of any municipality that has voted to reduce
1222 assessments pursuant to subdivision (1) of this subsection shall
1223 annually calculate the average regional mill rate based on the average
1224 mill rate of the planning region of the state, as designated under the
1225 provisions of section 16a-4a of the general statutes, in which the
1226 municipality is located.

1227 (B) With respect to an improvement to commercial or industrial
1228 property that results in an increase from the base year of at least ten
1229 thousand dollars, the assessor of such municipality shall annually (i)
1230 determine the amount of the current assessment year increase in
1231 assessed value of the property that exceeds the average increase in
1232 assessed value with respect to the property, and (ii) reduce the
1233 assessment of the amount determined under clause (i) of this
1234 subparagraph to an amount that yields a total tax on such amount
1235 equal to the tax that would be imposed at the applicable average
1236 regional mill rate.

1237 (C) Each such municipality shall allocate tax revenue attributable to
1238 such improvements to reduce the assessments and total tax imposed
1239 on each commercial and industrial property located within the
1240 municipality, or located within the neighborhood revitalization zone in
1241 which the improved property is located, that is not subject to any other
1242 form of property tax relief and that has a total assessment of less than
1243 fifteen million dollars, except that such municipality may retain the
1244 amount equal to the average increase in assessed value on such
1245 commercial and industrial properties, and may retain an additional
1246 twenty per cent of the current assessment year increase in assessed
1247 value that is in excess of the average increase in assessed value.

1248 (c) The assessor of any municipality that has voted to reduce
1249 assessments pursuant to subdivision (1) of subsection (b) of this section
1250 shall calculate assessed values under this section without regard to any
1251 revaluation of real property that takes place on or after the date of such
1252 vote.

1253 Sec. 35. Section 12-217v of the general statutes is repealed and the
1254 following is substituted in lieu thereof (*Effective from passage and*
1255 *applicable to taxable years commencing on or after January 1, 2017*):

1256 (a) As used in this section: ["qualifying corporation" means a
1257 corporation which is created]

1258 (1) "Qualifying corporation" means a corporation which is:

1259 (A) Created on or after January 1, 1997, in an enterprise zone and
1260 which either [(1)] (i) has at least three hundred seventy-five employees,
1261 at least forty per cent of whom [(A)] (I) are residents of the enterprise
1262 zone or the municipality in which the enterprise zone is located, and
1263 [(B)] (II) qualify under the Job Training Partnership Act, or [(2)] (ii) has
1264 less than three hundred seventy-five employees, at least one hundred
1265 fifty employees of whom [(A)] (I) are residents of the enterprise zone
1266 or the municipality in which the enterprise zone is located, and [(B)]
1267 (II) qualify under the Job Training Partnership Act; or

1268 (B) Created on or after July 1, 2015, in an enterprise zone, and which
1269 is primarily engaged in bioscience, clean technology or cybersecurity
1270 technology, which either (i) has at least one hundred eighty-eight
1271 employees, at least forty per cent of whom (I) are residents of the
1272 enterprise zone or the municipality in which the enterprise zone is
1273 located, and (II) qualify under the Job Training Partnership Act, or (ii)
1274 has less than one hundred eighty-eight employees, at least seventy-five
1275 employees of whom (I) are residents of the enterprise zone or the
1276 municipality in which the enterprise zone is located, and (II) qualify
1277 under the Job Training Partnership Act;

1278 (2) "Bioscience" means (A) the manufacture of pharmaceuticals,
1279 medicines, medical equipment, medical devices and analytical
1280 laboratory instruments, (B) the operation of medical or diagnostic
1281 testing laboratories, or (C) the conducting of pure research and
1282 development in life sciences;

1283 (3) "Clean technology" means the production, manufacture, design,
1284 research or development of clean energy, green buildings, smart grid,
1285 high-efficiency transportation vehicles and alternative fuels,
1286 environmental products, environmental remediation and pollution
1287 prevention; and

1288 (4) "Cybersecurity technology" means information technology
1289 products or goods intended to detect or prevent activity intended to
1290 result in unauthorized access to, exfiltration of, manipulation of, or
1291 impairment to the integrity, confidentiality or availability of an
1292 information technology system or information stored on, or transiting,
1293 an information technology system.

1294 (b) There shall be allowed as a credit against the tax imposed [on
1295 any corporation] under this chapter on any corporation described in
1296 subparagraph (A) of subdivision (1) of subsection (a) of this section
1297 which is created on or after January 1, 1997, in an enterprise zone, or
1298 any corporation described in subparagraph (B) of subdivision (1) of
1299 subsection (a) of this section which is created on or after July 1, 2015, in
1300 an enterprise zone in an amount equal to (1) one hundred per cent of
1301 the tax liability of the corporation under said chapter with respect to
1302 the first three taxable years of the corporation, and (2) fifty per cent of
1303 the tax liability of the corporation under this chapter with respect to
1304 the next seven taxable years of the corporation.

1305 Sec. 36. Section 139 of public act 15-244, as amended by sections 139,
1306 142 and 143 of public act 15-5 of the June special session, is repealed
1307 and the following is substituted in lieu thereof (*Effective January 1, 2016,*
1308 *and applicable to income years commencing on or after said date*):

1309 (a) For purposes of this section, section 140 of [this act] public act 15-
1310 244 and chapter 208 of the general statutes, the combined group's net
1311 income shall be the aggregate net income or loss of each taxable
1312 member and nontaxable member of the combined group derived from
1313 a unitary business, which shall be determined as follows:

1314 (1) For any member incorporated in the United States, included in a
1315 consolidated federal corporate income tax return and filing a federal
1316 corporate income tax return, the income to be included in calculating
1317 the combined group's net income shall be such member's gross
1318 income, less the deductions provided under section 12-217 of the
1319 general statutes, as amended by [this act] public act 15-244, as if the
1320 member were not consolidated for federal tax purposes.

1321 (2) For any member not included in a consolidated federal corporate
1322 income tax return but required to file its own federal corporate income
1323 tax return, the income to be included in calculating the combined
1324 group's net income shall be such member's gross income, less the
1325 deductions provided under section 12-217 of the general statutes, as
1326 amended by [this act] public act 15-244, public act 15-5 of June special
1327 session and this act.

1328 (3) For any member not incorporated in the United States, not
1329 included in a consolidated federal corporate income tax return and not
1330 required to file its own federal corporate income tax return, the income
1331 to be included in the combined group's net income shall be determined
1332 from a profit and loss statement that shall be prepared for each foreign
1333 branch or corporation in the currency in which the books of account of
1334 the branch or corporation are regularly maintained, adjusted to
1335 conform it to the accounting principles generally accepted in the
1336 United States for the presentation of such statements and further
1337 adjusted to take into account any book-tax differences required by
1338 federal or Connecticut law. The profit and loss statement of each such
1339 member of the combined group and the apportionment factors related
1340 thereto, whether United States or foreign, shall be translated into or
1341 from the currency in which the parent company maintains its books
1342 and records on any reasonable basis consistently applied on a year-to-
1343 year or entity-by-entity basis. Income shall be expressed in United
1344 States dollars. In lieu of these procedures and subject to the
1345 determination of the commissioner that the income to be reported
1346 reasonably approximates income as determined under chapter 208 of

1347 the general statutes and sections 139 to 141, inclusive, of public act 15-
1348 244, as amended by public act 15-5 of the June special session, income
1349 may be determined on any reasonable basis consistently applied on a
1350 year-to-year or entity-by-entity basis.

1351 (4) (A) If the unitary business has income from an entity that is
1352 treated as a pass-through entity, the combined group's net income
1353 shall include its member's direct and indirect distributive share of the
1354 pass-through entity's unitary business income.

1355 (B) The distributive share of income received by a limited partner
1356 from an investment partnership shall not be considered to be derived
1357 from a unitary business unless the general partner of such investment
1358 partnership and such limited partner have common ownership. To the
1359 extent that the limited partner is otherwise carrying on or doing
1360 business in Connecticut, it shall apportion its distributive share of
1361 income from an investment partnership in accordance with
1362 subdivision (2) of subsection (g) of section 12-218 of the general
1363 statutes, as amended by this act. If the limited partner is not otherwise
1364 carrying on or doing business in Connecticut, its distributive share of
1365 income from an investment partnership is not subject to tax under this
1366 chapter.

1367 (5) All dividends paid by one member to another member of the
1368 combined group shall be eliminated from the income of the recipient.

1369 (6) [Except as otherwise provided by regulation, business income
1370 from an intercompany transaction among members of the same
1371 combined group shall be deferred in a manner similar to the deferral
1372 under 26 CFR 1.1502-13.] The principles set forth in the Treasury
1373 regulations promulgated under Section 1502 of the Internal Revenue
1374 Code, including the principles relating to deferrals, eliminations, and
1375 exclusions, shall apply to the extent consistent with the Connecticut
1376 combined group membership and combined unitary reporting
1377 principles. Upon the occurrence of either of the following events,

1378 deferred business income resulting from an intercompany transaction
1379 among members of a combined group shall be restored to the income
1380 of the seller and shall be included in the combined group's net income
1381 as if the seller had earned the income immediately before the event:

1382 (A) The object of a deferred intercompany transaction is: (i) Resold
1383 by the buyer to an entity that is not a member of the combined group,
1384 (ii) resold by the buyer to an entity that is a member of the combined
1385 group for use outside the unitary business in which the buyer and
1386 seller are engaged, or (iii) converted by the buyer to a use outside the
1387 unitary business in which the buyer and seller are engaged; or

1388 (B) The buyer and seller are no longer members of the same
1389 combined group, regardless of whether the members remain unitary.

1390 (7) A charitable expense incurred by a member of a combined group
1391 shall, to the extent allowable as a deduction pursuant to Section 170 of
1392 the Internal Revenue Code, be subtracted first from the combined
1393 group's net income, subject to the income limitations of said section
1394 applied to the entire business income of the group. Any charitable
1395 deduction disallowed under the foregoing rule, but allowed as a
1396 carryover deduction in a subsequent year, shall be treated as originally
1397 incurred in the subsequent year by the same member and the rules of
1398 this section shall apply in the subsequent year in determining the
1399 allowable deduction for that year.

1400 (8) Gain or loss from the sale or exchange of capital assets, property
1401 described by Section 1231(a)(3) of the Internal Revenue Code and
1402 property subject to an involuntary conversion shall be removed from
1403 the net income of each member of a combined group and shall be
1404 included in the combined group's net income as follows:

1405 (A) For each class of gain or loss, whether short-term capital, long-
1406 term capital, Section 1231 of the Internal Revenue Code gain or loss, or
1407 gain or loss from involuntary conversions, all members' business gain
1408 and loss for the class shall be combined, without netting among such

1409 classes, and each class of net business gain or loss shall be apportioned
1410 to each member under subsection (b) of this section; and

1411 (B) Any resulting income or loss apportioned to this state, as long as
1412 the loss is not subject to the limitations of Section 1211 of the Internal
1413 Revenue Code, of a taxable member produced by the application of
1414 subparagraph (A) of this subdivision shall then be applied to all other
1415 income or loss of that member apportioned to this state. Any resulting
1416 loss of a member apportioned to this state that is subject to the
1417 limitations of said Section 1211 shall be carried forward by that
1418 member and shall be treated as short-term capital loss apportioned to
1419 this state and incurred by that member for the year for which the
1420 carryover applies.

1421 (9) Any expense of any member of the combined group that is
1422 directly or indirectly attributable to the income of any member of the
1423 combined group, which income this state is prohibited from taxing
1424 pursuant to the laws or Constitution of the United States, shall be
1425 disallowed as a deduction for purposes of determining the combined
1426 group's net income.

1427 (b) A taxable member of a combined group shall determine its
1428 apportionment percentage as follows:

1429 (1) Each taxable member shall determine its apportionment
1430 percentage based on the otherwise applicable apportionment formula
1431 provided in chapter 208 of the general statutes and sections 139 to 141,
1432 inclusive, of public act 15-244, as amended by public act 15-5 of the
1433 June special session. In computing its denominators for all factors, the
1434 taxable member shall use the combined group's denominator for that
1435 factor. In computing the numerator of its receipts factor, each taxable
1436 member shall add to such numerator its share of receipts of nontaxable
1437 members assignable to this state, as provided in subdivision (3) of this
1438 subsection.

1439 (2) The combined group shall determine its property and payroll

1440 factor denominators using the factors from all members, whether or
1441 not a member would otherwise apportion its income using such
1442 property and payroll factors.

1443 (3) Receipts assignable to this state of each nontaxable member shall
1444 be determined based upon the apportionment formula that would be
1445 applicable to such member if it were a taxable member and shall be
1446 aggregated. Each taxable member of the combined group shall include
1447 in the numerator of its receipts factor a portion of the aggregate
1448 receipts assignable to this state of nontaxable members based on a
1449 ratio, the numerator of which is such taxable member's receipts
1450 assignable to this state, without regard to this subsection, and the
1451 denominator of which is the aggregate receipts assignable to this state
1452 of all the taxable members of the combined group, without regard to
1453 this subsection.

1454 (4) In determining the numerator and denominator of the
1455 apportionment factors of taxable members, transactions between or
1456 among members of such combined group shall be eliminated.

1457 (5) If any member of a combined group required to file a combined
1458 unitary tax return pursuant to section 12-222 of the general statutes, as
1459 amended by [this act] public act 15-244, is taxable without this state, or
1460 is a financial service company, as defined in section 12-218b of the
1461 general statutes, as amended by this act, each taxable member shall be
1462 entitled to apportion its net income in accordance with this section.

1463 (c) To calculate each taxable member's net income or loss
1464 apportioned to this state, each taxable member shall apply its
1465 apportionment percentage, as determined pursuant to subsection (b) of
1466 this section, to the combined group's net income.

1467 (d) After calculating its net income or loss apportioned to this state,
1468 pursuant to subsection (c) of this section, each taxable member of a
1469 combined group required to file a combined unitary tax return
1470 pursuant to section 12-222 of the general statutes, as amended by

1471 public act 15-244 and [this act] public act 15-5 of the June special
1472 session, may deduct a net operating loss from its net income
1473 apportioned to this state as follows:

1474 (1) For income years beginning on or after January 1, 2016, if the
1475 computation of a combined group's net income results in a net
1476 operating loss, a taxable member of such group may carry over its net
1477 loss apportioned to this state, as calculated under subsection (c) of this
1478 section, derived from the unitary business in a future income year to
1479 the extent that the carryover and deduction is otherwise consistent
1480 with subparagraph (A) of subdivision (4) of subsection (a) of section
1481 12-217 of the general statutes, as amended by public act 15-244 and this
1482 act. Any taxable member that has more than one operating loss
1483 carryover shall apply the carryovers in the order that the operating
1484 loss was incurred, with the oldest carryover to be deducted first.

1485 (2) Where a taxable member of a combined group has an operating
1486 loss carryover derived from a loss incurred by a combined group in an
1487 income year beginning on or after January 1, 2016, then the taxable
1488 member may share the operating loss carryover with other taxable
1489 members of the combined group if such other taxable members were
1490 members of the combined group in the income year that the loss was
1491 incurred. Any amount of operating loss carryover that is deducted by
1492 another taxable member of the combined group shall reduce the
1493 amount of operating loss carryover that may be carried over by the
1494 taxable member that originally incurred the loss.

1495 (3) Where a taxable member of a combined group has an operating
1496 loss carryover derived from a loss incurred in an income year
1497 beginning prior to January 1, 2016, or derived from an income year
1498 during which the taxable member was not a member of such combined
1499 group, the carryover shall remain available to be deducted by that
1500 taxable member or other group members that, in the year the loss was
1501 incurred, were part of the same combined group as such taxable
1502 member under section 12-223a of the general statutes, as amended by

1503 public act 15-244 and [this act] public act 15-5 of the June special
1504 session, or same unitary group as such taxable member under
1505 subsection (d) of section 12-218d of the general statutes, revision of
1506 1958, revised to January 1, 2015. Such carryover shall not be deductible
1507 by any other members of the combined group.

1508 (e) Each taxable member shall multiply its income or loss
1509 apportioned to this state, as calculated under subsection (c) of this
1510 section and as further modified by subsection (d) of this section, by the
1511 tax rate set forth in section 12-214 of the general statutes, as amended
1512 by [this act] public act 15-244.

1513 (f) The additional tax base of taxable and nontaxable members of a
1514 combined group required to file a combined unitary tax return
1515 pursuant to section 12-222 of the general statutes, as amended by [this
1516 act] public act 15-244, shall be calculated as follows:

1517 (1) Except as otherwise provided in subdivision (2) of this
1518 subsection, members of the combined group shall calculate the
1519 combined group's additional tax base by aggregating their separate
1520 additional tax bases under subsection (a) of section 12-219 of the
1521 general statutes, provided (A) intercorporate stockholdings in the
1522 combined group shall be eliminated, [and provided] (B) no deduction
1523 shall be allowed under subparagraph (B)(ii) of subdivision (1) of
1524 subsection (a) of section 12-219 of the general statutes, for such
1525 intercorporate stockholdings, and (C) assets and liabilities attributable
1526 to transactions with another member of the combined group,
1527 including, but not limited to, a financial service company, as defined in
1528 section 12-218b of the general statutes, as amended by this act, shall be
1529 eliminated. In calculating the combined group's additional tax base,
1530 the separate additional tax bases of nontaxable members shall be
1531 included, as if those nontaxable members were taxable members. The
1532 amount calculated under this subdivision shall be apportioned to those
1533 members pursuant to subdivision (1) of subsection (g) of this section.

1534 (2) [Taxable members] Members of the combined group that are
1535 financial service companies, as defined in section 12-218b of the
1536 general statutes, as amended by [this act] public act 15-244 and this act,
1537 [shall calculate their additional tax liability under subsection (d) of
1538 section 12-219 of the general statutes and] shall not be included in the
1539 calculation of the combined group's additional tax base set forth in
1540 subdivision (1) of this subsection. Financial service companies that are
1541 taxable members shall calculate their additional tax liability under
1542 subsection (d) of section 12-219 of the general statutes.

1543 (g) A taxable member of a combined group required to file a
1544 combined unitary tax return pursuant to section 12-222 of the general
1545 statutes, as amended by [this act] public act 15-244, shall determine its
1546 apportionment percentage under section 12-219a of the general
1547 statutes, as amended by [this act] public act 15-244, as follows:

1548 (1) A taxable member whose separate additional tax base is
1549 included in the calculation of the combined group's additional tax base
1550 under subdivision (1) of subsection (f) of this section shall apportion
1551 the combined group's additional tax base using the otherwise
1552 applicable apportionment formula provided in section 12-219a of the
1553 general statutes, as amended by [this act] public act 15-244. However,
1554 the denominator of such apportionment fraction shall be the sum of
1555 subdivisions (1) and (2) of subsection (a) of said section 12-219a for all
1556 members whose separate additional tax bases are included in the
1557 calculation of the combined group's additional tax base under
1558 subdivision (1) of subsection (f) of this section. The numerator of such
1559 apportionment fraction shall be the sum of subparagraph (A) of
1560 subdivision (1) of subsection (a) of said section 12-219a and
1561 subparagraph (A) of subdivision (2) of subsection (a) of said section 12-
1562 219a for such taxable member.

1563 (2) Taxable members of the combined group that are financial
1564 service companies, as defined in section 12-218b of the general statutes,
1565 as amended by [this act] public act 15-244 and this act, shall each have

1566 an additional tax liability as described in subdivision (2) of subsection
1567 (h) of this section.

1568 (h) (1) A taxable member whose separate additional tax base is
1569 included in the calculation of the combined group's additional tax base
1570 under subdivision (1) of subsection (f) of this section shall multiply the
1571 combined group's additional tax base, as calculated under subdivision
1572 (1) of subsection (f) of this section, by such member's apportionment
1573 fraction determined in subdivision (1) of subsection (g) of this section,
1574 by the tax rate set forth in subsection (a) of section 12-219 of the
1575 general statutes. In no event shall the aggregate tax so calculated for all
1576 members of the combined group exceed one million dollars, nor shall a
1577 tax credit allowed against the tax imposed by [this] chapter 208 of the
1578 general statutes and sections 139 to 141, inclusive, of public act 15-244
1579 reduce a taxable member's tax calculated under this subsection to an
1580 amount less than two hundred fifty dollars.

1581 (2) Taxable members of the combined group that are financial
1582 service companies, as defined in section 12-218b of the general statutes,
1583 as amended by [this act] public act 15-244 and this act, shall each have
1584 an additional tax liability of two hundred fifty dollars. In no event
1585 shall a tax credit allowed against the tax imposed by chapter 208 of the
1586 general statutes and sections 139 to 141, inclusive, of public act 15-244
1587 reduce a financial service company's tax calculated under this
1588 subsection to an amount less than two hundred fifty dollars.

1589 (3) To the extent that the aggregate amount of tax calculated on each
1590 taxable member's additional tax base exceeds one million dollars, each
1591 taxable member will prorate its tax, in proportion to the group's tax
1592 calculated without regard to the one-million-dollar cap, such that the
1593 group's aggregate additional tax equals one million dollars.

1594 (i) If the aggregate amount of tax calculated on each taxable
1595 member's apportioned net income under subsection (e) of this section
1596 equals or exceeds the aggregate amount of tax calculated on each

1597 taxable member's apportioned additional tax base under subsection (h)
1598 of this section, each taxable member shall be subject to tax on its net
1599 income. If the aggregate amount of tax calculated on each taxable
1600 member's apportioned additional tax base under subsection (h) of this
1601 section exceeds the aggregate amount of tax calculated on each taxable
1602 member's apportioned net income under subsection (e) of this section,
1603 each taxable member shall be subject to tax on its additional tax base.

1604 (j) (1) Each taxable member of a combined group required to file a
1605 combined unitary tax return pursuant to section 12-222 of the general
1606 statutes, as amended by public act 15-244 and [this act] public act 15-5
1607 of the June special session, shall separately apply the provisions of
1608 sections 12-217ee and 12-217zz of the general statutes, as amended by
1609 public act 15-244 and this act, in determining the amount of tax credit
1610 available to such member.

1611 (2) If a taxable member of a combined group earns a tax credit in an
1612 income year beginning on or after January 1, 2016, then the taxable
1613 member may share the credit with other taxable members of the
1614 combined group. Any amount of credit that is utilized by another
1615 taxable member of the combined group shall reduce the amount of
1616 credit carryover that may be carried over by the taxable member that
1617 originally earned the credit. If a taxable member of a combined group
1618 has a tax credit carryover derived from an income year beginning on
1619 or after January 1, 2016, then the taxable member may share the
1620 carryover credit with other taxable members of the combined group, if
1621 such other taxable members were members of the combined group in
1622 the income year in which the credit was earned.

1623 (3) If a taxable member of a combined group has a tax credit
1624 carryover derived from an income year beginning prior to January 1,
1625 2016, or derived from an income year during which the taxable
1626 member was not a member of such combined group, the credit
1627 carryover shall remain available to be utilized by such taxable member
1628 or other group members which, in the year the credit was earned, were

1629 part of the same combined group as such taxable member under
1630 section 12-223a of the general statutes, as amended by public act 15-244
1631 and [this act] public act 15-5 of the June special session, or the same
1632 unitary group as such taxable member under subsection (d) of section
1633 12-218d of the general statutes, revision of 1958, revised to January 1,
1634 2015.

1635 (4) To the extent a taxable member has more than one corporation
1636 business tax credit that it may utilize in an income year, whether such
1637 credits were earned by said member or are available to said member in
1638 accordance with subdivisions (2) and (3) of this subsection, the credits
1639 shall be claimed in the same order as provided in section 12-217aa of
1640 the general statutes.

1641 (k) (1) In no event shall the tax calculated for a combined group on a
1642 combined unitary basis, prior to surtax and application of credits,
1643 exceed the nexus combined base tax described in subdivision (2) of this
1644 subsection by more than two million five hundred thousand dollars.

1645 (2) (A) The nexus combined base tax equals the tax measured on the
1646 sum of the separate net income or loss of each taxable member or the
1647 minimum tax base of each taxable member as if such members were
1648 not required to file a combined unitary tax return, but only to the
1649 extent that such income, loss or minimum tax base of any taxable
1650 member is separately apportioned to Connecticut in accordance with
1651 the applicable provisions of section 12-218 of the general statutes, as
1652 amended by this act, 12-218b of the general statutes, as amended by
1653 this act, 12-219a of the general statutes or 12-244 of the general statutes.
1654 In computing such net income or loss, intercorporate dividends shall
1655 be eliminated, and in computing the combined additional tax base,
1656 intercorporate stockholdings shall be eliminated.

1657 (B) In computing such net income or loss, any intangible expenses
1658 and costs, as defined in section 12-218c of the general statutes, any
1659 interest expenses and costs, as defined in section 12-218c of the general

1660 statutes, and any income attributable to such intangible expenses and
1661 costs or to such interest expenses and costs shall be eliminated,
1662 provided the corporation that is required to make adjustments under
1663 section 12-218c of the general statutes for such intangible expenses and
1664 costs or for such interest expenses and costs, and the related member
1665 or members, as defined in section 12-218c of the general statutes, are
1666 both taxable members of the combined group. If any such income and
1667 any such expenses and costs are eliminated as provided in this
1668 subparagraph, the intangible property, as defined in section 12-218c of
1669 the general statutes, of the corporation eliminating such income shall
1670 not be taken into account in apportioning under the provisions of
1671 section 12-219a of the general statutes the tax calculated under
1672 subsection (a) of section 12-219 of the general statutes of such
1673 corporation.

1674 (C) In computing the apportionment fraction under this
1675 subdivision:

1676 (i) Intercompany rents shall not be included in the computation of
1677 the value of property rented if the lessor and lessee are both taxable
1678 members in the combined unitary tax return; and

1679 (ii) Intercompany business receipts, receipts by a taxable member
1680 included in a combined unitary tax return from any other taxable
1681 member included in such return, shall not be included.

1682 Sec. 37. Subsections (a) and (b) of section 140 of public act 15-244, as
1683 amended by sections 139 and 144 of public act 15-5 of the June special
1684 session, are repealed and the following is substituted in lieu thereof
1685 (Effective January 1, 2016, and applicable to income years commencing on or
1686 after said date):

1687 (a) For purposes of this section, "affiliated group" means an
1688 affiliated group as defined in Section 1504 of the Internal Revenue
1689 Code, except such affiliated group shall include all domestic
1690 corporations that are commonly owned, directly or indirectly, by any

1691 member of such affiliated group, without regard to whether the
1692 affiliated group includes (1) corporations included in more than one
1693 federal consolidated return, (2) corporations engaged in one or more
1694 unitary businesses, or (3) corporations that are not engaged in a
1695 unitary business with any other member of the affiliated group. Such
1696 affiliated group shall also include any member of the combined group,
1697 determined on a world-wide basis, incorporated in a tax haven as
1698 determined by the commissioner in accordance with subdivision ~~[(5)]~~
1699 (4) of subsection (b) of this section, unless it is proven to the
1700 satisfaction of the commissioner that such member is incorporated in a
1701 tax haven for a legitimate business purpose.

1702 (b) The designated taxable member of a combined group may elect
1703 to have the combined group determined on a world-wide basis or an
1704 affiliated group basis. If no such election is made, the combined group
1705 shall be determined on a water's-edge basis and will include only
1706 taxable members and those nontaxable members described in any one
1707 or more of the categories set forth in subdivisions (1) to ~~[(4)]~~ (3),
1708 inclusive, of this subsection:

1709 (1) Any member incorporated in the United States, or formed under
1710 the laws of the United States, any state, the District of Columbia, or
1711 any territory or possession of the United States, excluding such a
1712 member if eighty per cent or more of both its property and payroll
1713 during the income year are located outside the United States, the
1714 District of Columbia, and any territory or possession of the United
1715 States;

1716 (2) Any member, wherever incorporated or formed, if twenty per
1717 cent or more of both its property and payroll during the income year
1718 are located in the United States, the District of Columbia, or any
1719 territory or possession of the United States; or

1720 ~~[(3)~~ Any member that earns more than twenty per cent of its gross
1721 income, directly or indirectly, from intangible property or service-

1722 related activities, the costs of which generally are deductible for federal
1723 income tax purposes, whether currently or over a period of time,
1724 against the income of other members of the group, but only to the
1725 extent of that income and the apportionment factors related thereto; or]

1726 [(4)] (3) Any member that is incorporated in a jurisdiction that is
1727 determined by the commissioner to be a tax haven as that term is
1728 defined in subdivision [(5)] (4) of this subsection, unless it is proven to
1729 the satisfaction of the commissioner that such member is incorporated
1730 in a tax haven for a legitimate business purpose.

1731 [(5)] (4) For purposes of subsection (a) of this section and
1732 subdivision [(4)] (3) of this subsection, "tax haven" means a jurisdiction
1733 that (A) has laws or practices that prevent effective exchange of
1734 information for tax purposes with other governments on taxpayers
1735 benefiting from the tax regime; (B) has a tax regime which lacks
1736 transparency; (C) facilitates the establishment of foreign-owned
1737 entities without the need for a local substantive presence or prohibits
1738 these entities from having any commercial impact on the local
1739 economy; (D) explicitly or implicitly excludes the jurisdiction's
1740 resident taxpayers from taking advantage of the tax regime benefits or
1741 prohibits enterprises that benefit from the regime from operating in the
1742 jurisdiction's domestic market; or (E) has created a tax regime which is
1743 favorable for tax avoidance, based upon an overall assessment of
1744 relevant factors, including whether the jurisdiction has a significant
1745 untaxed offshore financial or services sector relative to its overall
1746 economy. [Not later than September 30, 2016, the commissioner shall
1747 publish a list of jurisdictions that the commissioner determines to be
1748 tax havens. The list shall be applicable to income years commencing on
1749 or after January 1, 2016, and shall remain in effect until superseded by
1750 the publication of a revised list by the commissioner.] "Tax haven"
1751 does not include a jurisdiction that has entered into a comprehensive
1752 income tax treaty with the United States, which the Secretary of the
1753 Treasury has determined is satisfactory for purposes of Section
1754 1(h)(11)(C)(i)(II) of the Internal Revenue Code.

1755 Sec. 38. Subdivision (4) of subsection (a) of section 12-217 of the
1756 general statutes, as amended by section 87 of public act 15-244 and
1757 section 482 of public act 15-5 of the June special session, is repealed
1758 and the following is substituted in lieu thereof (*Effective from passage*):

1759 (4) Notwithstanding any provision of this section to the contrary,
1760 (A) any excess of the deductions provided in this section for any
1761 income year commencing on or after January 1, 1973, over the gross
1762 income for such year or the amount of such excess apportioned to this
1763 state under the provisions of [section 12-218, as amended by this act]
1764 this chapter and sections 139 to 141, inclusive, of public act 15-244, as
1765 amended by public act 15-5 of the June special session, shall be an
1766 operating loss of such income year and shall be deductible as an
1767 operating loss carry-over for operating losses incurred prior to income
1768 years commencing January 1, 2000, in each of the five income years
1769 following such loss year, and for operating losses incurred in income
1770 years commencing on or after January 1, 2000, in each of the twenty
1771 income years following such loss year, except that (i) for income years
1772 commencing prior to January 1, 2015, the portion of such operating
1773 loss which may be deducted as an operating loss carry-over in any
1774 income year following such loss year shall be limited to the lesser of (I)
1775 any net income greater than zero of such income year following such
1776 loss year, or in the case of a company entitled to apportion its net
1777 income under the provisions of [section 12-218, as amended by this act]
1778 this chapter and sections 139 to 141, inclusive, of public act 15-244, as
1779 amended by public act 15-5 of the June special session, the amount of
1780 such net income which is apportioned to this state pursuant thereto, or
1781 (II) the excess, if any, of such operating loss over the total of such net
1782 income for each of any prior income years following such loss year,
1783 such net income of each of such prior income years following such loss
1784 year for such purposes being computed without regard to any
1785 operating loss carry-over from such loss year allowed under this
1786 subparagraph and being regarded as not less than zero, and provided
1787 further the operating loss of any income year shall be deducted in any

1788 subsequent year, to the extent available for such deduction, before the
1789 operating loss of any subsequent income year is deducted, (ii) for
1790 income years commencing on or after January 1, 2015, the portion of
1791 such operating loss which may be deducted as an operating loss carry-
1792 over in any income year following such loss year shall be limited to the
1793 lesser of (I) fifty per cent of net income of such income year following
1794 such loss year, or in the case of a company entitled to apportion its net
1795 income under the provisions of [section 12-218, as amended by this act]
1796 this chapter and sections 139 to 141, inclusive, of public act 15-244, as
1797 amended by public act 15-5 of the June special session, fifty per cent of
1798 such net income which is apportioned to this state pursuant thereto, or
1799 (II) the excess, if any, of such operating loss over the operating loss
1800 deductions allowable with respect to such operating loss under this
1801 subparagraph for each of any prior income years following such loss
1802 year, such net income of each of such prior income years following
1803 such loss year for such purposes being computed without regard to
1804 any operating loss carry-over from such loss year allowed under this
1805 subparagraph and being regarded as not less than zero, and provided
1806 further the operating loss of any income year shall be deducted in any
1807 subsequent year, to the extent available for such deduction, before the
1808 operating loss of any subsequent income year is deducted, and (iii) if a
1809 combined group so elects, [the operating loss carry-over of said
1810 combined group, shall be limited to] the combined group shall
1811 relinquish fifty per cent of its unused operating losses incurred prior to
1812 the income year commencing on or after January 1, 2015, and before
1813 January 1, 2016, and may utilize the remaining operating loss carry-
1814 over without regard to the limitations prescribed in subparagraph
1815 (A)(ii) of this subdivision. The portion of such operating loss carry-
1816 over that may be deducted shall be limited to [net income greater than
1817 zero] the amount required to reduce a combined group's tax under this
1818 chapter and sections 139 to 141, inclusive, of public act 15-244, as
1819 amended by public act 15-5 of the June special session, prior to surtax
1820 and prior to the application of credits, to two million five hundred
1821 thousand dollars in any income year commencing on or after January

1822 1, [2017] 2015. Only after the combined group's remaining operating
1823 loss carry-over for operating losses incurred prior to income years
1824 commencing January 1, 2015, has been fully utilized, will the
1825 limitations prescribed in subparagraph (A)(ii) of this subdivision
1826 apply. The combined group, or any member thereof, shall make such
1827 election on its return for the income year beginning on or after January
1828 1, 2015, and before January 1, 2016, by the due date for such return,
1829 including any extensions. Only combined groups with unused
1830 operating losses in excess of six billion dollars from income years
1831 beginning prior to January 1, 2013, may make the election prescribed
1832 in this clause, and (B) any net capital loss, as defined in the Internal
1833 Revenue Code effective and in force on the last day of the income year,
1834 for any income year commencing on or after January 1, 1973, shall be
1835 allowed as a capital loss carry-over to reduce, but not below zero, any
1836 net capital gain, as so defined, in each of the five following income
1837 years, in order of sequence, to the extent not exhausted by the net
1838 capital gain of any of the preceding of such five following income
1839 years, and (C) any net capital losses allowed and carried forward from
1840 prior years to income years beginning on or after January 1, 1973, for
1841 federal income tax purposes by companies entitled to a deduction for
1842 dividends paid under the Internal Revenue Code other than
1843 companies subject to the gross earnings taxes imposed under chapters
1844 211 and 212, shall be allowed as a capital loss carry-over.

1845 Sec. 39. Section 12-216a of the general statutes is repealed and the
1846 following is substituted in lieu thereof (*Effective from passage*):

1847 (a) Any company that derives income from sources within this state
1848 and that has a substantial economic presence within this state,
1849 evidenced by a purposeful direction of business toward this state,
1850 examined in light of the frequency, quantity and systematic nature of a
1851 company's economic contacts with this state, without regard to
1852 physical presence, and to the extent permitted by the Constitution of
1853 the United States, shall be liable for the tax imposed under this
1854 chapter. Such company shall apportion its net income under the

1855 provisions of this chapter.

1856 (b) (1) The provisions of subsection (a) of this section shall not apply
1857 to any company that is treated as a foreign corporation under the
1858 Internal Revenue Code and has no income effectively connected with a
1859 United States trade or business.

1860 (2) To the extent that a company that is treated as a foreign
1861 corporation under the Internal Revenue Code has income effectively
1862 connected with a United States trade or business, such company's
1863 gross income, notwithstanding any provision of this chapter and
1864 sections 139 to 141, inclusive, of public act 15-244, as amended by
1865 public act 15-5 of the June special session and this act, shall be its
1866 income effectively connected with its United States trade or business.
1867 For net income tax apportionment purposes, only property used in,
1868 payroll attributable to and receipts effectively connected with such
1869 company's United States trade or business shall be considered for
1870 purposes of calculating such company's apportionment fraction.
1871 "Income effectively connected with a United States trade or business"
1872 shall be determined in accordance with the provisions of the Internal
1873 Revenue Code. The provisions of this subdivision shall not apply to a
1874 foreign corporation that is included in a combined group that files a
1875 combined unitary tax return.

1876 Sec. 40. Section 12-218 of the general statutes, as amended by section
1877 149 of public act 15-244 and section 139 of public act 15-5 of the June
1878 special session, is repealed and the following is substituted in lieu
1879 thereof (*Effective January 1, 2016, and applicable to income years*
1880 *commencing on or after January 1, 2016*):

1881 (a) Any taxpayer which is taxable both within and without this state
1882 shall apportion its net income as provided in this section. For purposes
1883 of apportionment of income under this section, a taxpayer is taxable in
1884 another state if in such state such taxpayer conducts business and is
1885 subject to a net income tax, a franchise tax for the privilege of doing

1886 business, or a corporate stock tax, or if such state has jurisdiction to
1887 subject such taxpayer to such a tax, regardless of whether such state
1888 does, in fact, impose such a tax.

1889 [(b) The net income of the taxpayer, when derived from business
1890 other than the manufacture, sale or use of tangible personal or real
1891 property, shall be apportioned within and without the state by means
1892 of an apportionment fraction, the numerator of which shall represent
1893 the gross receipts from business carried on within Connecticut and the
1894 denominator shall represent the gross receipts from business carried
1895 on everywhere, except that any gross receipts attributable to an
1896 international banking facility, as defined in section 12-217, shall not be
1897 included in the numerator or the denominator. Gross receipts as used
1898 in this subsection has the same meaning as used in subdivision (3) of
1899 subsection (c) of this section.]

1900 [(c)] ~~(b)~~ Except as otherwise provided in [subsection (k) or (l) of this
1901 section] this chapter and sections 139 to 141, inclusive, of public act 15-
1902 244, on and after January 1, 2016, the net income of the taxpayer [when
1903 derived from the manufacture, sale or use of tangible personal or real
1904 property,] shall be apportioned within and without the state by means
1905 of an apportionment fraction. [, to be computed as the sum of the
1906 property factor, the payroll factor and twice the receipts factor, divided
1907 by four. (1) The first of these fractions, the property factor, shall
1908 represent that part of the average monthly net book value of the total
1909 tangible property held and owned by the taxpayer during the income
1910 year which is held within the state, without deduction on account of
1911 any encumbrance thereon, and the value of tangible property rented to
1912 the taxpayer computed by multiplying the gross rents payable during
1913 the income year or period by eight. For the purpose of this section,
1914 gross rents shall be the actual sum of money or other consideration
1915 payable, directly or indirectly, by the taxpayer or for its benefit for the
1916 use or possession of the property, excluding royalties, but including
1917 interest, taxes, insurance, repairs or any other amount required to be
1918 paid by the terms of a lease or other arrangement and a proportionate

1919 part of the cost of any improvement to the real property made by or on
1920 behalf of the taxpayer which reverts to the owner or lessor upon
1921 termination of a lease or other arrangement, based on the unexpired
1922 term of the lease commencing with the date the improvement is
1923 completed, provided, where a building is erected on leased land by or
1924 on behalf of the taxpayer, the value of the land is determined by
1925 multiplying the gross rent by eight, and the value of the building is
1926 determined in the same manner as if owned by the taxpayer. (2) The
1927 second fraction, the payroll factor, shall represent the part of the total
1928 wages, salaries and other compensation to employees paid by the
1929 taxpayer during the income year which was paid in this state,
1930 excluding any such wages, salaries or other compensation attributable
1931 to the production of gross income of an international banking facility
1932 as defined in section 12-217. Compensation is paid in this state if (A)
1933 the individual's service is performed entirely within the state; or (B)
1934 the individual's service is performed both within and without the state,
1935 but the service performed without the state is incidental to the
1936 individual's service within the state; or (C) some of the service is
1937 performed in the state and (i) the base of operations or, if there is no
1938 base of operations, the place from which the service is directed or
1939 controlled is in the state, or (ii) the base of operations or the place from
1940 which the service is directed or controlled is not in any state in which
1941 some part of the service is performed, but the individual's residence is
1942 in this state. (3) The third fraction, the receipts factor,] The
1943 apportionment fraction shall represent the part of the taxpayer's gross
1944 receipts from sales or other sources during the income year, computed
1945 according to the method of accounting used in the computation of its
1946 entire net income, which is assignable to the state, and excluding any
1947 gross receipts attributable to an international banking facility as
1948 defined in section 12-217, as amended by [this act] public act 15-244
1949 and this act, but including receipts from sales of tangible property if
1950 the property is delivered or shipped to a purchaser within this state,
1951 other than a company which qualifies as a Domestic International Sales
1952 Corporation (DISC) as defined in Section 992 of the Internal Revenue

1953 Code of 1986, or any subsequent corresponding internal revenue code
1954 of the United States, as from time to time amended, and as to which a
1955 valid election under Subsection (b) of said Section 992 to be treated as a
1956 DISC is effective, regardless of the f.o.b. point or other conditions of
1957 the sale, receipts from services performed within the state, rentals and
1958 royalties from properties situated within the state, royalties from the
1959 use of patents or copyrights within the state, interest managed or
1960 controlled within the state, net gains from the sale or other disposition
1961 of intangible assets managed or controlled within the state, net gains
1962 from the sale or other disposition of tangible assets situated within the
1963 state and all other receipts earned within the state.

1964 [(d)] (c) Any motor bus company which is taxable both within and
1965 without this state shall apportion its net income derived from carrying
1966 of passengers for hire by means of an apportionment fraction, the
1967 numerator of which shall represent the total number of miles operated
1968 within this state and the denominator of which shall represent the total
1969 number of miles operated everywhere, but income derived by motor
1970 bus companies from sources other than the carrying of passengers for
1971 hire shall be apportioned as herein otherwise provided.

1972 [(e)] (d) Any motor carrier which transports property for hire and
1973 which is taxable both within and without this state shall apportion its
1974 net income derived from carrying of property for hire by means of an
1975 apportionment fraction, the numerator of which shall represent the
1976 total number of miles operated within this state and the denominator
1977 of which shall represent the total number of miles operated
1978 everywhere, but income derived by motor carriers from sources other
1979 than the carrying of property for hire shall be apportioned as herein
1980 otherwise provided.

1981 [(f)] (e) (1) Each taxpayer that provides management, distribution or
1982 administrative services, as defined in this subsection, to or on behalf of
1983 a regulated investment company, as defined in Section 851 of the
1984 Internal Revenue Code shall apportion its net income derived, directly

1985 or indirectly, from providing management, distribution or
1986 administrative services to or on behalf of a regulated investment
1987 company, including net income received directly or indirectly from
1988 trustees, and sponsors or participants of employee benefit plans which
1989 have accounts in a regulated investment company, in the manner
1990 provided in this subsection. Income derived by such taxpayer from
1991 sources other than the providing of management, distribution or
1992 administrative services to or on behalf of a regulated investment
1993 company shall be apportioned as provided in this chapter.

1994 (2) The numerator of the apportionment fraction shall consist of the
1995 sum of the Connecticut receipts, as described in subdivision (3) of this
1996 subsection. The denominator of the apportionment fraction shall
1997 consist of the total receipts from the sale of management, distribution
1998 or administrative services to or on behalf of all the regulated
1999 investment companies. For purposes of this subsection, "receipts"
2000 means receipts computed according to the method of accounting used
2001 by the taxpayer in the computation of net income.

2002 (3) For purposes of this subsection, Connecticut receipts shall be
2003 determined by multiplying receipts from the rendering of
2004 management, distribution or administrative services to or on behalf of
2005 each separate regulated investment company by a fraction (A) the
2006 numerator of which shall be the average of (i) the number of shares on
2007 the first day of such regulated investment company's taxable year, for
2008 federal income tax purposes, which ends within or at the same time as
2009 the taxable year of the taxpayer, that are owned by shareholders of
2010 such regulated investment company then domiciled in this state and
2011 (ii) the number of shares on the last day of such regulated investment
2012 company's taxable year, for federal income tax purposes, which ends
2013 within or at the same time as the taxable year of the taxpayer, that are
2014 owned by shareholders of such regulated investment company then
2015 domiciled in this state; and (B) the denominator of which shall be the
2016 average of the number of shares that are owned by shareholders of
2017 such regulated investment company on such dates.

2018 (4) (A) For purposes of this subsection, "management services"
2019 includes, but is not limited to, the rendering of investment advice
2020 directly or indirectly to a regulated investment company, making
2021 determinations as to when sales and purchases of securities are to be
2022 made on behalf of the regulated investment company, or the selling or
2023 purchasing of securities constituting assets of a regulated investment
2024 company, and related activities, but only where such activity or
2025 activities are performed (i) pursuant to a contract with the regulated
2026 investment company entered into pursuant to 15 USC 80a-15(a), as
2027 from time to time amended, (ii) for a person that has entered into such
2028 contract with the regulated investment company, or (iii) for a person
2029 that is affiliated with a person that has entered into such contract with
2030 a regulated investment company.

2031 (B) For purposes of this subsection, "distribution services" includes,
2032 but is not limited to, the services of advertising, servicing, marketing
2033 or selling shares of a regulated investment company, but, in the case of
2034 advertising, servicing or marketing shares, only where such service is
2035 performed by a person that is, or, in the case of a closed end company,
2036 was, either engaged in the service of selling such shares or affiliated
2037 with a person that is engaged in the service of selling such shares. In
2038 the case of an open end company, such service of selling shares shall
2039 be performed pursuant to a contract entered into pursuant to 15 USC
2040 80a-15(b), as from time to time amended.

2041 (C) For purposes of this subsection, "administrative services"
2042 includes, but is not limited to, clerical, fund or shareholder accounting,
2043 participant record keeping, transfer agency, bookkeeping, data
2044 processing, custodial, internal auditing, legal and tax services
2045 performed for a regulated investment company but only if the
2046 provider of such service or services during the income year in which
2047 such service or services are provided also provides, or is affiliated with
2048 a person that provides, management or distribution services to such
2049 regulated investment company.

2050 (D) For purposes of this subsection, a person is "affiliated" with
2051 another person if each person is a member of the same affiliated group,
2052 as defined under Section 1504 of the Internal Revenue Code without
2053 regard to subsection (b) of said section.

2054 (E) For purposes of this subsection, the domicile of a shareholder
2055 shall be presumed to be such shareholder's mailing address as shown
2056 in the records of the regulated investment company except that for
2057 purposes of this subsection, if the shareholder of record is an insurance
2058 company which holds the shares of the regulated investment company
2059 as depositor for the benefit of a separate account, then the taxpayer
2060 may elect to treat as the shareholders the contract owners or
2061 policyholders of the contracts or policies supported by such separate
2062 account. An election made under this subparagraph shall apply to all
2063 shareholders that are insurance companies and shall be irrevocable for,
2064 and applicable for, five successive income years. In any year that such
2065 an election is applicable, it shall be presumed that the domicile of a
2066 shareholder is the mailing address of the contract owner or
2067 policyholder as shown in the records of the insurance company.

2068 ~~[(g)]~~ (f) (1) Each taxpayer that provides securities brokerage
2069 services, as defined in this subsection, shall apportion its net income
2070 derived, directly or indirectly, from rendering securities brokerage
2071 services in the manner provided in this subsection. Income derived by
2072 such taxpayer from sources other than the rendering of securities
2073 brokerage services shall be apportioned as provided in this chapter.

2074 (2) The numerator of the apportionment fraction shall consist of the
2075 brokerage commissions and total margin interest paid on behalf of
2076 brokerage accounts owned by the taxpayer's customers who are
2077 domiciled in this state during such taxpayer's income year, computed
2078 according to the method of accounting used in the computation of net
2079 income. The denominator of the apportionment fraction shall consist of
2080 brokerage commissions and total margin interest paid on behalf of
2081 brokerage accounts owned by all of the taxpayer's customers,

2082 wherever domiciled, during such taxpayer's income year, computed
2083 according to the method of accounting used in the computation of net
2084 income.

2085 (3) For purposes of this subsection:

2086 (A) "Security brokerage services" means services and activities
2087 including all aspects of the purchasing and selling of securities
2088 rendered by a broker, as defined in 15 USC 78c(a)(4) and registered
2089 under the provisions of 15 USC 78a to 78kk, inclusive, as from time to
2090 time amended, to effectuate transactions in securities for the account of
2091 others, and a dealer, as defined in 15 USC 78c(a)(5) and registered
2092 under the provisions of 15 USC 78a to 78kk, inclusive, as from time to
2093 time amended, to buy and sell securities, through a broker or
2094 otherwise. Security brokerage services shall not include services
2095 rendered by any person buying or selling securities for such person's
2096 own account, either individually or in some fiduciary capacity, but not
2097 as part of a regular business carried on by such person.

2098 (B) "Securities" means security, as defined in 15 USC 78c(a)(10), as
2099 from time to time amended.

2100 (C) "Brokerage commission" means all compensation received for
2101 effecting purchases and sales for the account or on order of others,
2102 whether in a principal or agency transaction, and whether charged
2103 explicitly or implicitly as a fee, commission, spread, markup or
2104 otherwise.

2105 (4) For purposes of this subsection, the domicile of a customer shall
2106 be presumed to be such customer's mailing address as shown in the
2107 records of the taxpayer.

2108 ~~[(h)]~~ (g) (1) Any company that is (A) a limited partner in a
2109 partnership, other than an investment partnership, that does business,
2110 owns or leases property or maintains an office within this state and (B)
2111 not otherwise carrying on or doing business in this state shall pay the

2112 tax imposed under section 12-214 as amended by [this act] public act
2113 15-244, solely on its distributive share as a partner of the income or loss
2114 of such partnership to the extent such income or loss is derived from or
2115 connected with sources within this state, except that, if the
2116 commissioner determines that the company and the partnership are, in
2117 substance, parts of a unitary business engaged in a single business
2118 enterprise or if the company is a member of a combined group that
2119 files a combined unitary tax return, the company shall be taxed in
2120 accordance with the provisions of subdivision (3) of this subsection
2121 and not in accordance with the provisions of this subdivision,
2122 provided, in lieu of the payment of tax based solely on its distributive
2123 share, such company may elect for any particular income year, on or
2124 before the due date or, if applicable the extended due date, of its
2125 corporation business tax return for such income year, to apportion its
2126 net income within and without the state under the provisions of this
2127 chapter.

2128 (2) Any company that is (A) a limited partner (i) in an investment
2129 partnership or (ii) in a limited partnership, other than an investment
2130 partnership, that does business, owns or leases property or maintains
2131 an office within this state and (B) otherwise carrying on or doing
2132 business in this state shall apportion its net income, including its
2133 distributive share as a partner of such partnership income or loss,
2134 within and without the state under the provisions of this chapter,
2135 except that the numerator and the denominator of its [payroll factor,
2136 property factor, and receipts factor] apportionment fraction shall
2137 include its proportionate part, as a partner, of the numerator and the
2138 denominator of such partnership's [payroll factor, property factor and
2139 receipts factor, respectively] apportionment fraction. For purposes of
2140 this section, such partnership shall compute its apportionment fraction
2141 and the numerator and the denominator of its [payroll factor, property
2142 factor and receipts factor,] apportionment fraction as if it were a
2143 company taxable both within and without this state.

2144 (3) Any company that is a general partner in a partnership that does

2145 business, owns or leases property or maintains an office within this
2146 state shall, whether or not it is otherwise carrying on or doing business
2147 in this state, apportion its net income, including its distributive share
2148 as a partner of such partnership income or loss, within and without the
2149 state under the provisions of this chapter, except that the numerator
2150 and the denominator of its [payroll factor, property factor and receipts
2151 factor] apportionment fraction shall include its proportionate part, as a
2152 partner, of the numerator and the denominator of such partnership's
2153 [payroll factor, property factor and receipts factor, respectively]
2154 apportionment fraction. For purposes of this section, such partnership
2155 shall compute its apportionment fraction and the numerator and the
2156 denominator of its [payroll factor, property factor and receipts factor,]
2157 apportionment fraction as if it were a company taxable both within
2158 and without this state.

2159 [(i)] (h) The provisions of this section shall not apply to insurance
2160 companies.

2161 [(j)] (i) (1) Any financial service company as defined in section 12-
2162 218b, as amended by [this act] public act 15-244, that has net income
2163 derived from credit card activities, as defined in this subsection, shall
2164 apportion its net income derived from credit card activities in the
2165 manner provided in this subsection. Income derived by such taxpayer
2166 from sources other than credit card activities shall be apportioned as
2167 provided in this chapter.

2168 (2) The numerator of the apportionment fraction shall consist of the
2169 Connecticut receipts, as described in subdivision (3) of this subsection.
2170 The denominator of the apportionment fraction shall consist of (A) the
2171 total amount of interest and fees or penalties in the nature of interest
2172 from credit card receivables, (B) receipts from fees charged to card
2173 holders, including, but not limited to, annual fees, irrespective of the
2174 billing address of the card holder, (C) net gains from the sale of credit
2175 card receivables, irrespective of the billing address of the card holder,
2176 and (D) all credit card issuer's reimbursement fees, irrespective of the

2177 billing address of the card holder.

2178 (3) For purposes of this subsection, "Connecticut receipts" shall be
2179 determined by adding (A) interest and fees or penalties in the nature of
2180 interest from credit card receivables and receipts from fees charged to
2181 card holders, including, but not limited to, annual fees, where the
2182 billing address of the card holder is in this state and (B) the product of
2183 (i) the sum of net gains from the sale of credit card receivables and all
2184 credit card issuer's reimbursement fees multiplied by (ii) a fraction, the
2185 numerator of which shall be interest and fees or penalties in the nature
2186 of interest from credit card receivables and receipts from fees charged
2187 to card holders, including, but not limited to, annual fees, where the
2188 billing address of the card holder is in this state, and the denominator
2189 of which shall be the total amount of interest and fees or penalties in
2190 the nature of interest from credit card receivables and receipts from
2191 fees charged to card holders, including, but not limited to, annual fees,
2192 irrespective of the billing address of the card holder.

2193 (4) For purposes of this subsection:

2194 (A) "Credit card" means a credit, travel, or entertainment card;

2195 (B) "Receipts" means receipts computed according to the method of
2196 accounting used by the taxpayer in the computation of net income;

2197 (C) "Credit card issuer's reimbursement fee" means the fee that a
2198 taxpayer receives from a merchant's bank because one of the persons
2199 to whom the taxpayer or a related person, as defined in section 12-
2200 218b, as amended by [this act] public act 15-244, has issued a credit
2201 card has charged merchandise or services to the credit card;

2202 (D) "Net income derived from credit card activities" means (i)
2203 interest and fees or penalties in the nature of interest from credit card
2204 receivables and receipts from fees charged to card holders, including,
2205 but not limited to, annual fees, net gains from the sale of credit card
2206 receivables, credit card issuer's reimbursement fees, and credit card

2207 receivables servicing fees received in connection with credit cards
2208 issued by the taxpayer or a related person, as defined in section 12-
2209 218b, as amended by [this act] public act 15-244, less (ii) expenses
2210 related to such income, to the extent deductible under this chapter;

2211 (E) "Billing address" shall be presumed to be the location indicated
2212 in the books and records of the taxpayer as the address where any
2213 notice, statement or bill relating to a card holder is to be mailed, as of
2214 the date of such mailing; and

2215 (F) "Credit card activities" means those activities involving the
2216 underwriting and approval of credit card relationships or other
2217 business activities generally associated with the conduct of business by
2218 an issuer of credit cards from which it derives income.

2219 (5) The Commissioner of Revenue Services may adopt regulations,
2220 in accordance with chapter 54, to permit a financial service company
2221 that is an owner of a financial asset securitization investment trust, as
2222 defined in Section 860H(a) of the Internal Revenue Code, to elect to
2223 apportion its share of the net income from credit card activities carried
2224 on by such trust, and to provide rules for apportioning such share of
2225 net income that are consistent with this subsection.

2226 ~~[(k)]~~ (j) (1) For income years commencing on or after January 1, 2001,
2227 the net income of a taxpayer which is primarily engaged in activities
2228 that, in accordance with the North American Industrial Classification
2229 System, United States Manual, United States Office of Management
2230 and Budget, 1997 edition, would be included in Sector 31, 32 or 33,
2231 shall be apportioned within and without the state by means of the
2232 apportionment fraction described in subdivision (2) of this subsection
2233 provided, in the income year commencing on January 1, 2001, each
2234 such taxpayer shall not take such apportionment fraction into account
2235 for purposes of installment payments on estimated tax under section
2236 12-242d, as amended by [this act] public act 15-244, for calendar
2237 quarters ending prior to July 1, 2001, but shall make such payments in

2238 accordance with the apportionment fraction applicable to the income
2239 year commencing January 1, 2000.

2240 (2) The [numerator of the apportionment fraction shall consist of the
2241 taxpayer's gross receipts, as described in subdivision (3) of subsection
2242 (c) of this section, which are assignable to the state, as provided in
2243 subdivision (3) of subsection (c) of this section. The denominator of the
2244 apportionment fraction shall consist of the taxpayer's total gross
2245 receipts, as described in subdivision (3) of subsection (c) of this section,
2246 whether or not assignable to the state] apportionment fraction of a
2247 taxpayer described in subdivision (1) of this subsection shall be the
2248 apportionment fraction calculated under subsection (b) of this section.

2249 (3) (A) Any taxpayer which is described in subdivision (1) of this
2250 subsection and seventy-five per cent or more of whose total gross
2251 receipts, as described in [subdivision (3) of subsection (c)] subsection
2252 (b) of this section, during the income year are from the sale of tangible
2253 personal property directly, or in the case of a subcontractor, indirectly,
2254 to the United States government may elect, on or before the due date
2255 or, if applicable, the extended due date, of its corporation business tax
2256 return for the income year, to apportion its net income within and
2257 without the state by means of the apportionment fraction described in
2258 [subsection (c) of this section] subparagraph (B) of this subdivision.
2259 The election, if made by the taxpayer, shall be irrevocable for, and
2260 applicable for, five successive income years.

2261 (B) The net income of the taxpayer making an election under
2262 subdivision (3) of subparagraph (A) of this subsection shall be
2263 apportioned within and without the state by means of an
2264 apportionment fraction, to be computed as the sum of the property
2265 factor, the payroll factor and twice the receipts factor, divided by four.
2266 (i) The first of these fractions, the property factor, shall represent that
2267 part of the average monthly net book value of the total tangible
2268 property held and owned by the taxpayer during the income year
2269 which is held within the state, without deduction on account of any

2270 encumbrance thereon, and the value of tangible property rented to the
2271 taxpayer computed by multiplying the gross rents payable during the
2272 income year or period by eight. For the purpose of this section, gross
2273 rents shall be the actual sum of money or other consideration payable,
2274 directly or indirectly, by the taxpayer or for its benefit for the use or
2275 possession of the property, excluding royalties, but including interest,
2276 taxes, insurance, repairs or any other amount required to be paid by
2277 the terms of a lease or other arrangement and a proportionate part of
2278 the cost of any improvement to the real property made by or on behalf
2279 of the taxpayer which reverts to the owner or lessor upon termination
2280 of a lease or other arrangement, based on the unexpired term of the
2281 lease commencing with the date the improvement is completed,
2282 provided, where a building is erected on leased land by or on behalf of
2283 the taxpayer, the value of the land is determined by multiplying the
2284 gross rent by eight, and the value of the building is determined in the
2285 same manner as if owned by the taxpayer. (ii) The second fraction, the
2286 payroll factor, shall represent the part of the total wages, salaries and
2287 other compensation to employees paid by the taxpayer during the
2288 income year which was paid in this state, excluding any such wages,
2289 salaries or other compensation attributable to the production of gross
2290 income of an international banking facility as defined in section 12-217,
2291 as amended by this act. Compensation is paid in this state if (I) the
2292 individual's service is performed entirely within the state; or (II) the
2293 individual's service is performed both within and without the state,
2294 but the service performed without the state is incidental to the
2295 individual's service within the state; or (III) some of the service is
2296 performed in the state and the base of operations or, if there is no base
2297 of operations, the place from which the service is directed or controlled
2298 is in the state, or the base of operations or the place from which the
2299 service is directed or controlled is not in any state in which some part
2300 of the service is performed, but the individual's residence is in this
2301 state. (iii) The third fraction, the receipts factor, shall represent the part
2302 of the taxpayer's gross receipts from sales or other sources during the
2303 income year, computed according to the method of accounting used in

2304 the computation of its entire net income, which is assignable to the
2305 state, and excluding any gross receipts attributable to an international
2306 banking facility as defined in section 12-217, as amended by this act,
2307 but including receipts from sales of tangible property if the property is
2308 delivered or shipped to a purchaser within this state, other than a
2309 company which qualifies as a Domestic International Sales
2310 Corporation (DISC) as defined in Section 992 of the Internal Revenue
2311 Code of 1986, or any subsequent corresponding internal revenue code
2312 of the United States, as from time to time amended, and as to which a
2313 valid election under Subsection (b) of said Section 992 to be treated as a
2314 DISC is effective, regardless of the f.o.b. point or other conditions of
2315 the sale, receipts from services performed within the state, rentals and
2316 royalties from properties situated within the state, royalties from the
2317 use of patents or copyrights within the state, interest managed or
2318 controlled within the state, net gains from the sale or other disposition
2319 of intangible assets managed or controlled within the state, net gains
2320 from the sale or other disposition of tangible assets situated within the
2321 state and all other receipts earned within the state.

2322 ~~[(l)]~~ (k) (1) For income years commencing on or after October 1,
2323 2001, any broadcaster which is taxable both within and without this
2324 state shall apportion its net income derived from the broadcast of
2325 video or audio programming, whether through the public airwaves, by
2326 cable, by direct or indirect satellite transmission or by any other means
2327 of communication, through an over-the-air television or radio network,
2328 through a television or radio station or through a cable network or
2329 cable television system and, if such broadcaster is a cable network, all
2330 net income derived from activities related to or arising out of the
2331 foregoing, including, but not limited to, broadcasting, entertainment,
2332 publishing, whether electronically or in print, electronic commerce and
2333 licensing of intellectual property created in the pursuit of such
2334 activities, by means of the apportionment fraction described in
2335 subdivision (3) of this subsection, and any eligible production entity
2336 which is taxable both within and without this state shall apportion its

2337 net income derived from video or audio programming production
2338 services by means of the apportionment fraction described in
2339 subdivision (4) of this subsection.

2340 (2) For purposes of this subsection:

2341 (A) "Video or audio programming" means any and all
2342 performances, events or productions, including without limitation
2343 news, sporting events, plays, stories and other entertainment, literary,
2344 commercial, educational or artistic works, telecast or otherwise made
2345 available for video or audio exhibition through live transmission or
2346 through the use of video tape, disc or any other type of format or
2347 medium;

2348 (B) A "subscriber" to a cable television system is an individual
2349 residence or other outlet which is the ultimate recipient of the
2350 transmission;

2351 (C) "Telecast" or "broadcast" means the transmission of video or
2352 audio programming by an electronic or other signal conducted by
2353 radiowaves or microwaves, by wires, lines, coaxial cables, wave guides
2354 or fiber optics, by satellite transmissions directly or indirectly to
2355 viewers or listeners or by any other means of communication;

2356 (D) "Eligible production entity" means a corporation which provides
2357 video or audio programming production services and which is
2358 affiliated, within the meaning of Sections 1501 to 1504 of the Internal
2359 Revenue Code and the regulations promulgated thereunder, with a
2360 broadcaster;

2361 (E) "Release" or "in release" means the placing of video or audio
2362 programming into service. A video or audio program is placed into
2363 service when it is first broadcast to the primary audience for which the
2364 program was created. For example, video programming is placed in
2365 service when it is first publicly telecast for entertainment, educational,
2366 commercial, artistic or other purpose. Each episode of a television or

2367 radio series is placed in service when it is first broadcast; and

2368 (F) "Broadcaster" means a corporation that is engaged in the
2369 business of broadcasting video or audio programming, whether
2370 through the public airwaves, by cable, by direct or indirect satellite
2371 transmission or by any other means of communication, through an
2372 over-the-air television or radio network, through a television or radio
2373 station or through a cable network or cable television system, and that
2374 is primarily engaged in activities that, in accordance with the North
2375 American Industry Classification System, United States Manual, 1997
2376 edition, are included in industry group 5131 or 5132.

2377 (3) (A) Except as provided in subparagraph (B) of this subdivision
2378 with respect to the determination of the apportionment fraction for net
2379 income derived from the activities referred to in subdivision (1) of
2380 subsection [(l)] (k) of this section, the numerator of the apportionment
2381 fraction for a broadcaster shall consist of the broadcaster's gross
2382 receipts, as described in [subdivision (3) of subsection (c)] subsection
2383 (b) of this section, which are assignable to the state, as provided in
2384 [subdivision (3) of subsection (c)] subsection (b) of this section. Except
2385 as provided in subparagraph (C) of this subdivision with respect to the
2386 determination of the apportionment fraction for the net income
2387 derived from the activities referred to in subdivision (1) of subsection
2388 [(l)] (k) of this section, the denominator of the apportionment fraction
2389 for a broadcaster shall consist of the broadcaster's total gross receipts,
2390 as described in [subdivision (3) of subsection (c)] subsection (b) of this
2391 section, whether or not assignable to the state.

2392 (B) The numerator of the apportionment fraction for a broadcaster
2393 shall include the gross receipts of the taxpayer from sources within this
2394 state determined as follows:

2395 (i) Gross receipts, including without limitation, advertising revenue,
2396 affiliate fees and subscriber fees, received by a broadcaster from video
2397 or audio programming in release to or by a broadcaster for telecast

2398 which is attributed to this state.

2399 (ii) Gross receipts, including without limitation, advertising
2400 revenue, received by an over-the-air television or radio network or a
2401 television or radio station from video or audio programming in release
2402 to or by such network or station for telecast shall be attributed to this
2403 state in the same ratio that the audience for such over-the-air network
2404 or station located in this state bears to the total audience for such over-
2405 the-air network or station inside and outside of the United States. For
2406 purposes of this subparagraph, the audience shall be determined either
2407 by reference to the books and records of the taxpayer or by reference to
2408 the applicable year's published rating statistics, provided the method
2409 used by the taxpayer is consistently used from year to year for such
2410 purpose and fairly represents the taxpayer's activity in the state.

2411 (iii) Gross receipts including, without limitation, advertising
2412 revenue, affiliate fees and subscriber fees, received by a cable network
2413 or a cable television system from video or audio programming in
2414 release to or by such cable network or cable television system for
2415 telecast and other receipts that are derived from the activities referred
2416 to in subdivision (1) of this subsection shall be attributed to this state in
2417 the same ratio that the number of subscribers for such cable network or
2418 cable television system located in this state bears to the total of such
2419 subscribers of such cable network or cable television system inside and
2420 outside of the United States. For purpose of this subparagraph, the
2421 number of subscribers of a cable network shall be measured by
2422 reference to the number of subscribers of cable television systems that
2423 are affiliated with such network and that receive video or audio
2424 programming of such network. For purposes of this subparagraph, the
2425 number of subscribers of a cable television system shall be determined
2426 either by reference to the books and records of the taxpayer or by
2427 reference to the applicable year's published rating statistics located in
2428 published surveys, provided the method used by the taxpayer is
2429 consistently used from year to year for such purpose and fairly
2430 represents the taxpayer's activities in the state.

2431 (C) The denominator of the apportionment fraction of a broadcaster
2432 shall include gross receipts of the broadcaster that are derived from the
2433 activities referred to in subdivision (1) of subsection [(l)] (k) of this
2434 section, whether or not assignable to the state.

2435 (4) (A) Except as provided in subparagraph (B) of this subdivision,
2436 with respect to the determination of the apportionment fraction for net
2437 income derived from video or audio programming production
2438 services, the numerator of the apportionment fraction for an eligible
2439 production entity shall consist of the eligible production entity's gross
2440 receipts, as described in [subdivision (3) of subsection (c)] subsection
2441 (b) of this section, which are assignable to the state, as provided in
2442 [subdivision (3) of subsection (c)] subsection (b) of this section. Except
2443 as provided in subparagraph (C) of this subdivision, with respect to
2444 the determination of the apportionment fraction for net income
2445 derived from video or audio programming production services, the
2446 denominator of the apportionment fraction for an eligible production
2447 entity shall consist of the eligible production entity's total gross
2448 receipts, as described in [subdivision (3) of subsection (c)] subsection
2449 (b) of this section, whether or not assignable to the state.

2450 (B) The numerator of the apportionment fraction for an eligible
2451 production entity shall include gross receipts of the entity that are
2452 derived from video or audio programming production services
2453 relating to events which occur within this state.

2454 (C) The denominator of the apportionment fraction for an eligible
2455 production entity shall include gross receipts of the entity that are
2456 derived from video or audio programming production services
2457 relating to events which occur within or without this state.

2458 [(m)] (l) Each taxable member of a combined group required to file a
2459 combined unitary tax return pursuant to section 12-222, as amended
2460 by [this act] public act 15-244, shall, if one or more members of such
2461 group are taxable without this state, apportion its net income as

2462 provided in subsections (b) and (c) of section 139 of [this act] public act
2463 15-244.

2464 Sec. 41. Section 12-217o of the general statutes is repealed and the
2465 following is substituted in lieu thereof (*Effective January 1, 2016*):

2466 There shall be allowed as a credit against the tax imposed on any
2467 corporation under this chapter with respect to any taxable year of such
2468 corporation commencing on or after January 1, 1997, (1) that has more
2469 than two hundred fifty full-time, permanent employees but not more
2470 than eight hundred full-time, permanent employees whose wages,
2471 salaries or other compensation is paid in this state, as the phrase is
2472 used in subsection [(c)] (b) of section 12-218, as amended by this act, an
2473 amount equal to five per cent of the amount spent by the corporation
2474 on machinery and equipment acquired for and installed in a facility in
2475 this state, which amount exceeds the amount spent by such
2476 corporation during the preceding income year of the corporation for
2477 such expenditures or (2) that has not more than two hundred fifty
2478 full-time, permanent employees whose wages, salaries or other
2479 compensation is paid in this state, as the phrase is used in subsection
2480 [(c)] (b) of section 12-218, as amended by this act, an amount equal to
2481 ten per cent of the amount spent by the corporation on machinery and
2482 equipment acquired for and installed in a facility in this state, which
2483 amount exceeds the amount spent by such corporation during the
2484 preceding income year of the corporation for such expenditures. In
2485 addition, any amount spent (1) by a corporation whose income year,
2486 for federal income tax purposes, commences on the first day of
2487 January, February, March, April or May, (2) on machinery and
2488 equipment acquired for and installed in a facility in this state, (3)
2489 during that portion of its income year in 1995 that expired on May 31,
2490 1995, shall be deemed to have been spent during its income year
2491 commencing in 1997 and shall be added to any amount actually spent
2492 on machinery and equipment acquired for and installed in a facility in
2493 this state during its income year commencing in 1997, provided the
2494 credit percentage to which such corporation shall be entitled for its

2495 income year commencing in 1997 shall be based on the number of
2496 full-time, permanent employees during its income year commencing in
2497 1997.

2498 Sec. 42. Subparagraph (J) of subdivision (6) of subsection (a) of
2499 section 12-218b of the general statutes is repealed and the following is
2500 substituted in lieu thereof (*Effective January 1, 2016*):

2501 (J) (i) Any company, other than an insurance company or a real
2502 estate broker, which derives fifty per cent or more of its gross income
2503 from one or more of the following sources or activities: Loans; letters of
2504 credit and acceptance of drafts; underwriting, purchase, placement,
2505 sale or brokerage of securities, commodities contracts or other financial
2506 instruments or contracts on its own account or for the account of
2507 others; exchanges, exchange clearinghouses and other services allied
2508 with the exchange of securities or commodities contracts; investment
2509 advisory or management services; investment banking services,
2510 corporate trust and escrow services; securities information processing;
2511 securities and financial rating agency services; transfer agent, clearing
2512 agent, securities custodial and depository services; securities exchange
2513 or quotation services; any of the services described in subsection [(f)]
2514 (e) of section 12-218, as amended by this act; any of the services
2515 described in subsection [(g)] (f) of section 12-218, as amended by this
2516 act; management, distribution or administrative services to or on
2517 behalf of an investment entity; management, distribution or
2518 administrative services to or on behalf of pension funds or retirement
2519 accounts; leasing or acting as an agent, broker or adviser in connection
2520 with leasing real and personal property that is the functional
2521 equivalent of an extension of credit and that transfers substantially all
2522 of the benefits and risks incident to the ownership of property,
2523 including any direct financing lease or leverage lease that meets the
2524 criteria of Financial Accounting Standards Board Statement No. 13,
2525 "Accounting for Leases" or any other lease that is accounted for as a
2526 financing by a lessor under generally accepted accounting principles;
2527 activities of a Morris plan company; credit card activities; third party

2528 insurance administration services, claim administration services, claim
2529 adjusting services, premium billing and collection services, or
2530 employee benefit plan administration services; insurance underwriting
2531 or policy issuance services; actuarial services; trust company services;
2532 financial planning services; insurance brokerage services; or risk
2533 management services;

2534 Sec. 43. Subsection (k) of section 12-218b of the general statutes is
2535 repealed and the following is substituted in lieu thereof (*Effective*
2536 *January 1, 2016*):

2537 (k) This section shall not apply to net income from services or
2538 activities described in subsection [(f), (g) or (j)] (e), (f) or (i) of section
2539 12-218, as amended by this act, which income shall be apportioned in
2540 accordance with said subsection [(f), (g) or (j)] (e), (f) or (i), whether or
2541 not the taxpayer is taxable outside this state, or, for income years
2542 commencing prior to January 1, 2002, in the case of net income from
2543 activities described in said subsection [(j)] (i) that is earned by a
2544 taxpayer that is either not eligible to make the election described in
2545 said subsection [(j)] (i) or does not make the election described in said
2546 subsection [(j)] (i) which income shall be apportioned in accordance
2547 with subsection (b) of said section 12-218, as amended by this act.

2548 Sec. 44. Subsection (a) of section 12-219b of the general statutes is
2549 repealed and the following is substituted in lieu thereof (*Effective*
2550 *January 1, 2016*):

2551 (a) With respect to the taxation under this chapter in income years
2552 commencing on or after January 1, 1996, of a company's distributive
2553 share as a partner of partnership income or loss in all partnerships in
2554 which it is or may become a partner, a company may, on or before the
2555 due date, or, if applicable, the extended due date, of its corporation
2556 business tax return for its income year beginning during 1996, make an
2557 election, on its corporation business tax return for such income year,
2558 not to have the provisions of subsection [(e)] (g) of section 12-218, as

2559 amended by this act, and subsection (b) of section 12-219a apply.
2560 Except as otherwise provided by subsection (b) of this section, the
2561 election shall be irrevocable.

2562 Sec. 45. Subdivision (27) of subsection (a) of section 12-407 of the
2563 general statutes is repealed and the following is substituted in lieu
2564 thereof (*Effective January 1, 2016*):

2565 (27) "Community antenna television service" means (A) the one-way
2566 transmission to subscribers of video programming or information by
2567 cable, fiber optics, satellite, microwave or any other means, and
2568 subscriber interaction, if any, which is required for the selection of
2569 such video programming or information, and (B) noncable
2570 communications service, as defined in section 16-1, unless such
2571 noncable communications service is purchased by a cable network as
2572 that term is used in subsection [(l)] (k) of section 12-218, as amended
2573 by this act.

2574 Sec. 46. Section 52-557q of the general statutes is repealed and the
2575 following is substituted in lieu thereof (*Effective January 1, 2016*):

2576 No claim for damages shall be made against a broadcaster, as
2577 defined in subsection [(l)] (k) of section 12-218, as amended by this act,
2578 or an outdoor advertising establishment, as described in the United
2579 States Department of Labor Standard Industrial Classification System
2580 Code 7312, that, pursuant to a voluntary program between
2581 broadcasters and law enforcement agencies, or between law
2582 enforcement agencies and outdoor advertising establishments,
2583 broadcasts or disseminates an emergency alert and information
2584 provided by a law enforcement agency concerning the abduction of a
2585 child, including, but not limited to, a description of the abducted child,
2586 a description of the suspected abductor and the circumstances of the
2587 abduction. Nothing in this section shall be construed to (1) limit or
2588 restrict in any way any legal protection a broadcaster or outdoor
2589 advertising establishment may have under any other law for

2590 broadcasting, outdoor advertising or otherwise disseminating any
2591 information, or (2) relieve a law enforcement agency from acting
2592 reasonably in providing information to the broadcaster or outdoor
2593 advertising establishment.

2594 Sec. 47. Subsection (a) of section 16a-21 of the general statutes is
2595 repealed and the following is substituted in lieu thereof (*Effective from*
2596 *passage*):

2597 (a) (1) No heating fuel dealer shall sell heating fuel or rent or lease a
2598 heating fuel tank without a written contract that contains all the terms
2599 and conditions for delivery of such heating fuel and the amount of
2600 fees, charges, surcharges or penalties allowed under this section and
2601 assessed to the consumer under such contract. No such contract shall
2602 contain any fees, charges, surcharges or penalties, except for those
2603 allowed pursuant to subsections (e), (f) and (g) of this section and for
2604 tank rental fees or liquidated damages for violation of the contract
2605 terms. No contract for the delivery of heating fuel under this
2606 subsection shall include a provision for liquidated damages for a
2607 consumer breach of such contract where the liquidated damages
2608 exceed the actual damages to the heating fuel dealer caused by such
2609 breach. No written contract period for heating fuel shall be for a term
2610 greater than thirty-six months. Each heating fuel dealer shall offer
2611 consumers the option to enter into a bona fide commercially
2612 reasonable contract for a term of eighteen months. A consumer and a
2613 heating fuel dealer may agree to enter into a bona fide commercially
2614 reasonable contract for a term of less than eighteen months. Longer
2615 fuel contract term lengths may be permitted for underground tank
2616 consumers, provided the fuel term agreements are concurrent with
2617 tank lease agreements as specified in subdivision (2) of this subsection.
2618 Any contract for the rent or lease of a propane fuel tank shall contain a
2619 provision informing the consumer of any restrictions concerning such
2620 customer's ability to utilize another propane fuel provider and shall
2621 require the consumer to initial such provision to indicate awareness of
2622 such restrictions.

2623 (2) If a tank is being leased or lent to a consumer, a contract for the
2624 tank rental or loan shall indicate in writing a description of the tank,
2625 initial installation charges, if any, the amount and timing of rental or
2626 loan payments, the manner in which the lessor will credit the lessee for
2627 any unused heating fuel and terms by which a lessee may terminate
2628 the contract. A lessor may enter into a separate contract with the lessee
2629 for additional services including, but not limited to, maintenance,
2630 repair and warranty of equipment, provided such contract complies
2631 with the provisions of this section. No contract for tanks installed
2632 above ground shall be for a term greater than thirty-six months. Each
2633 consumer shall be given the option to enter into a bona fide
2634 commercially reasonable contract for a term of eighteen months. A
2635 lessee and a lessor may agree to enter into a bona fide commercially
2636 reasonable contract for a term of less than eighteen months. No
2637 contract for a tank installed underground shall exceed five years.

2638 (3) (A) If a tank installed underground is provided to a consumer, a
2639 contract for such tank shall contain a clause providing the consumer
2640 with the option to purchase the tank and associated equipment at any
2641 time during the length of the contract, but not later than five years
2642 after the date of commencement of the contract. The purchase price for
2643 the tank shall be disclosed in the contract and shall not increase before
2644 the contract expires. Any waiver of liability or transfer of warranty
2645 shall be stated in the contract. For existing contracts, whether oral or
2646 written, where the purchase option or purchase price is silent or
2647 unspecified, a contract addendum including the purchase option and a
2648 commercially reasonable purchase price shall be mailed or delivered to
2649 the consumer not later than September 1, 2013. Such contract
2650 addendum shall contain a clause providing the lessee with the option
2651 of purchasing the tank and associated equipment at any time prior to
2652 September 1, 2018. Upon purchase of the tank and any associated
2653 equipment, any contract obligations pursuant to subdivisions (1) and
2654 (2) of this subsection shall terminate immediately.

2655 (B) If a tank installed above ground is provided to a consumer, a

2656 contract for such tank shall contain a clause providing the consumer
2657 with the option to purchase the tank and associated equipment at any
2658 time during the length of the contract, but not later than five years
2659 after the date of commencement of the contract. The purchase price for
2660 the tank shall not exceed the fair market value for such tank and shall
2661 be disclosed in the contract and not increase before the contract
2662 expires. Any waiver of liability or transfer of warranty shall be stated
2663 in the contract. For existing contracts, whether oral or written, where
2664 the purchase option or purchase price is silent or unspecified, a
2665 contract addendum including the purchase option and a purchase
2666 price of not more than the fair market value shall be mailed or
2667 delivered to the consumer not later than September 1, 2016. Such
2668 contract addendum shall contain a clause providing the lessee with the
2669 option of purchasing the tank and associated equipment at any time
2670 prior to September 1, 2021. Upon purchase of the tank and any
2671 associated equipment, any contract obligations pursuant to
2672 subdivisions (1) and (2) of this subsection shall terminate immediately.

2673 (4) A contract required by this section shall be in writing and shall
2674 comply with the plain language requirements of section 42-152,
2675 provided any fee, charge, surcharge or penalty disclosed in such
2676 contract shall be in twelve-point, boldface type of uniform font. Any
2677 fee, charge, surcharge or penalty shall not increase prior to the
2678 expiration of the contract.

2679 (5) A written contract for the sale of heating fuel or lease of
2680 equipment that calls for an automatic renewal of the contract is not
2681 valid unless such contract complies with the provisions of this section,
2682 section 42-126b and chapter 296a.

2683 (6) The requirement that contracts be in writing pursuant to this
2684 section shall not apply to any heating fuel delivery initiated by a
2685 consumer, payable on delivery or billed to the consumer with no
2686 future delivery commitment, where no fee, charge, surcharge or
2687 penalty is assessed, except for any fee, charge or surcharge authorized

2688 under subsection (g) of this section.

2689 (7) The requirement that contracts be in writing pursuant to this
2690 section shall not apply to agreements that are solely automatic delivery
2691 where: (A) The consumer may terminate automatic delivery at any
2692 time and where no fee, charge, surcharge or penalty is assessed for
2693 termination, and (B) the dealer providing automatic delivery provides
2694 written notice to the consumer the dealer serves under automatic
2695 delivery of the method for the termination of automatic delivery, as
2696 specified in this subdivision. Such written notice shall be included with
2697 each invoice for products subject to automatic delivery. Notice from a
2698 consumer to a dealer requesting termination of automatic delivery
2699 may be delivered to the dealer by (i) a written request by the consumer
2700 delivered by certified mail to the dealer, (ii) electronic mail sent from
2701 the consumer to a valid electronic mail address of the dealer, or (iii)
2702 electronic facsimile by the consumer to be sent to a valid facsimile
2703 number at the dealer's place of business. The consumer shall give
2704 notice at least one day prior to the day upon which the consumer
2705 desires to terminate automatic delivery. The consumer shall not be
2706 responsible for payment of deliveries made by the dealer after such
2707 notice has been given, except for deliveries made within one business
2708 day after such notice has been given and which were scheduled for
2709 delivery by the dealer prior to such notice being given, provided
2710 consideration shall be given for weekend and holiday closings or
2711 extenuating circumstances not under the control of the dealer.

2712 Sec. 48. Subsection (k) of section 16-243v of the general statutes is
2713 repealed and the following is substituted in lieu thereof (*Effective from*
2714 *passage*):

2715 (k) (1) As used in this section:

2716 (A) "Residential retail end use customer" means any electric, gas or
2717 heating fuel customer, regardless of heating source, who wishes to
2718 replace heating furnace₂ or boiler equipment, or purchase either an

2719 underground or above ground propane fuel tank, including, but not
2720 limited to, a propane fuel tank that the residential retail end use
2721 customer leases, provided a residential retail end use customer (i) shall
2722 be a customer of an electric distribution company, and (ii) shall not
2723 include a customer who occupies leased premises or who does not
2724 own the premises on which the replacement heating furnace or boiler
2725 equipment is located or on which the underground or above ground
2726 propane tank to be purchased is located or will be located;

2727 (B) "Heating furnace or boiler equipment" means the primary
2728 heating equipment for space and hot water needs, along with the
2729 ancillary piping, pumps, duct work and associated other equipment
2730 that may be required as part of the replacement of a heating furnace or
2731 boiler;

2732 (C) "Furnace or boiler replacement and propane fuel tank purchase
2733 funds" means any funds approved by the third-party administrator
2734 pursuant to this subsection, provided (i) such funds may be used for
2735 the loan principal in an amount not to exceed fifteen thousand dollars,
2736 excluding interest expense associated with such loan and the expense
2737 for any loan default, and (ii) participating residential retail end use
2738 customers may be charged interest on the loan principal in an amount
2739 not to exceed three per cent, based on income eligibility as determined
2740 by the third-party administrator;

2741 (D) "Electric distribution company" and "gas company" have the
2742 same meanings as provided in section 16-1.

2743 (E) "Propane fuel tank" means a tank used to store propane fuel that
2744 is used in connection with residential heating of space, hot water
2745 needs, operation of an emergency generator for such space or the
2746 performance of indoor installed-appliance-based cooking in such
2747 space.

2748 (2) Not later than September 1, 2013, the electric distribution and gas
2749 companies shall develop a residential furnace [and] or boiler

2750 replacement and propane fuel tank purchase program funded by the
2751 systems benefits charge pursuant to section 16-245l in a manner that
2752 minimizes the impact on ratepayers. Said program shall be reviewed
2753 and approved or modified by the Department of Energy and
2754 Environmental Protection, in consultation with the Energy
2755 Conservation Management Board, within sixty days of receipt of the
2756 plan for said program. Said program shall include a contract for
2757 retention of a third-party administrator to become effective upon
2758 approval of the program by the department. Said program shall
2759 continue until the end of the [third] sixth year of the program. On or
2760 before January 1, 2014, the electric distribution and gas companies
2761 shall retain the services of a third-party administrator with expertise in
2762 developing, implementing and administering residential lending
2763 programs, including credit evaluation, to provide financing for
2764 improvement projects by property owners, loan servicing and
2765 program administration. The third-party administrator shall, in
2766 conjunction with the electric distribution companies and gas
2767 companies, develop the program. On and after the effective date of this
2768 section, said program shall be amended to provide such residential
2769 lending to residential retail end use customers who seek to purchase
2770 either an underground or above ground propane fuel tank, including,
2771 but not limited to, a propane fuel tank that the residential retail end
2772 use customer leases.

2773 (3) The third-party administrator shall be responsible for extending
2774 loans and administering the residential furnace [and] or boiler
2775 replacement and propane fuel tank purchase program to assist
2776 residential retail end use customers in funding heating furnace or
2777 boiler equipment replacements and propane fuel tank purchases that
2778 meet all of the program requirements. [, which shall include, but not be
2779 limited to,]

2780 (A) For heating furnace or boiler equipment replacements, the
2781 program requirements shall include, but not be limited to, (i) the total
2782 projected direct cost savings to the eligible residential retail end use

2783 customer resulting from the heating furnace or boiler replacement,
2784 calculated on an annual basis commencing from the month that the
2785 replacement furnace or boiler is projected to be in service, shall be
2786 greater than the total cost of the replacement funds over the term of the
2787 program in order to qualify for the program, [(B)] (ii) the eligible
2788 customer shall pay a contribution of not less than ten per cent of the
2789 total cost of the replacement or conversion of the heating furnace or
2790 boiler and any additional amounts that are required in order to meet
2791 the program requirements, [(C)] (iii) eligible customers shall have six
2792 consecutive months of timely utility payments and shall not have any
2793 past due balance owed to any electric distribution company or gas
2794 company, [(D)] (iv) the term of the repayment of the replacement
2795 funds shall be the lesser of [(i)] (I) the simple payback period of the
2796 replacement funds plus two years, or [(ii)] (II) ten years, and [(E)] (v)
2797 the replacement furnace or boiler shall meet or exceed federal Energy
2798 Star standards.

2799 (B) For propane fuel tank purchases, the program requirements
2800 shall include, but not be limited to, (i) eligible customers shall have six
2801 consecutive months of timely utility payments and shall not have any
2802 past due balance owed to any electric distribution company, propane
2803 seller or gas company, (ii) the term of the repayment of the
2804 replacement funds shall be not longer than ten years, and (iii) the loan
2805 recipient shall have such propane tank inspected on an annual basis
2806 and forward a certificate of inspection to the third-party administrator.
2807 In the event that such propane tank is found to need repair as a result
2808 of such inspection, any person performing such inspection shall inform
2809 the homeowner and the applicable local fire marshal. If the requisite
2810 repair is not made in a timely fashion or as otherwise recommended or
2811 ordered by the local fire marshal, said fire marshal shall render such
2812 propane tank inoperable.

2813 Eligible residential retail end use customers may apply to the third-
2814 party administrator for participation in the program. The third-party
2815 administrator shall screen each applicant to ensure that the applicant

2816 meets the eligibility requirements and such program requirements
2817 prior to accepting the customer into the program. The third-party
2818 administrator shall create awareness of the propane fuel tank purchase
2819 provisions of the program by the general public and, in particular, by
2820 residential propane purchasers.

2821 (4) Program participants shall repay the furnace or boiler
2822 replacement and propane fuel tank purchase funds through a monthly
2823 charge on the customer's residential electric or gas utility bill, provided
2824 heating fuel customers shall be able to repay such replacement and
2825 propane fuel tank purchase funds through a monthly charge on such
2826 customer's electric or gas utility bill. Furnace or boiler replacement and
2827 propane fuel tank purchase funds provided shall be reflected on the
2828 residential retail end use customer's electric service or gas account, as
2829 applicable, for the premises on which the replacement heating furnace
2830 or boiler equipment or propane fuel tank is located. If the premises are
2831 sold, the amount of replacement or propane fuel tank purchase funds
2832 remaining to be repaid shall be transferred to subsequent service
2833 account holders at such premises, who may become program
2834 participants for purposes of the repayment obligation, unless the seller
2835 and buyer agree that the loan will not be transferred.

2836 (5) Furnace or boiler replacement and propane fuel tank purchase
2837 funds shall be recovered through the systems benefits charge of the
2838 respective electric distribution company where the heating furnace or
2839 boiler equipment or propane tank is located. Any program costs
2840 incurred by the third-party administrator or the propane or gas
2841 company and funds not repaid by customers who default on their
2842 repayment obligations and other costs associated with the program or
2843 customers' failure to repay replacement or propane fuel tank purchase
2844 funds to the third-party administrator shall be recovered through the
2845 systems benefits charge. All administrative and capital carrying costs
2846 of the electric distribution companies associated with the program
2847 shall be recovered by the companies through a reconciling component,
2848 such as the systems benefits charge as approved by the Public Utilities

2849 Regulatory Authority.

2850 (6) On or before January 1, 2016, and on or before January 1, 2018,
 2851 the Department of Energy and Environmental Protection and the
 2852 Energy Conservation Management Board shall engage an independent
 2853 third party to evaluate and submit a report, in accordance with section
 2854 11-4a, to the joint standing committees of the General Assembly having
 2855 cognizance of matters relating to energy and finance, revenue and
 2856 bonding on the status of the program. Such report shall also include an
 2857 evaluation of the program developed pursuant to section 16a-40m. The
 2858 report shall include, but not be limited to, for each program, a review
 2859 of (A) cost effectiveness of the program, (B) number of customers
 2860 served and potential for growth, (C) the customer classes served, and
 2861 (D) the fuel type of the financed equipment.

2862 (7) The third-party administrator shall be entitled to take all
 2863 available legal action as may be necessary to secure the furnace or
 2864 boiler replacement and propane fuel tank purchase funds and
 2865 repayment of the funds, including, but not limited to, attaching liens
 2866 and requiring filings to be made on applicable land records or as
 2867 otherwise necessary or required.

2868 Sec. 49. Section 12-412k of the general statutes is repealed. (*Effective*
 2869 *January 1, 2016, and applicable to sales occurring on or after said date*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>from passage</i>	New section
Sec. 5	<i>from passage</i>	New section
Sec. 6	<i>from passage</i>	New section
Sec. 7	<i>from passage</i>	New section
Sec. 8	<i>from passage</i>	2-35(b)
Sec. 9	<i>July 1, 2019</i>	2-35(b)
Sec. 10	<i>from passage</i>	3-115b

Sec. 11	<i>from passage</i>	4-72
Sec. 12	<i>from passage</i>	4-28e(c)
Sec. 13	<i>from passage</i>	New section
Sec. 14	<i>from passage</i>	New section
Sec. 15	<i>from passage</i>	New section
Sec. 16	<i>from passage</i>	New section
Sec. 17	<i>from passage</i>	New section
Sec. 18	<i>from passage</i>	PA 15-244, Sec. 173
Sec. 19	<i>from passage</i>	New section
Sec. 20	<i>from passage</i>	New section
Sec. 21	<i>from passage</i>	New section
Sec. 22	<i>from passage</i>	New section
Sec. 23	<i>from passage</i>	New section
Sec. 24	<i>from passage</i>	New section
Sec. 25	<i>from passage</i>	New section
Sec. 26	<i>from passage and applicable to taxable years commencing on or after January 1, 2016</i>	12-711
Sec. 27	<i>from passage and applicable to first sales made on or after December 1, 2015</i>	12-587(b)(2)
Sec. 28	<i>January 1, 2016, and applicable to taxable and income years commencing on or after January 1, 2016</i>	12-217g(a)
Sec. 29	<i>from passage</i>	12-217zz
Sec. 30	<i>from passage and applicable to calendar quarters commencing on or after January 1, 2016</i>	12-263b(c)
Sec. 31	<i>from passage</i>	4-66l
Sec. 32	<i>from passage and applicable to sales occurring on or after October 1, 2015</i>	12-408(1)
Sec. 33	<i>from passage</i>	New section

Sec. 34	<i>from passage and applicable to assessment years commencing on or after October 1, 2015</i>	New section
Sec. 35	<i>from passage and applicable to taxable years commencing on or after January 1, 2017</i>	12-217v
Sec. 36	<i>January 1, 2016, and applicable to income years commencing on or after said date</i>	PA 15-244, Sec. 139
Sec. 37	<i>January 1, 2016, and applicable to income years commencing on or after said date</i>	PA 15-244, Sec. 140(a) and (b)
Sec. 38	<i>from passage</i>	12-217(a)(4)
Sec. 39	<i>from passage</i>	12-216a
Sec. 40	<i>January 1, 2016, and applicable to income years commencing on or after January 1, 2016</i>	12-218
Sec. 41	<i>January 1, 2016</i>	12-217o
Sec. 42	<i>January 1, 2016</i>	12-218b(a)(6)(J)
Sec. 43	<i>January 1, 2016</i>	12-218b(k)
Sec. 44	<i>January 1, 2016</i>	12-219b(a)
Sec. 45	<i>January 1, 2016</i>	12-407(a)(27)
Sec. 46	<i>January 1, 2016</i>	52-557q
Sec. 47	<i>from passage</i>	16a-21(a)
Sec. 48	<i>from passage</i>	16-243v(k)
Sec. 49	<i>January 1, 2016, and applicable to sales occurring on or after said date</i>	Repealer section