



Substitute House Bill No. 5475

Public Act No. 22-110

AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR MINOR AND TECHNICAL REVISIONS TO THE TAX AND RELATED STATUTES.

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

Section 1. Subsection (a) of section 12-35 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) (1) Wherever used in this chapter, unless otherwise provided, "state collection agency" includes the Treasurer, the Commissioner of Revenue Services and any other state official, board or commission authorized by law to collect taxes payable to the state and any duly appointed deputy of any such official, board or commission; "tax" includes not only the principal of any tax but also all interest, penalties, fees and other charges added thereto by law; and "serving officer" includes any state marshal, constable or employee of such state collection agency designated for such purpose by a state collection agency and any person so designated by the Labor Commissioner.

(2) Upon the failure of any person to pay any tax, except any tax under chapter 216, due the state within thirty days from its due date, the state collection agency charged by law with its collection shall add

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thereto such penalty or interest or both as are prescribed by law, provided, (A) if any statutory penalty is not specified, there may be added a penalty in the amount of ten per cent of the whole or such part of the principal of the tax as is unpaid or fifty dollars, whichever amount is greater, and [provided,] (B) if any statutory interest is not specified, there shall be added interest at the rate of one per cent of the whole or such part of the principal of the tax as is unpaid for each month or fraction thereof, from the due date of such tax to the date of payment.

(3) Upon the failure of any person to pay any tax, except any tax under chapter 216, due within thirty days of its due date, the state collection agency charged by law with the collection of such tax may make out and sign a warrant directed to any serving officer for distraint upon any property of such person found within the state, whether real or personal. An itemized bill shall be attached thereto, certified by the state collection agency issuing such warrant as a true statement of the amount due from such person.

(A) Such warrant shall have the same force and effect as an execution issued pursuant to chapter 906. Such warrant may be levied on any real property or tangible or intangible personal property of such person, and sale made pursuant to such warrant in the same manner and with the same force and effect as a levy of sale pursuant to an execution. In addition thereto, if such warrant has been issued by the Commissioner of Revenue Services, [his] the commissioner's deputy, the Labor Commissioner, the executive director of the Employment Security Division or any person in the Employment Security Division in a position equivalent to or higher than the position presently held by a revenue examiner four, [said] such serving officer shall be authorized to place a keeper in any place of business and it shall be such keeper's duty to secure the income of such business for the state and, when it is in the best interest of the state, to force cessation of such business operation. In addition, the Attorney General may collect any such tax by civil action.

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Each serving officer so receiving a warrant shall make a return with respect to such warrant to the appropriate collection agency within a period of ten days following receipt of such warrant.

(B) Each serving officer shall collect from such person, in addition to the amount shown on such warrant, [his] such officer's fees and charges, which shall be twice those authorized by statute for serving officers, provided the minimum charge shall be five dollars and money collected pursuant to such warrant shall be first applied to the amount of any fees and charges of the serving officer. In the case of an employee of the state acting as a serving officer the fees and charges collected by such employee shall inure to the benefit of the state.

(4) For the purposes of this [section] subsection, "keeper" means a person who has been given authority by an officer authorized to serve a tax warrant to act in the state's interest to secure the income of a business for the state and, when it is in the best interest of the state, to force the cessation of such business's operation, upon the failure of such business to pay taxes owed to the state.

Sec. 2. Section 12-40 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

The assessors in each town, except as otherwise specially provided by law, shall, on or before the fifteenth day of October annually, post on the signposts therein, if any, or at some other exterior place near the office of the town clerk, or publish in a newspaper published in such town or, if no newspaper is published in such town, then in any newspaper published in the state having a general circulation in such town, a notice requiring all persons therein liable to pay taxes to bring in a declaration of the taxable personal property belonging to them on the first day of October in that year in accordance with section [12-42] 12-41 and the taxable personal property for which a declaration is required in accordance with section 12-43, as amended by this act.

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Sec. 3. Section 12-43 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) Each owner of tangible personal property located in any town for three months or more during the assessment year immediately preceding any assessment day, who is a nonresident of such town, shall file a declaration of such personal property with the assessors of the town in which the same is located on such assessment day, if located in such town for three months or more in such year, otherwise, in the town in which such property is located for the three months or more in such year nearest to such assessment day, under the same provisions as apply to residents, and such personal property shall not be liable to taxation in any other town in this state. The declaration of each nonresident taxpayer shall contain the nonresident's post-office and street address.

(b) At least thirty days before the expiration of the time for filing such declaration, the assessors shall mail blank declaration forms to each nonresident, or to such nonresident's attorney or agent having custody of the nonresident's taxable property, or send such forms electronically to such nonresident's electronic mail address or the electronic mail address of such nonresident's attorney or agent, provided such nonresident has requested, in writing, to receive such forms electronically. If the identity or mailing address of a nonresident taxpayer is not discovered until after the expiration of time for filing a declaration, the assessor shall, not later than ten days after determining the identity or mailing address, mail a declaration form to the nonresident taxpayer. [Said] Such taxpayer shall file the declaration not later than fifteen days after the date such declaration form is sent. Each nonresident taxpayer who fails to file a declaration in accordance with the provisions of this section shall be subject to the penalty provided in subsection (e) of section 12-41.

(c) As used in this section, "nonresident" means a person who does not reside in the town in which such person's tangible personal property

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is located on the assessment day, or a company, corporation, limited liability company, partnership or any other type of business enterprise that does not have an established place for conducting business in such town on the assessment day.

Sec. 4. Section 12-44 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

Twenty-five per cent of the amount of the valuation of any property taxable by any city, borough, school district, fire district or other municipal association which bases its grand list upon that of the town in which it is situated shall be added to such amount on the assessment list of such municipal association in each case in which twenty-five per cent has been added to such amount by such town for the failure to file a list as prescribed by section [12-42] 12-41 or 12-43, as amended by this act; but such penalty shall not be in addition to that previously imposed in the town assessment.

Sec. 5. Section 12-54 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

Each person liable to give in a declaration of such person's taxable tangible personal property and failing to do so may, within sixty days after the expiration of the time fixed by law for filing such declaration, be notified in writing by the [assessors] assessor or a majority of [them] the board of assessors to appear before them to be examined under oath as to such person's property liable to taxation and for the purpose of verifying a declaration made out by them under the provisions of section [12-42] 12-41. Any person who wilfully neglects or refuses to appear before the assessors and make oath as to such person's taxable property within ten days after having been so notified or who, having appeared, refuses to answer shall be fined not more than one thousand dollars. The assessors shall promptly notify the proper prosecuting officers of any violation of any provision of this section. Nothing in this

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section shall be construed to preclude the assessor from performing an audit of such person's taxable personal property, as provided in section 12-53.

Sec. 6. Subsection (b) of section 12-57a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(b) Whenever any such lessee of personal property fails to file the information required in this section, it shall be assumed that any such property in the lessee's possession is owned by the lessee, who shall be subject to the penalty as provided in section [12-42] 12-41 in the same manner as any owner of personal property who fails to file a personal property declaration as required.

Sec. 7. Subsection (a) of section 12-111 of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) (1) Any person, including any lessee of real property whose lease has been recorded as provided in section 47-19 and who is bound under the terms of a lease to pay real property taxes and any person to whom title to such property has been transferred since the assessment date, claiming to be aggrieved by the doings of the assessors of such town may appeal therefrom to the board of assessment appeals. Such appeal shall be filed in writing or by electronic mail in a manner prescribed by such board on or before February twentieth. The appeal shall include, but is not limited to, the property owner's name, name and position of the signer, description of the property which is the subject of the appeal, name, mailing address and electronic mail address of the party to be sent all correspondence by the board of assessment appeals, reason for the appeal, appellant's estimate of value, signature of property owner, or duly authorized agent of the property owner, and date of signature. The board shall notify each aggrieved taxpayer who filed an appeal in

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the proper form and in a timely manner, no later than March first immediately following the assessment date, of the date, time and place of the appeal hearing. Such notice shall be sent no later than seven calendar days preceding the hearing date except that the board may elect not to conduct an appeal hearing for any commercial, industrial, utility or apartment property with an assessed value greater than one million dollars.

(2) The board shall, not later than March first, notify the appellant that the board has elected not to conduct an appeal hearing. An appellant whose appeal will not be heard by the board may appeal directly to the Superior Court pursuant to section 12-117a.

(3) The board shall determine all appeals for which the board conducts an appeal hearing and send written notification of the final determination of such appeals to each such person within one week after such determination has been made. Such written notification shall include information describing the property owner's right to appeal the determination of such board. Such board may equalize and adjust the grand list of such town and may increase or decrease the assessment of any taxable property or interest therein and may add an assessment for property omitted by the assessors which should be added thereto; and may add to the grand list the name of any person omitted by the assessors and owning taxable property in such town, placing therein all property liable to taxation which it has reason to believe is owned by such person, at the percentage of its actual valuation, as determined by the assessors in accordance with the provisions of sections 12-64 and 12-71, from the best information that it can obtain. [, and if] If such property should have been included in the declaration, as required by section [12-42] 12-41 or 12-43, as amended by this act, [it] the board shall add thereto twenty-five per cent of such assessment; but, before proceeding to increase the assessment of any person or to add to the grand list the name of any person so omitted, [it] the board shall mail to such person,

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postage paid, at least one week before making such increase or addition, a written or printed notice addressed to such person at the town in which such person resides, to appear before such board and show cause why such increase or addition should not be made.

(4) When the board increases or decreases the gross assessment of any taxable real property or interest therein, the amount of such gross assessment shall be fixed until the assessment year in which the municipality next implements a revaluation of all real property pursuant to section 12-62, unless the assessor increases or decreases the gross assessment of the property to [(1)] (A) comply with an order of a court of jurisdiction, [(2)] (B) reflect an addition for new construction, [(3)] (C) reflect a reduction for damage or demolition, or [(4)] (D) correct a factual error by issuance of a certificate of correction. Notwithstanding the provisions of this subsection, if, prior to the next revaluation, the assessor increases or decreases a gross assessment established by the board for any other reason, the assessor shall submit a written explanation to the board setting forth the reason for such increase or decrease. The assessor shall also append the written explanation to the property card for the real estate parcel whose gross assessment was increased or decreased.

Sec. 8. Subdivision (4) of section 12-120a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(4) (A) For purposes of taxable registered motor vehicles, such report shall include the total number of motor vehicles and the total assessed value of such motor vehicles for each of the following classifications related to use: (i) Passenger, (ii) commercial, (iii) combination, (iv) farm, and (v) any other classification; (B) for purposes of taxable vehicles which are not registered and mobile manufactured homes, such report shall include the total number of such vehicles and mobile manufactured homes and the total assessed value for each such

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category; (C) for purposes of all other taxable personal property, such report shall include the total value of each category of such property as contained in the tax list required pursuant to sections [12-42] 12-41 and 12-43, as amended by this act.

Sec. 9. Subsection (a) of section 12-121f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) An assessment list in any town, city or borough is not invalid as to the taxpayers of the taxing district as a whole because the assessor committed any one or more of the errors or omissions listed in subdivisions (1) to (15), inclusive, of this subsection unless an action contesting the validity of the assessment list is brought within four months after the assessment date and the plaintiff establishes that the assessor's error or omission will produce a substantial injustice to the taxpayers as a whole:

(1) The assessor failed to give the legal notice required by section 12-40, as amended by this act, that all persons liable to pay taxes in the taxing district must, when required by law, bring in written or printed lists of the taxable property belonging to them;

(2) The assessor received a list that is either not sworn to or not signed by the person giving that list as required by section 12-49;

(3) The assessor received a list after the deadline specified by section [12-42] 12-41 but neglected to fill out a list of the property described and add to the assessment the penalty set by said section [12-42] for failing to file before the deadline;

(4) The assessor failed to give the notice required by subsection (c) of section 12-53 after adding property to the list of any person or corporation making a sworn list;

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(5) The assessor failed to give the notice required by subsection (c) of section 12-53 after making out a list for a person or corporation that was liable to pay taxes and failed to give a required list;

(6) The assessor failed to assess and set house lots separately in lists as land as required by section [12-42] 12-63;

(7) The assessor failed to sign any assessment list, or did not sign the assessment list of a town, city or borough collectively but signed the assessment list individually for districts in the town, city or borough;

(8) The assessor failed, as required by subsection (a) of section 12-55, to arrange an assessment list in alphabetical order, or to lodge the list in the required office on or before the day designated by law, or at all;

(9) The assessor decreased valuations after the day on which the assessment list was lodged or was required by law to be lodged in the required office, but before the date on which the abstract of such list was transmitted or was required to be transmitted to the Secretary of the Office of Policy and Management;

(10) The assessor failed, as required by section 12-42, to fill out a list for any person or corporation that failed to return a required list;

(11) The assessor incorrectly made an assessment list abstract required by subsection (a) of section 12-55;

(12) The assessor failed to compare, sign, return, date or make oath to an abstract of an assessment list of his or her town, as required by law, or omitted from an abstract any part of the list of any person;

(13) The assessor did not take the oath required by law;

(14) The assessor failed to return to a district clerk an assessment list of the district assessment; or

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(15) The assessor omitted from the assessment list the taxable property of any person or corporation liable to pay taxes.

Sec. 10. Section 12-170aa of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) There is established, for the assessment year commencing October 1, 1985, and each assessment year thereafter, a revised state program of property tax relief for certain elderly homeowners as determined in accordance with subsection (b) of this section, and additionally for the assessment year commencing October 1, 1986, and each assessment year thereafter, the property tax relief benefits of such program are made available to certain homeowners who are permanently and totally disabled as determined in accordance with [said] subsection (b) of this section.

(b) (1) The program established by this section shall provide for a reduction in property tax, except in the case of benefits payable as a grant under certain circumstances in accordance with provisions in subsection (j) of this section, applicable to the assessed value of certain real property, determined in accordance with subsection (c) of this section, for any (A) owner of real property, including any owner of real property held in trust for such owner, provided such owner or such owner and such owner's spouse are the grantor and beneficiary of such trust, (B) tenant for life or tenant for a term of years liable for property tax under section 12-48, or (C) resident of a multiple-dwelling complex under certain contractual conditions as provided in [said] subsection (j) of this section, who (i) at the close of the preceding calendar year has attained age sixty-five or over, or whose spouse domiciled with such homeowner, has attained age sixty-five or over at the close of the preceding calendar year, or is fifty years of age or over and the surviving spouse of a homeowner who at the time of [his] such homeowner's death had qualified and was entitled to tax relief under this section,

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provided such spouse was domiciled with such homeowner at the time of [his] such homeowner's death, or (ii) at the close of the preceding calendar year has not attained age sixty-five and is eligible in accordance with applicable federal regulations to receive permanent total disability benefits under Social Security, or has not been engaged in employment covered by Social Security and accordingly has not qualified for benefits thereunder but who has become qualified for permanent total disability benefits under any federal, state or local government retirement or disability plan, including the Railroad Retirement Act and any government-related teacher's retirement plan, determined by the Secretary of the Office of Policy and Management to contain requirements in respect to qualification for such permanent total disability benefits [which] that are comparable to such requirements under Social Security; and in addition to qualification under clause (i) or (ii) [above] of this subdivision, whose taxable and nontaxable income, the total of which shall hereinafter be called "qualifying income", in the tax year of such homeowner ending immediately preceding the date of application for benefits under the program in this section, was not in excess of sixteen thousand two hundred dollars, if unmarried, or twenty thousand dollars, jointly with spouse if married, subject to adjustments in accordance with subdivision (2) of this subsection, evidence of which income shall be required in the form of a signed affidavit to be submitted to the assessor in the municipality in which application for benefits under this section is filed. Such affidavit may be filed electronically, in a manner prescribed by the assessor. The amount of any Medicaid payments made on behalf of such homeowner or the spouse of such homeowner shall not constitute income. The amount of tax reduction provided under this section, determined in accordance with and subject to the variable factors in the schedule of amounts of tax reduction in subsection (c) of this section, shall be allowed only with respect to a residential dwelling owned by such qualified homeowner and used as such homeowner's primary place of residence. If title to real property or a tenancy interest liable for real property taxes is recorded in the name

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of such qualified homeowner or his spouse making a claim and qualifying under this section and any other person or persons, the claimant hereunder shall be entitled to pay his fractional share of the tax on such property calculated in accordance with the provisions of this section, and such other person or persons shall pay his or their fractional share of the tax without regard for the provisions of this section, unless also qualified hereunder. For the purposes of this section, a "mobile manufactured home", as defined in section 12-63a, or a dwelling on leased land, including but not limited to a modular home, shall be deemed to be real property and the word "taxes" shall not include special assessments, interest and lien fees.

(2) The amounts of qualifying income as provided in this section shall be adjusted annually in a uniform manner to reflect the annual inflation adjustment in Social Security income, with each such adjustment of qualifying income determined to the nearest one hundred dollars. Each such adjustment of qualifying income shall be prepared by the Secretary of the Office of Policy and Management in relation to the annual inflation adjustment in Social Security, if any, becoming effective at any time during the twelve-month period immediately preceding the first day of October each year and the amount of such adjustment shall be distributed to the assessors in each municipality not later than the thirty-first day of December next following.

(3) For purposes of determining qualifying income under subdivision (1) of this subsection with respect to a married homeowner who submits an application for tax reduction in accordance with this section, the Social Security income of the spouse of such homeowner shall not be included in the qualifying income of such homeowner, for purposes of determining eligibility for benefits under this section, if such spouse is a resident of a health care or nursing home facility in this state receiving payment related to such spouse under the Title XIX Medicaid program. An applicant who is legally separated pursuant to the provisions of

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section 46b-40, as of the thirty-first day of December preceding the date on which such person files an application for a grant in accordance with subsection (a) of this section, may apply as an unmarried person and shall be regarded as such for purposes of determining qualifying income under said subsection.

(c) The amount of reduction in property tax provided under this section shall, subject to the provisions of subsection (d) of this section, be determined in accordance with the following schedule:

T1	Qualifying Income		Tax Reduction	Tax Reduction	
T2			As Percentage	For Any Year	
T3	Over	Not	Of Property Tax		
T4	Exceeding				
T5	Married Homeowners			Maximum	Minimum
T6	\$ 0	\$11,700	50%	\$1,250	\$400
T7	11,700	15,900	40	1,000	350
T8	15,900	19,700	30	750	250
T9	19,700	23,600	20	500	150
T10	23,600	28,900	10	250	150
T11	28,900		None		
T12	Unmarried Homeowners				
T13	\$ 0	\$11,700	40%	\$1,000	\$350
T14	11,700	15,900	30	750	250
T15	15,900	19,700	20	500	150
T16	19,700	23,600	10	250	150
T17	23,600		None		

(d) Any homeowner qualified for tax reduction in accordance with subsection (b) of this section in an amount to be determined under the schedule of such tax reduction in subsection (c) of this section, shall in no event receive less in tax reduction than the minimum amount of such reduction applicable to the qualifying income of such homeowner

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according to the schedule in said subsection (c).

(e) (1) Any claim for tax reduction under this section shall be submitted for approval, on the application form prepared for such purpose by the Secretary of the Office of Policy and Management, in the first year claim for such tax relief is filed and biennially thereafter. Such application form may be submitted by mail or electronic mail, in a manner prescribed by the secretary. The amount of tax reduction approved shall be applied to the real property tax payable by the homeowner for the assessment year in which such application is submitted and approved. If any such homeowner has qualified for tax reduction under this section, the tax reduction determined shall, when possible, be applied and prorated uniformly over the number of installments in which the real property tax is due and payable to the municipality in which [he] such homeowner resides. In the case of any homeowner who is eligible for tax reduction under this section as a result of increases in qualifying income, [effective with respect to the assessment year commencing October 1, 1987,] under the schedule of qualifying income and tax reduction in subsection (c) of this section, exclusive of any such increases related to [social security] Social Security adjustments in accordance with subsection (b) of this section, the total amount of tax reduction to which such homeowner is entitled shall be credited and uniformly prorated against property tax installment payments applicable to such homeowner's residence [which] that become due after such homeowner's application for tax reduction under this section is accepted. In the event that a homeowner has paid in full the amount of property tax applicable to such homeowner's residence, regardless of whether the municipality requires the payment of property taxes in one or more installments, such municipality shall make payment to such homeowner in the amount of the tax reduction allowed. The municipality shall be reimbursed for the amount of such payment in accordance with subsection (g) of this section.

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(2) In respect to such application required biennially after the filing and approval for the first year, the tax assessor in each municipality shall notify each such homeowner concerning application requirements by mail or, at such homeowner's option, electronic mail, not later than February first, annually enclosing a copy of the required application form. Such homeowner may submit such application to the assessor by mail or electronic mail, in a manner prescribed by the assessor, provided it is received by the assessor not later than April fifteenth in the assessment year with respect to which such tax reduction is claimed. Not later than April thirtieth of such year the assessor shall notify, by mail evidenced by a certificate of mailing, any such homeowner for whom such application was not received by said April fifteenth concerning application requirements and such homeowner shall be required not later than May fifteenth to submit such application personally or by electronic mail, in a manner prescribed by the assessor, or, for reasonable cause, by a person acting on behalf of such taxpayer as approved by the assessor. In the year immediately following any year in which such homeowner has submitted application and qualified for tax reduction in accordance with this section, such homeowner shall be presumed, without filing application therefor, to be qualified for tax reduction in accordance with the schedule in subsection (c) of this section in the same percentage of property tax as allowed in the year immediately preceding.

(3) If any homeowner has qualified and received tax reduction under this section and subsequently in any calendar year has qualifying income in excess of the maximum described in this section, such homeowner shall notify the tax assessor by mail or electronic mail, in a manner prescribed by the assessor, on or before the next filing date and shall be denied tax reduction under this section for the assessment year and any subsequent year or until such homeowner has reapplied and again qualified for benefits under this section. Any such person who fails to so notify the tax assessor of his disqualification shall refund all

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amounts of tax reduction improperly taken and be fined not more than five hundred dollars.

(f) (1) Any homeowner, believing such homeowner is entitled to tax reduction benefits under this section for any assessment year, shall make application as required in subsection (e) of this section, to the assessor of the municipality in which the homeowner resides, for such tax reduction at any time from February first to and including May fifteenth of the year in which tax reduction is claimed. A homeowner may make application to the secretary prior to August fifteenth of the claim year for an extension of the application period. The secretary may grant such extension in the case of extenuating circumstance due to illness or incapacitation as evidenced by a certificate signed by a physician, physician assistant or an advanced practice registered nurse to that extent, or if the secretary determines there is good cause for doing so. Such application for tax reduction benefits shall be submitted on a form prescribed and furnished by the secretary to the assessor. In making application the homeowner shall present to such assessor, in substantiation of such homeowner's application, a copy of such homeowner's federal income tax return, including a copy of the Social Security statement of earnings for such homeowner, and that of such homeowner's spouse, if filed separately, for such homeowner's taxable year ending immediately prior to the submission of such application, or if not required to file a return, such other evidence of qualifying income in respect to such taxable year as may be required by the assessor.

(2) When the assessor is satisfied that the applying homeowner is entitled to tax reduction in accordance with this section, such assessor shall issue a certificate of credit, in such form as the secretary may prescribe and supply showing the amount of tax reduction allowed. A duplicate of such certificate shall be delivered to the applicant and the tax collector of the municipality and the assessor shall keep the fourth copy of such certificate and a copy of the application. Any homeowner

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who, for the purpose of obtaining a tax reduction under this section, wilfully fails to disclose all matters related thereto or with intent to defraud makes false statement shall refund all property tax credits improperly taken and shall be fined not more than five hundred dollars.

(3) Applications filed under this section shall not be open for public inspection.

(g) (1) On or before July first, annually, each municipality shall submit to the secretary a claim for the tax reductions approved under this section in relation to the assessment list of October first immediately preceding. On or after December [1, 1987] first, annually, any municipality that neglects to transmit to the secretary the claim as required by this section shall forfeit two hundred fifty dollars to the state, except that the secretary may waive such forfeiture in accordance with procedures and standards established by regulations adopted in accordance with chapter 54.

(2) Subject to procedures for review and approval of such data pursuant to section 12-120b, said secretary shall, on or before December fifteenth next following, certify to the Comptroller the amount due each municipality as reimbursement for loss of property tax revenue related to the tax reductions allowed under this section, except that the secretary may reduce the amount due as reimbursement under this section by up to one hundred per cent for any municipality that is not eligible for a grant under section 32-9s. The Comptroller shall draw an order on the Treasurer on or before the fifth business day following December fifteenth and the Treasurer shall pay the amount due each municipality not later than the thirty-first day of December.

(3) Any claimant aggrieved by the results of the secretary's review shall have the rights of appeal as set forth in section 12-120b. The amount of the grant payable to each municipality in any year in accordance with this section shall be reduced proportionately in the

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event that the total of such grants in such year exceeds the amount appropriated for the purposes of this section with respect to such year.

(h) Any person who is the owner of a residential dwelling on leased land, including any such person who is a sublessee under terms of the lease agreement applicable to such land, shall be entitled to claim tax relief under the provisions of this section, subject to all requirements therein except as provided in this [subdivision] subsection, with respect to property taxes paid by such person on the assessed value of such dwelling, provided (1) the dwelling is such person's principal place of residence, (2) such lease or sublease requires that such person as the lessee or sublessee, whichever is applicable, pay all property taxes related to the dwelling and (3) such lease or sublease is recorded in the land records of the town.

(i) (1) If any person with respect to whom a claim for tax reduction in accordance with this section has been approved for any assessment year transfers, assigns, grants or otherwise conveys on or after the first day of October but prior to the first day of August in such assessment year the interest in real property to which such claim for tax credit is related, regardless of whether such transfer, assignment, grant or conveyance is voluntary or involuntary, the amount of such tax credit shall be a pro rata portion of the amount otherwise applicable in such assessment year to be determined by a fraction the numerator of which shall be the number of full months from the first day of October in such assessment year to the date of such conveyance and the denominator of which shall be twelve. If such conveyance occurs in the month of October the grantor shall be disqualified for tax credit in such assessment year. The grantee shall be required within a period not exceeding ten days immediately following the date of such conveyance to notify the assessor thereof by mail or electronic mail, in a manner prescribed by the assessor, or in the absence of such notice, upon determination by the assessor that such transfer, assignment, grant or conveyance has

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occurred, the assessor shall [(1)] (A) determine the amount of tax reduction to which the grantor is entitled for such assessment year with respect to the interest in real property conveyed and notify the tax collector of the reduced amount of tax reduction applicable to such interest, and [(2)] (B) notify the Secretary of the Office of Policy and Management on or before the October first immediately following the end of the assessment year in which such conveyance occurs of the reduction in such tax reduction for purposes of a corresponding adjustment in the amount of state payment to the municipality next following as reimbursement for the revenue loss related to such tax reductions. On or after December [1, 1987] first, annually, any municipality [which] that neglects to transmit to the Secretary of the Office of Policy and Management the claim as required by this section shall forfeit two hundred fifty dollars to the state, [provided] except that the secretary may waive such forfeiture in accordance with procedures and standards established by regulations adopted in accordance with chapter 54.

(2) Upon receipt of such notice from the assessor, the tax collector shall, if such notice is received after the tax due date in the municipality, within ten days thereafter mail, hand or deliver by electronic mail, at the grantee's option, a bill to the grantee stating the additional amount of tax due as determined by the assessor. Such tax shall be due and payable and collectible as other property taxes and subject to the same liens and processes of collection, provided such tax shall be due and payable in an initial or single installment not sooner than thirty days after the date such bill is mailed or handed to the grantee and in equal amounts in any remaining, regular installments as the same are due and payable.

(j) (1) Notwithstanding the intent in subsections (a) to (i), inclusive, of this section to provide for benefits in the form of property tax reduction applicable to persons liable for payment of such property tax and qualified in accordance with requirements related to age and

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income as provided in subsection (b) of this section, a certain annual benefit, determined in amount under the provisions of subsections (c) and (d) of this section but payable in a manner as prescribed in this subsection, shall be provided with respect to any person who (A) is qualified in accordance with said requirements related to age and income as provided in subsection (b) of this section, including provisions concerning such person's spouse, and (B) is a resident of a dwelling unit within a multiple-dwelling complex containing dwelling units for occupancy by certain elderly persons under terms of a contract between such resident and the owner of such complex, in accordance with which contract such resident occupies a certain dwelling unit subject to the express provision that such resident has no legal title, interest or leasehold estate in the real or personal property of such complex, and under the terms of which contract such resident agrees to pay the owner of the complex a fee, as a condition precedent to occupancy and a monthly or other such periodic fee thereafter as a condition of continued occupancy. In no event shall any such resident be qualified for benefits payable in accordance with this subsection if, as determined by the assessor in the municipality in which such complex is situated, such resident's contract with the owner of such complex, or occupancy by such resident (i) confers upon such resident any ownership interest in the dwelling unit occupied or in such complex, or (ii) establishes a contract of lease of any type for the dwelling unit occupied by such resident.

(2) The amount of annual benefit payable in accordance with this subsection to any such resident, qualified as provided in subdivision (1) of this subsection, shall be determined in relation to an assumed amount of property tax liability applicable to the assessed value for the dwelling unit which such resident occupies, as determined by the assessor in the municipality in which such complex is situated. Annually, not later than the first day of June, the assessor in such municipality, upon receipt of an application for such benefit submitted in accordance with this

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subsection by mail or electronic mail, in a manner prescribed by the assessor, by any such resident, shall determine, with respect to the assessment list in such municipality for the assessment year commencing October first immediately preceding, the portion of the assessed value of the entire complex, as included in such assessment list, attributable to the dwelling unit occupied by such resident. The assumed property tax liability for purposes of this subsection shall be the product of such assessed value and the mill rate in such municipality as determined for purposes of property tax imposed on said assessment list for the assessment year commencing October first immediately preceding. The amount of benefit to which such resident shall be entitled for such assessment year shall be equivalent to the amount of tax reduction for which such resident would qualify, considering such assumed property tax liability to be the actual property tax applicable to such resident's dwelling unit and such resident as liable for the payment of such tax, in accordance with the schedule of qualifying income and tax reduction as provided in subsection (c) of this section, subject to provisions concerning maximum allowable benefit for any assessment year under subsections (c) and (d) of this section. The amount of benefit as determined for such resident in respect to any assessment year shall be payable by the state as a grant to such resident equivalent to the amount of property tax reduction to which such resident would be entitled under subsections (a) to (i), inclusive, of this section if such resident were the owner of such dwelling unit and qualified for tax reduction benefits under said subsections (a) to (i), inclusive.

(3) Any such resident entitled to a grant as provided in subdivision (2) of this subsection shall be required to submit an application to the assessor in the municipality in which such resident resides for such grant by mail or electronic mail, in a manner prescribed by the assessor, at any time from February first to and including the fifteenth day of May in the year in which such grant is claimed, on a form prescribed and

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furnished for such purpose by the Secretary of the Office of Policy and Management. Any such resident submitting an application for such grant shall be required to present to the assessor, in substantiation of such application, a copy of such resident's federal income tax return, and if not required to file a federal income tax return, such other evidence of qualifying income, receipts for money received or cancelled checks, or copies thereof, and any other evidence the assessor may require. Not later than the first day of July in such year, the assessor shall submit to the Secretary of the Office of Policy and Management (A) a copy of the application prepared by such resident, together with such resident's federal income tax return, if required to file such a return, and any other information submitted in relation thereto, (B) determinations of the assessor concerning the assessed value of the dwelling unit in such complex occupied by such resident, and (C) the amount of such grant approved by the assessor. Said secretary, upon approving such grant, shall certify the amount thereof and not later than the fifteenth day of September immediately following submit approval for payment of such grant to the State Comptroller. Not later than five business days immediately following receipt of such approval for payment, the State Comptroller shall draw [his or her] an order [upon] on the State Treasurer and the Treasurer shall pay the amount of the grant to such resident not later than the first day of October immediately following.

(k) If the Secretary of the Office of Policy and Management makes any adjustments to the grants for tax reductions or assumed amounts of property tax liability claimed under this section subsequent to the [Comptroller the] State Comptroller's order of payment of [said] such grants in any year, the amount of such adjustment shall be reflected in the next payment the Treasurer shall make to such municipality pursuant to this section.

Sec. 11. Subsection (a) of section 12-208 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October*

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1, 2022):

(a) Any company subject to any tax or charge under this chapter that is aggrieved by the action of the commissioner or the commissioner's authorized agent in fixing the amount of any tax, penalty, interest or charge provided for by this chapter may apply to the commissioner, in writing, not later than sixty days after the notice of such action is delivered or mailed to the company, for a hearing and a correction of the amount of such tax, penalty, interest or charge, so fixed, setting forth the reasons why such hearing should be granted and the amount in which such tax, penalty, interest or charge should be reduced. The commissioner shall promptly consider each such application and may grant or deny the hearing requested. If the hearing is denied, the applicant shall be notified forthwith. If it is granted, the commissioner shall notify the applicant of the time and place fixed for such hearing. After such hearing the commissioner may make such order in the premises as appears to [him] the commissioner just and lawful and shall furnish a copy of such order to the applicant. The commissioner may, by notice in writing, at any time within three years after the date when any return of any such person has been due, order a hearing on [his] the commissioner's own initiative and require such person or any other individual whom the commissioner believes to be in possession of relevant information concerning such person to appear before the commissioner or the commissioner's authorized agent with any specified books of account, papers or other documents, for examination under oath.

Sec. 12. Subsection (b) of section 12-214 of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

[(b) (1) With respect to income years commencing on or after January 1, 1989, and prior to January 1, 1992, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, for

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each such income year, an additional tax in an amount equal to twenty per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The additional amount of tax determined under this subsection for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.

(2) With respect to income years commencing on or after January 1, 1992, and prior to January 1, 1993, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, for each such income year, an additional tax in an amount equal to ten per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The additional amount of tax determined under this subsection for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.

(3) With respect to income years commencing on or after January 1, 2003, and prior to January 1, 2004, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, for each such income year, an additional tax in an amount equal to twenty per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The additional amount of tax determined under this subsection for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.

(4) With respect to income years commencing on or after January 1, 2004, and prior to January 1, 2005, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, for each such income year, an additional tax in an amount equal to twenty-

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five per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax, except that any company that pays the minimum tax of two hundred fifty dollars under section 12-219 or 12-223c for such income year shall not be subject to the additional tax imposed by this subdivision. The additional amount of tax determined under this subdivision for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.]

[(5)] (b) (1) With respect to income years commencing on or after January 1, 2006, and prior to January 1, 2007, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, except when the tax so calculated is equal to two hundred fifty dollars, for each such income year, an additional tax in an amount equal to twenty per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The additional amount of tax determined under this subsection for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.

[(6)] (2) (A) With respect to income years commencing on or after January 1, 2009, and prior to January 1, 2012, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, for each such income year, except when the tax so calculated is equal to two hundred fifty dollars, an additional tax in an amount equal to ten per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The additional amount of tax determined under this subsection for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.

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(B) Any company whose gross income for the income year was less than one hundred million dollars shall not be subject to the additional tax imposed under subparagraph (A) of this subdivision. This exception shall not apply to companies filing a combined return for the income year under section 12-223a or a unitary return under subsection (d) of section 12-218d.

[(7)] (3) (A) With respect to income years commencing on or after January 1, 2012, and prior to January 1, 2018, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, for each such income year, except when the tax so calculated is equal to two hundred fifty dollars, an additional tax in an amount equal to twenty per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The additional amount of tax determined under this subsection for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.

(B) Any company whose gross income for the income year was less than one hundred million dollars shall not be subject to the additional tax imposed under subparagraph (A) of this subdivision. With respect to income years commencing on or after January 1, 2012, and prior to January 1, 2016, this exception shall not apply to companies filing a combined return for the income year under section 12-223a or a unitary return under subsection (d) of section 12-218d. With respect to income years commencing on or after January 1, 2016, and prior to January 1, 2018, this exception shall not apply to taxable members of a combined group that files a combined unitary tax return.

[(8)] (4) (A) With respect to income years commencing on or after January 1, 2018, and prior to January 1, 2023, any company subject to the tax imposed in accordance with subsection (a) of this section shall pay, for such income year, except when the tax so calculated is equal to two

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hundred fifty dollars, an additional tax in an amount equal to ten per cent of the tax calculated under said subsection (a) for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The additional amount of tax determined under this subsection for any income year shall constitute a part of the tax imposed by the provisions of said subsection (a) and shall become due and be paid, collected and enforced as provided in this chapter.

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

Sec. 13. Subsection (b) of section 12-219 of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

[(b) (1) With respect to income years commencing on or after January 1, 1989, and prior to January 1, 1992, the additional tax imposed on any company and calculated in accordance with subsection (a) of this section shall, for each such income year, except when the tax so calculated is equal to two hundred fifty dollars, be increased by adding thereto an amount equal to twenty per cent of the additional tax so calculated for such income year, without reduction of the additional tax so calculated by the amount of any credit against such tax. The increased amount of tax payable by any company under this section, as determined in accordance with this subsection, shall become due and be paid, collected and enforced as provided in this chapter.

(2) With respect to income years commencing on or after January 1, 1992, and prior to January 1, 1993, the additional tax imposed on any company and calculated in accordance with subsection (a) of this section shall, for each such income year, except when the tax so calculated is

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equal to two hundred fifty dollars, be increased by adding thereto an amount equal to ten per cent of the additional tax so calculated for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The increased amount of tax payable by any company under this section, as determined in accordance with this subsection, shall become due and be paid, collected and enforced as provided in this chapter.

(3) With respect to income years commencing on or after January 1, 2003, and prior to January 1, 2004, the additional tax imposed on any company and calculated in accordance with subsection (a) of this section shall, for each such income year, be increased by adding thereto an amount equal to twenty per cent of the additional tax so calculated for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The increased amount of tax payable by any company under this section, as determined in accordance with this subsection, shall become due and be paid, collected and enforced as provided in this chapter.

(4) With respect to income years commencing on or after January 1, 2004, and prior to January 1, 2005, the additional tax imposed on any company and calculated in accordance with subsection (a) of this section shall, for each such income year, be increased by adding thereto an amount equal to twenty-five per cent of the additional tax so calculated for such income year, without reduction of the tax so calculated by the amount of any credit against such tax, except that any company that pays the minimum tax of two hundred fifty dollars under this section or section 12-223c for such income year shall not be subject to such additional tax. The increased amount of tax payable by any company under this subdivision, as determined in accordance with this subsection, shall become due and be paid, collected and enforced as provided in this chapter.]

[(5)] (b) (1) With respect to income years commencing on or after

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January 1, 2006, and prior to January 1, 2007, the additional tax imposed on any company and calculated in accordance with subsection (a) of this section shall, for each such income year, except when the tax so calculated is equal to two hundred fifty dollars, be increased by adding thereto an amount equal to twenty per cent of the additional tax so calculated for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The increased amount of tax payable by any company under this section, as determined in accordance with this subsection, shall become due and be paid, collected and enforced as provided in this chapter.

[(6)] (2) (A) With respect to income years commencing on or after January 1, 2009, and prior to January 1, 2012, the additional tax imposed on any company and calculated in accordance with subsection (a) of this section shall, for each such income year, except when the tax so calculated is equal to two hundred fifty dollars, be increased by adding thereto an amount equal to ten per cent of the additional tax so calculated for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The increased amount of tax payable by any company under this section, as determined in accordance with this subsection, shall become due and be paid, collected and enforced as provided in this chapter.

(B) Any company whose gross income for the income year was less than one hundred million dollars shall not be subject to the additional tax imposed under subparagraph (A) of this subdivision. This exception shall not apply to companies filing a combined return for the income year under section 12-223a or a unitary return under subsection (d) of section 12-218d.

[(7)] (3) (A) With respect to income years commencing on or after January 1, 2012, and prior to January 1, 2018, the additional tax imposed on any company and calculated in accordance with subsection (a) of this section shall, for each such income year, except when the tax so

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calculated is equal to two hundred fifty dollars, be increased by adding thereto an amount equal to twenty per cent of the additional tax so calculated for such income year, without reduction of the tax so calculated by the amount of any credit against such tax. The increased amount of tax payable by any company under this section, as determined in accordance with this subsection, shall become due and be paid, collected and enforced as provided in this chapter.

(B) Any company whose gross income for the income year was less than one hundred million dollars shall not be subject to the additional tax imposed under subparagraph (A) of this subdivision. With respect to income years commencing on or after January 1, 2012, and prior to January 1, 2016, this exception shall not apply to companies filing a combined return for the income year under section 12-223a or a unitary return under subsection (d) of section 12-218d. With respect to income years commencing on or after January 1, 2016, and prior to January 1, 2018, this exception shall not apply to taxable members of a combined group that files a combined unitary tax return.

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

(B) Any company whose gross income for the income year was less than one hundred million dollars shall not be subject to the additional tax imposed under subparagraph (A) of this subdivision. This exception

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shall not apply to taxable members of a combined group that files a combined unitary tax return.

Sec. 14. Subdivision (3) of subsection (a) of section 12-217 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(3) Notwithstanding any provision of this section to the contrary, no dividend received from a real estate investment trust shall be deductible under this section by the recipient unless the dividend is: (A) Deductible under Section 243 of the Internal Revenue Code; (B) received by a qualified dividend recipient from a qualified real estate investment trust and, as of the last day of the period for which such dividend is paid, persons, not including the qualified dividend recipient or any person that is either a related person to, or an employee or director of, the qualified dividend recipient, have outstanding cash capital contributions to the qualified real estate investment trust that, in the aggregate, exceed five per cent of the fair market value of the aggregate real estate assets, valued as of the last day of the period for which such dividend is paid, then held by the qualified real estate investment trust; or (C) received from a captive real estate investment trust that is subject to the tax imposed under this chapter. For purposes of this section, [a] "related person" [is as defined in subdivision (7) of subsection (a) of section 12-217m] has the same meaning as provided in section 12-217ii, "real estate assets" [is as defined] has the same meaning as provided in Section 856 of the Internal Revenue Code, [a] "qualified dividend recipient" means a dividend recipient who has invested in a qualified real estate investment trust prior to April 1, 1997, and [a] "qualified real estate investment trust" means an entity that both was incorporated and had contributed to it a minimum of five hundred million dollars' worth of real estate assets prior to April 1, 1997, and that elects to be a real estate investment trust under Section 856 of the Internal Revenue Code prior to April 1, 1998.

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Sec. 15. Subsection (c) of section 12-391 of the general statutes is amended by adding subdivision (4) as follows (*Effective October 1, 2022*):

(NEW) (4) "Federal basic exclusion amount" means the dollar amount published annually by the Internal Revenue Service at which a decedent would be required to file a federal estate tax return based on the value of the decedent's gross estate and federally taxable gifts.

Sec. 16. Subparagraph (J) of subdivision (3) of subsection (b) of section 12-392 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(J) A tax return shall be filed, in the case of every decedent who dies on or after January 1, 2023, and at the time of death was (i) a resident of this state, or (ii) a nonresident of this state whose gross estate includes any real property situated in this state or tangible personal property having an actual situs in this state. If the decedent's Connecticut taxable estate is over [five million four hundred ninety thousand dollars] the federal basic exclusion amount, such tax return shall be filed with the Commissioner of Revenue Services and a copy of such return shall be filed with the court of probate for the district within which the decedent resided at the date of his or her death or, if the decedent died a nonresident of this state, the court of probate for the district within which such real property or tangible personal property is situated. If the decedent's Connecticut taxable estate is equal to or less than [five million four hundred ninety thousand dollars] the federal basic exclusion amount, such return shall be filed with the court of probate for the district within which the decedent resided at the date of his or her death or, if the decedent died a nonresident of this state, the court of probate for the district within which such real property or tangible personal property is situated, and no such return shall be filed with the Commissioner of Revenue Services. The judge of probate for the district in which such return is filed shall review each such return and shall issue a written opinion to the estate representative in each case in which

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the judge determines that the estate is not subject to tax under this chapter.

Sec. 17. Section 12-643 of the general statutes is amended by adding subdivision (4) as follows (*Effective October 1, 2022*):

(NEW) (4) "Federal basic exclusion amount" means the dollar amount published annually by the Internal Revenue Service over which a donor would owe federal gift tax based on the value of the donor's federally taxable gifts.

Sec. 18. Subsection (b) of section 12-408h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(b) A short-term rental facilitator shall be required to obtain a permit to collect the tax set forth in subparagraph (B) of subdivision (1) of section 12-408 and shall be considered the retailer for each retail sale of a short-term rental that such facilitator facilitates on its platform for a short-term rental operator. Each short-term rental facilitator shall (1) be required to collect and remit for each such sale any tax imposed under section 12-408, (2) be responsible for all obligations imposed under this chapter as if such short-term rental facilitator was the operator of such [lodging house] short-term rental and retailer for such sale, and (3) keep such records and information as may be required by the Commissioner of Revenue Services to ensure proper collection and remittance of such tax.

Sec. 19. Section 12-410 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

[(1)] (a) For the purpose of the proper administration of this chapter and to prevent evasion of the sales tax it shall be presumed that all receipts are gross receipts that are subject to the tax until the contrary is established. The burden of proving that a sale of tangible personal

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property or service constituting a sale in accordance with subdivision (2) of subsection (a) of section 12-407 is not a sale at retail is upon the person who makes the sale unless such person takes in good faith from the purchaser a certificate to the effect that the property or service is purchased for resale.

[(2)] (b) The certificate relieves the seller from the burden of proof only if taken in good faith from a person who is engaged in the business of selling tangible personal property or services constituting a sale in accordance with subdivision (2) of subsection (a) of section 12-407 and who holds the permit provided for in section 12-409 and who, at the time of purchasing the tangible personal property or service: [(A)] (1) Intends to sell it in the regular course of business; [(B)] (2) intends to utilize such personal property in the delivery of landscaping or horticulture services, provided the total sale price of all such landscaping and horticulture services are taxable under this chapter; or [(C)] (3) is unable to ascertain at the time of purchase whether the property or service will be sold or will be used for some other purpose. The burden of establishing that a certificate is taken in good faith is on the seller. A certificate to the effect that property or service is purchased for resale taken from the purchaser by the seller shall be deemed to be taken in good faith if the tangible personal property or service purchased is similar to or of the same general character as property or service which the seller could reasonably assume would be sold by the purchaser in the regular course of business.

[(3)] (c) The certificate shall be signed by and bear the name and address of the purchaser, shall indicate the number of the permit issued to the purchaser and shall indicate the general character of the tangible personal property or service sold by the purchaser in the regular course of business. The certificate shall be substantially in such form as the commissioner prescribes.

[(4)] (A) (d) (1) If a purchaser who gives a certificate makes any use

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of the service or property other than retention, demonstration or display while holding it for sale in the regular course of business, the use shall be deemed a retail sale by the purchaser as of the time the service or property is first used by the purchaser, and the cost of the service or property to the purchaser shall be deemed the gross receipts from such retail sale.

[(B)] (2) Notwithstanding the provisions of [subparagraph (A) of this] subdivision (1) of this subsection, any use by a certificated air carrier of an aircraft for purposes other than retention, demonstration or display while holding it for sale in the regular course of business shall not be deemed a retail sale by such carrier as of the time the aircraft is first used by such carrier, irrespective of the classification of such aircraft on the balance sheet of such carrier for accounting and tax purposes.

[(5) (A)] (e) (1) For the purpose of the proper administration of this chapter and to prevent evasion of the sales tax, a sale of any service described in subdivision (37) of subsection (a) of section 12-407 shall be considered a sale for resale only if the service to be resold is an integral, inseparable component part of a service described in said subdivision that is to be subsequently sold by the purchaser to an ultimate consumer. The purchaser of the service for resale shall maintain, in such form as the commissioner requires, records that substantiate: [(i)] (A) From whom the service was purchased and to whom the service was sold, [(ii)] (B) the purchase price of the service, and [(iii)] (C) the nature of the service to demonstrate that the services were an integral, inseparable component part of a service described in subdivision (37) of subsection (a) of section 12-407 that was subsequently sold to a consumer.

[(B)] (2) Notwithstanding the provisions of [subparagraph (A) of this] subdivision (1) of this subsection, no sale of a service described in subdivision (37) of subsection (a) of section 12-407 by a seller shall be considered a sale for resale if such service is to be subsequently sold by

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the purchaser to an ultimate consumer that is affiliated with the purchaser in the manner described in subparagraph (A) of subdivision (62) of section 12-412.

[(C)] (3) For purposes of [subparagraph (A) of this] subdivision (1) of this subsection, the sale of canned or prewritten computer software shall be considered a sale for resale if such software is subsequently sold, licensed or leased unaltered by the purchaser to an ultimate consumer. The purchaser of the software for resale shall maintain, in such form as the commissioner requires, records that substantiate: [(i)] (A) From whom the software was purchased and to whom the software was sold, licensed or leased, [(ii)] (B) the purchase price of the software, and [(iii)] (C) the nature of the transaction with the ultimate consumer to demonstrate that the same software was provided unaltered to the ultimate consumer.

[(D)] (4) For purposes of [subparagraph (A) of this] subdivision (1) of this subsection, the sale of digital goods shall be considered a sale for resale if the digital goods are subsequently sold, licensed, leased, broadcast, transmitted, or distributed, in whole or in part, as an integral, inseparable component part of a digital good or service described in subdivision (26), (27), (37) or (39) of subsection (a) of section 12-407 by the purchaser of the digital goods to an ultimate consumer. The purchaser of the digital goods for resale shall maintain, in such form as the commissioner requires, records that substantiate: [(i)] (A) From whom the digital goods were purchased and to whom the services described in subdivision (26), (27), (37) or (39) of subsection (a) of section 12-407 was sold, licensed, leased, broadcast, transmitted, or distributed, in whole or in part, [(ii)] (B) the purchase price of the digital goods, and [(iii)] (C) the nature of the transaction with the ultimate consumer.

[(E)] (5) For purposes of [subparagraph (A) of this] subdivision (1) of this subsection, the sale of services described in subdivision (37) of subsection (a) of section 12-407 shall be considered a sale for resale if

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such services are subsequently resold as an integral inseparable component part of digital goods sold by the purchaser of the services to an ultimate consumer of the digital goods. The purchaser of the services described in subdivision (37) of subsection (a) of section 12-407 for resale shall maintain, in such form as the commissioner requires, records that substantiate: [(i)] (A) From whom the services described in subdivision (37) of subsection (a) of section 12-407 were purchases and to whom the digital goods were sold, licensed, or leased, [(ii)] (B) the purchase prices of the services described in subdivision (37) of subsection (a) of section 12-407, and [(iii)] (C) the nature of the transaction with the ultimate consumer.

[(6)] (f) For the purpose of the proper administration of this chapter and to prevent evasion of the sales tax, no sale of any service by a seller shall be considered a sale for resale if such service is to be subsequently sold by the purchaser, without change, to an ultimate consumer that is affiliated with the purchaser in the manner described in subparagraph (A) of subdivision (62) of section 12-412.

Sec. 20. Subsection (c) of section 12-414 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(c) (1) For purposes of the sales tax, the return shall show the gross receipts of the seller during the preceding reporting period. For purposes of the use tax, [(1)] (A) in case of a return filed by a retailer, the return shall show the total sales price of the services or property sold by the retailer, the storage, acceptance, consumption or other use of which became subject to the use tax during the preceding reporting period, and [(2)] (B) in case of a return filed by a purchaser, the return shall show the total sales price of the service or property purchased by the purchaser, the storage, acceptance, consumption or other use of which became subject to the use tax during the preceding reporting period. The return shall also show the amount of the taxes for the period covered by the

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return in such manner as the commissioner may require and such other information as the commissioner deems necessary for the proper administration of this chapter.

(2) The Commissioner of Revenue Services is authorized, [in his or her discretion,] for purposes of expediency, to permit returns to be filed in an alternative form wherein the person filing the return may elect (A) to report his or her gross receipts, including the tax reimbursement to be collected as provided for in this section, as a part of such gross receipts, or (B) to report his or her gross receipts exclusive of the tax collected in such cases where the gross receipts from sales have been segregated from tax collections. In the case of [the former] a return filed in accordance with the provisions of subparagraph (A) of this subdivision, the percentage of such tax-included gross receipts that may be considered to be the gross receipts from sales exclusive of the taxes collected thereon shall be computed by dividing the numeral one by the sum of the rate of tax provided in section 12-408, expressed as a decimal, and the numeral one.

Sec. 21. Section 12-433 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

Wherever used in this chapter, unless the context otherwise requires:

(1) "Alcoholic beverage" and "beverage" include wine, beer and liquor; [as defined in this section; "absolute alcohol"]

(2) "Absolute alcohol" means dehydrated alcohol containing not less than ninety-nine per cent by weight of ethyl alcohol; ["beer"]

(3) "Beer" means any beverage obtained by the alcoholic fermentation of an infusion or decoction of barley, malt and hops in drinking water and containing more than one-half of one per cent of absolute alcohol by volume; ["wine"]

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(4) "Wine" means any alcoholic beverage obtained by the fermentation of natural sugar contents of fruits or other agricultural products containing sugar; ["still wine"]

(5) "Still wine" means any wine that contains not more than three hundred ninety-two one thousandths (0.392) of a gram of carbon dioxide per hundred milliliters of wine, and shall include any fortified wine, cider that is made from the alcoholic fermentation of the juice of apples, vermouth and any artificial or imitation wine or compound sold as "still wine" containing not less than three and two-tenths per cent of absolute alcohol by volume; ["sparkling wine"]

(6) "Sparkling wine" means champagne and any other effervescent wine charged with more than three hundred ninety-two one thousandths (0.392) of a gram of carbon dioxide per hundred milliliters of wine, whether artificially or as a result of secondary fermentation of the wine within the container; ["fortified wine"]

(7) "Fortified wine" means any wine, the alcoholic contents of which have been increased, by whatever process, beyond that produced by natural fermentation; ["liquor"]

(8) "Liquor" means any beverage [which] that contains alcohol obtained by distillation mixed with drinkable water and other substances in solution; ["liquor cooler"]

(9) "Liquor cooler" means any liquid combined with liquor [, as defined in this section,] containing not more than seven per cent of alcohol by volume; ["gallon"]

(10) "Gallon" or "wine gallon" means one hundred twenty-eight fluid ounces; ["proof gallon"]

(11) "Proof gallon" means the equivalent of one wine gallon at 100 proof; ["proof spirit"]

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(12) "Proof spirit" or "proof" [shall be held to be that] means alcoholic liquor [which] that contains one-half by volume of alcohol of a specific gravity of seventy-nine hundred and thirty-nine ten-thousandths (0.7939) at 60° F; ["alcohol"]

(13) "Alcohol" means ethyl alcohol, hydrated oxide of ethyl or spirit of wine, from whatever source or by whatever process produced; ["person"]

(14) "Person" means any individual, firm, fiduciary, partnership, corporation, limited liability company, trust or association, however formed; ["taxpayer"]

(15) "Taxpayer" means any person liable to taxation under this chapter except railroad and airline companies so far as they conduct such beverage business in cars or passenger trains or on airplanes; ["distributor"]

(16) "Distributor" means any person, wherever resident or located, [who] that holds a wholesaler's or manufacturer's permit or wholesaler or manufacturer permit for beer only issued under chapter 545, or [his] such person's backer, if any; ["licensed distributor"]

(17) "Licensed distributor" means a distributor holding a license issued by the Commissioner of Revenue Services under the provisions of this chapter; ["tax period"]

(18) "Tax period" means any period of one calendar month, or any part thereof; ["barrel"]

(19) "Barrel" means not less than twenty-eight nor more than thirty-one gallons; ["half barrel"]

(20) "Half barrel" means not less than fourteen nor more than fifteen and one-half gallons; ["quarter barrel"]

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(21) "Quarter barrel" means not less than seven nor more than seven and three-quarters gallons; ["sell"]

(22) "Sell" or "sale" includes and applies to gifts, exchanges and barter and includes any alcoholic beverages coming into the possession of a distributor [which] that cannot be satisfactorily accounted for by the distributor to the Commissioner of Revenue Services.

Sec. 22. Section 12-438 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

Any person who applies for a cancellation of [his] such person's distributor's license shall take an inventory at the beginning of business on the first day of the following month showing the number of gallons of each kind of alcoholic beverage mentioned in section 12-435 owned by [him] such person and held within the state. Each such person shall, [within] not later than fifteen days after taking such inventory, file a copy of such inventory with the commissioner, on forms prescribed and furnished by [him] the commissioner, and shall pay a tax on such inventory at the rates specified in said section 12-435. Each return filed under the provisions of this section shall give such additional information as the commissioner requires and shall include a statement of the amount of tax due under such return.

Sec. 23. Subsection (c) of section 12-458 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(c) Any person who owns or operates a vehicle that runs only upon rails or tracks and that is properly registered with the federal government, in accordance with the provisions of Section 4222 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, shall be exempt from paying to a distributor the motor fuels tax

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imposed pursuant to this section for use in such vehicle.

Sec. 24. Section 12-587 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) (1) As used in this chapter: (A) "Company" includes a corporation, partnership, limited partnership, limited liability company, limited liability partnership, association, individual or any fiduciary thereof; (B) "quarterly period" means a period of three calendar months commencing on the first day of January, April, July or October and ending on the last day of March, June, September or December, respectively; (C) except as provided in subdivision (2) of this subsection, "gross earnings" means all consideration received from the first sale within this state of a petroleum product; (D) "petroleum products" means those products which contain or are made from petroleum or a petroleum derivative; (E) "first sale of petroleum products within this state" means the initial sale of a petroleum product delivered to a location in this state; (F) "export" or "exportation" means the conveyance of petroleum products from within this state to a location outside this state for the purpose of sale or use outside this state; and (G) "sale for exportation" means a sale of petroleum products to a purchaser which itself exports such products.

(2) For purposes of this chapter, "gross earnings" means gross earnings as defined in subdivision (1) of this subsection, except, with respect to the first sale of gasoline or gasohol within this state, if the consideration received from such first sale reflects a price of gasoline or gasohol sold or used in this state in excess of three dollars per gallon, gross earnings from such first sale shall be deemed to be three dollars per gallon, and any consideration received that is derived from that portion of the price of such gasoline or gasohol in excess of three dollars per gallon shall be disregarded in the calculation of gross earnings. Notwithstanding the provisions of this chapter, the Commissioner of Revenue Services may suspend enforcement activities with respect to

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this subdivision until all policies and procedures necessary to implement the provision of this subdivision are in place, but in no event shall such suspension extend beyond April 15, 2012.

(b) (1) Except as otherwise provided in subdivision (2) of this subsection, any company [which] that is engaged in the refining or distribution, or both, of petroleum products and which distributes such products in this state shall pay a quarterly tax on its gross earnings derived from the first sale of petroleum products within this state. Each company shall on or before the last day of the month next succeeding each quarterly period render to the commissioner a return on forms prescribed or furnished by the commissioner and signed by the person performing the duties of treasurer or an authorized agent or officer, including the amount of gross earnings derived from the first sale of petroleum products within this state for the quarterly period and such other facts as the commissioner may require for the purpose of making any computation required by this chapter. [Except as otherwise provided in subdivision (3) of this subsection, the] The rate of tax shall be (A) [five per cent with respect to calendar quarters prior to July 1, 2005; (B) five and eight-tenths per cent with respect to calendar quarters commencing on or after July 1, 2005, and prior to July 1, 2006; (C) six and three-tenths per cent with respect to calendar quarters commencing on or after July 1, 2006, and prior to July 1, 2007; (D)] seven per cent with respect to calendar quarters commencing on or after July 1, 2007, and prior to July 1, 2013; and [(E)] (B) eight and one-tenth per cent with respect to calendar quarters commencing on or after July 1, 2013.

(2) Gross earnings derived from the first sale of the following petroleum products within this state shall be exempt from tax:

(A) Any petroleum products sold for exportation from this state for sale or use outside this state;

(B) [the] The product designated by the American Society for Testing

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and Materials as "Specification for Heating Oil D396-69", commonly known as number 2 heating oil, to be used exclusively for heating purposes or to be used in a commercial fishing vessel, which vessel qualifies for an exemption pursuant to subdivision (40) of section 12-412;

(C) [~~kerosene~~] Kerosene, commonly known as number 1 oil, to be used exclusively for heating purposes, provided delivery is of both number 1 and number 2 oil, and via a truck with a metered delivery ticket to a residential dwelling or to a centrally metered system serving a group of residential dwellings;

(D) [~~the~~] The product identified as propane gas, to be used primarily for heating purposes;

(E) [~~bunker~~] Bunker fuel oil, intermediate fuel, marine diesel oil and marine gas oil to be used in any vessel (i) having a displacement exceeding four thousand dead weight tons, or (ii) primarily engaged in interstate commerce;

(F) [~~for~~] For any first sale occurring prior to July 1, 2008, propane gas to be used as a fuel for a motor vehicle;

(G) [~~for~~] For any first sale occurring on or after July 1, 2002, grade number 6 fuel oil, as defined in regulations adopted pursuant to section 16a-22c, to be used exclusively by a company [~~which~~] that, in accordance with census data contained in the Standard Industrial Classification Manual, United States Office of Management and Budget, 1987 edition, is included in code classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in the North American Industrial Classification System United States Manual, United States Office of Management and Budget, 1997 edition;

(H) [~~for~~] For any first sale occurring on or after July 1, 2002, number 2 heating oil to be used exclusively in a vessel primarily engaged in

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interstate commerce, which vessel qualifies for an exemption under subdivision (40) of section 12-412;

(I) [for] For any first sale occurring on or after July 1, 2000, paraffin or microcrystalline waxes;

(J) [for] For any first sale occurring prior to July 1, 2008, petroleum products to be used as a fuel for a fuel cell, as defined in subdivision (113) of section 12-412;

(K) [a] A commercial heating oil blend containing not less than ten per cent of alternative fuels derived from agricultural produce, food waste, waste vegetable oil or municipal solid waste, including, but not limited to, biodiesel or low sulfur dyed diesel fuel;

(L) [for] For any first sale occurring on or after July 1, 2007, diesel fuel other than diesel fuel to be used in an electric generating facility to generate electricity;

(M) [for] For any first sale occurring on or after July 1, 2013, cosmetic grade mineral oil; or

(N) [propane] Propane gas to be used as a fuel for a school bus.

[(3) The rate of tax on gross earnings derived from the first sale of grade number 6 fuel oil, as defined in regulations adopted pursuant to section 16a-22c, to be used exclusively by a company which, in accordance with census data contained in the Standard Industrial Classification Manual, United States Office of Management and Budget, 1987 edition, is included in code classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in the North American Industrial Classification System United States Manual, United States Office of Management and Budget, 1997 edition, or number 2 heating oil used exclusively in a vessel primarily engaged in interstate commerce, which vessel qualifies for an exemption under section 12-412 shall be: (A) Four per cent with

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respect to calendar quarters commencing on or after July 1, 1998, and prior to July 1, 1999; (B) three per cent with respect to calendar quarters commencing on or after July 1, 1999, and prior to July 1, 2000; (C) two per cent with respect to calendar quarters commencing on or after July 1, 2000, and prior to July 1, 2001; and (D) one per cent with respect to calendar quarters commencing on or after July 1, 2001, and prior to July 1, 2002.]

(c) (1) Any company [which] that imports or causes to be imported into this state petroleum products for sale, use or consumption in this state, other than a company subject to and having paid the tax on such company's gross earnings from first sales of petroleum products within this state, which earnings include gross earnings attributable to such imported or caused to be imported petroleum products, in accordance with subsection (b) of this section, shall pay a quarterly tax on the consideration given or contracted to be given for such petroleum product if the consideration given or contracted to be given for all such deliveries during the quarterly period for which such tax is to be paid exceeds three thousand dollars. [Except as otherwise provided in subdivision (3) of this subsection, the] The rate of tax shall be (A) [five per cent with respect to calendar quarters commencing prior to July 1, 2005; (B) five and eight-tenths per cent with respect to calendar quarters commencing on or after July 1, 2005, and prior to July 1, 2006; (C) six and three-tenths per cent with respect to calendar quarters commencing on or after July 1, 2006, and prior to July 1, 2007; (D)] seven per cent with respect to calendar quarters commencing on or after July 1, 2007, and prior to July 1, 2013; and [(E)] (B) eight and one-tenth per cent with respect to calendar quarters commencing on or after July 1, 2013. Fuel in the fuel supply tanks of a motor vehicle, which fuel tanks are directly connected to the engine, shall not be considered a delivery for the purposes of this subsection.

(2) Consideration given or contracted to be given for petroleum

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products, gross earnings from the first sale of which are exempt from tax under subdivision (2) of subsection (b) of this section, shall be exempt from tax.

[(3) The rate of tax on consideration given or contracted to be given for grade number 6 fuel oil, as defined in regulations adopted pursuant to section 16a-22c, to be used exclusively by a company which, in accordance with census data contained in the Standard Industrial Classification Manual, United States Office of Management and Budget, 1987 edition, is included in code classifications 2000 to 3999, inclusive, or in Sector 31, 32 or 33 in the North American Industrial Classification System United States Manual, United States Office of Management and Budget, 1997 edition, or number 2 heating oil used exclusively in a vessel primarily engaged in interstate commerce, which vessel qualifies for an exemption under section 12-412 shall be: (A) Four per cent with respect to calendar quarters commencing on or after July 1, 1998, and prior to July 1, 1999; (B) three per cent with respect to calendar quarters commencing on or after July 1, 1999, and prior to July 1, 2000; (C) two per cent with respect to calendar quarters commencing on or after July 1, 2000, and prior to July 1, 2001; and (D) one per cent with respect to calendar quarters commencing on or after July 1, 2001, and prior to July 1, 2002.]

(d) The amount of tax reported to be due on such return shall be due and payable on or before the last day of the month next succeeding the quarterly period. The tax imposed under the provisions of this chapter shall be in addition to any other tax imposed by this state on such company.

(e) For the purposes of this chapter, the gross earnings of any producer or refiner of petroleum products operating a service station along the highways or interstate highways within the state pursuant to a contract with the Department of Transportation or operating a service station which is used as a training or test marketing center under the

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provisions of subsection (b) of section 14-344d, shall be calculated by multiplying the volume of petroleum products delivered by any producer or refiner to any such station by such producer's or refiner's dealer tank wagon price or dealer wholesale price in the area of the service station.

Sec. 25. Subsection (a) of section 12-587a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(a) (1) Any company, as such term is used in section 12-587, as amended by this act, liable for the tax imposed under subsection (b) of [said] section 12-587, as amended by this act, on gross earnings from the first sale of petroleum products within this state, which products the purchaser thereof subsequently sells for exportation and sale or use outside this state, shall be allowed a credit against any tax for which such company is liable in accordance with subsection (b) of [said] section 12-587, as amended by this act, in the amount of tax paid to the state with respect to the sale of such products, provided (A) such purchaser has submitted certification to such company, in such form as prescribed by the Commissioner of Revenue Services, that such products were sold or used outside this state, (B) such certification and any additional information related to such sale or use by such purchaser, which said commissioner may request, have been submitted to said commissioner, and (C) such company makes a payment to such purchaser, related to such products sold or used outside this state, in the amount equal to the tax imposed under [said] section 12-587, as amended by this act, on gross earnings from the first sale to such purchaser within the state.

(2) The credit allowed pursuant to subdivision (1) of this subsection may also be claimed, in the same manner as provided in said subdivision, [(1),] by any such company when the petroleum products sold in a first sale within this state by such company are incorporated

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by the purchaser thereof into a material that is included in U.S. industry group 3255 in the North American Industrial Classification System United States Manual, United States Office of Management and Budget, 2007 edition, and such products are subsequently exported for sale or use outside this state. Such company shall be allowed [said] such credit in the amount of tax paid to the state with respect to the sale of such products.

(3) In addition, such company shall be allowed such credit when there has been any sale of such products subsequent to the sale by such company but prior to sale or use outside this state, provided (A) each purchaser receives payment, related to such products sold or used outside this state, equal to the tax imposed under [said] section 12-587, as amended by this act, on gross earnings from the first sale of such products within this state, and (B) the purchaser selling or using such products outside this state complies with the requirements in this section related to a purchaser of such products from the company liable for such tax.

Sec. 26. Section 12-631 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

As used in this chapter, the following terms have the following meanings:

[(a)] (1) "Business firm" means any business entity authorized to do business in the state and subject to the tax due under the provisions of chapter 207, 208, 209, 210, 211, 212 or 213a.

[(b)] (2) "Community services" means any type of counseling and advice, emergency assistance or medical care furnished to individuals or groups in the state.

[(c)] (3) "Crime prevention" means any activity which aids in the reduction of crime in the state.

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[(d)] (4) "Education" means any type of scholastic instruction or scholarship assistance to any person who resides in the state that enables such person to prepare for better opportunities, including teaching services donated pursuant to section 10-21c.

[(e)] (5) "Job training" means any type of instruction to any person who resides in the state that enables such person to acquire vocational skills to become employable or seek a higher grade of employment, including training offered pursuant to section 10-21b.

[(f)] (6) "Neighborhood" means any specific geographic area, urban, interurban, suburban, or rural, which is experiencing problems endangering its existence as a viable and stable neighborhood.

[(g)] (7) "Neighborhood assistance" means the furnishing of financial assistance, labor, material, or technical advice to aid in the physical improvement or rehabilitation of all or any part of a neighborhood.

[(h)] (8) "Neighborhood organization" means any organization performing community services in the state [which: (1)] that: (A) Holds a ruling from the Internal Revenue Service of the United States Department of the Treasury that the organization is exempt from income taxation under the provisions of the Internal Revenue Code; [, or (2)] (B) is designated as a community development corporation by the United States government under the provisions of Title VII of the Economic Opportunity Act of 1964; [, or (3)] or (C) is incorporated as a charitable corporation or trust under the provisions of chapter 598a.

[(i)] (9) "Families of low and moderate income" means families meeting the criteria for designation as families of low and moderate income established by the Commissioner of Housing pursuant to subsection (f) of section 8-39.

Sec. 27. Subdivision (1) of subsection (a) of section 12-632 of the general statutes is repealed and the following is substituted in lieu

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thereof (*Effective October 1, 2022*):

(a) (1) Except as otherwise provided in subdivision (2) of this subsection, on or before July first of each year, any municipality desiring to obtain benefits under the provisions of this chapter shall, after approval by the legislative body of such municipality, submit to the Commissioner of Revenue Services a list on a form prescribed and made available by the commissioner of programs eligible for investment by business firms under the provisions of this chapter. Such activities shall consist of providing neighborhood assistance; job training or education; community services; crime prevention; energy conservation or construction or rehabilitation of dwelling units for families of low and moderate income in the state; donation of money to an open space acquisition fund of any political subdivision of the state or any nonprofit land conservation organization, which fund qualifies under [subsection (h)] subdivision (8) of section 12-631, as amended by this act, and is used for the purchase of land, interest in land or permanent conservation restriction on land [which] that is to be permanently preserved as protected open space; or any of the activities described in section 12-634, 12-635 or 12-635a. Such list shall indicate, for each program specified: The concept of the program, the neighborhood area to be served, why the program is needed, the estimated amount required to be invested in the program, the suggested plan for implementing the program, the agency designated by the municipality to oversee implementation of the program and such other information as the commissioner may prescribe. Each municipality shall hold at least one public hearing on the subject of which programs shall be included on such list prior to the submission of such list to the commissioner.

Sec. 28. Subsection (c) of section 12-632 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(c) Any business firm [which] that desires to engage in any of the

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activities or programs approved by any municipality pursuant to subsection (a) of this section and listed pursuant to subsection (b) of this section may apply to the Commissioner of Revenue Services for a tax credit in an amount as provided in section 12-633, 12-634, 12-635 or 12-635a. The proposal for such credit, which shall be made on a form prescribed and made available by the commissioner, shall set forth the program to be conducted, the neighborhood area to be invested in, the plans for implementing the program and such other information as said commissioner may prescribe. Such proposals shall be submitted to the commissioner on or after September fifteenth but no later than October first of each year. Such proposals shall be approved or disapproved by the [Commissioner of Revenue Services] commissioner based on the compliance of such proposal with the provisions of this chapter and regulations adopted pursuant to this chapter. The commissioner may only approve proposals received between September fifteenth and October first of each year. If, in the opinion of the [Commissioner of Revenue Services] commissioner, a business firm's investment can, for the purposes of this chapter, be made through contributions to a neighborhood organization as defined in [subsection (h)] subdivision (8) of section 12-631, as amended by this act, tax credits may be allowed in amounts as provided in section 12-633, 12-634, 12-635 or 12-635a.

Sec. 29. Subsection (f) of section 12-632 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(f) The sum of all tax [credit] credits granted pursuant to the provisions of section 12-633, 12-634, 12-635 or 12-635a shall not exceed one hundred fifty thousand dollars annually per business firm and no tax credit shall be granted to any business firm for any individual amount invested of less than two hundred fifty dollars.

Sec. 30. Section 17b-738 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

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The Commissioner of Early Childhood shall establish and administer a program of loans to business firms, as defined in [subsection (a) of] section 12-631, as amended by this act, for the purpose of planning, site preparation, construction, renovation or acquisition of facilities, within the state, for use as licensed child care centers, family child care homes or group child care homes to be used primarily by the children of employees of such corporations and children of employees of the municipalities in which such facilities are located. Such loans shall be made in accordance with the terms and conditions as provided in regulations adopted by the commissioner, in accordance with chapter 54, shall be made for a period not to exceed five years and shall bear interest at a rate to be determined in accordance with subsection (t) of section 3-20.

Sec. 31. Subdivision (1) of subsection (b) of section 12-699a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(b) (1) Each affected business entity required to pay the tax imposed under section 12-699 and whose required annual payment for the taxable year is greater than or equal to one thousand dollars shall make the required annual payment each taxable year, in four required estimated tax installments on the following due dates: (A) For the first required installment, the fifteenth day of the fourth month of the taxable year; (B) for the second required installment, the fifteenth day of the sixth month of the taxable year; (C) for the third required installment, the fifteenth day of the ninth month of the taxable year; [] and (D) for the fourth required installment, the fifteenth day of the first month of the next succeeding taxable year. An affected business entity may elect to pay any required installment prior to the specified due date. Except as provided in subdivision (2) of this subsection, the amount of each required installment shall be twenty-five per cent of the required annual payment.

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Sec. 32. Subdivision (10) of subsection (a) of section 12-701 of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(10) "Connecticut fiduciary adjustment" means the net positive or negative total of the following items relating to income, gain, loss or deduction of a trust or estate:

(A) There shall be added together:

(i) [any] Any interest income from obligations issued by or on behalf of any state, political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity, exclusive of such income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut and exclusive of any such income with respect to which taxation by any state is prohibited by federal law; [,]

(ii) [any] Any exempt-interest dividends, as defined in Section 852(b)(5) of the Internal Revenue Code, exclusive of such exempt-interest dividends derived from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut and exclusive of such exempt-interest dividends derived from obligations, the income with respect to which taxation by any state is prohibited by federal law; [,]

(iii) [any] Any interest or dividend income on obligations or securities of any authority, commission or instrumentality of the United States [which] that federal law exempts from federal income tax but does not exempt from state income taxes; [,]

(iv) [to] To the extent properly includable in determining the net gain

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or loss from the sale or other disposition of capital assets for federal income tax purposes, any loss from the sale or exchange of obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut, in the income year such loss was recognized; []

(v) [to] To the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries, any income taxes imposed by this state; []

(vi) [to] To the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries, any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is exempt from tax under this chapter; []

(vii) [expenses] Expenses paid or incurred during the taxable year for the production or collection of income which is exempt from tax under this chapter, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is exempt from taxation under this chapter, to the extent that such expenses and premiums are deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries; []

(viii) [to] To the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries, the deduction allowable as qualified domestic production activities income, pursuant to Section 199 of the Internal Revenue Code; [] and

(ix) [to] To the extent not includable in federal taxable income prior to deductions relating to distributions to beneficiaries, the total amount of a lump sum distribution for the taxable year.

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(B) There shall be subtracted from the sum of such items:

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

(ii) [to] To the extent allowable under section 12-718, exempt dividends paid by a regulated investment company; [.]

(iii) [with] With respect to any trust or estate [which] that is a shareholder of an S corporation which is carrying on, or [which] that has the right to carry on, business in this state, as said term is used in section 12-214, as amended by this act, the amount of such shareholder's pro rata share of such corporation's nonseparately computed items, as defined in Section 1366 of the Internal Revenue Code, that is subject to tax under chapter 208, in accordance with subsection (c) of section 12-217 multiplied by such corporation's apportionment fraction, if any, as determined in accordance with section 12-218; [.]

(iv) [to] To the extent properly includable in gross income for federal income tax purposes, any interest income from obligations issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district or similar public entity created under the laws of the state of Connecticut; [.]

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

(vi) [any] Any interest on indebtedness incurred or continued to purchase or carry obligations or securities the interest on which is

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subject to tax under this chapter, but exempt from federal income tax, to the extent that such interest on indebtedness is not deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries; [,]

(vii) [ordinary] Ordinary and necessary expenses paid or incurred during the taxable year for the production or collection of income [which] that is subject to taxation under this chapter, but exempt from federal income tax, or the management, conservation or maintenance of property held for the production of such income, and the amortizable bond premium for the taxable year on any bond the interest on which is subject to tax under this chapter, but exempt from federal income tax, to the extent that such expenses and premiums are not deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries; [,] and

(viii) [the] The amount of any refund or credit for overpayment of income taxes imposed by this state, to the extent properly includable in gross income for federal income tax purposes for the taxable year and to the extent deductible in determining federal taxable income prior to deductions relating to distributions to beneficiaries for the preceding taxable year.

Sec. 33. Subdivisions (24) to (31), inclusive, of subsection (a) of section 12-701 of the 2022 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(24) "Adjusted federal tentative minimum tax" of an individual means such individual's federal tentative minimum tax or, in the case of an individual whose Connecticut adjusted gross income includes modifications described in subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this subsection [(a) of this section] or subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection,

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[(a) of this section,] the amount that would have been the federal tentative minimum tax if such tax were calculated by including, to the extent not includable in federal alternative minimum taxable income, the modifications described in subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this subsection, [(a) of this section,] by excluding, to the extent includable in federal alternative minimum taxable income, the modifications described in subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection, [(a) of this section,] and by excluding, to the extent includable in federal alternative minimum taxable income, the amount of any interest income or exempt-interest dividends, as defined in Section 852(b)(5) of the Internal Revenue Code, from obligations that are issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district, or similar public entity that is created under the laws of the state of Connecticut, or from obligations that are issued by or on behalf of any territory or possession of the United States, any political subdivision of such territory or possession, or public instrumentality, authority, district or similar public entity of such territory or possession, the income with respect to which taxation by any state is prohibited by federal law. If such individual is a beneficiary of a trust or estate, then, in calculating his or her federal tentative minimum tax, his or her federal alternative taxable income shall be increased or decreased, as the case may be, by the net amount of such individual's proportionate share of the Connecticut fiduciary adjustment relating to modifications that are described in, to the extent not includable in federal alternative minimum taxable income, subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this subsection [(a) of this section,] or, to the extent includable in federal alternative minimum taxable income, subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection. [(a) of this section.]

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(25) "Net Connecticut minimum tax" means the amount by which the Connecticut minimum tax exceeds the income tax imposed under section 12-700.

(26) (A) "Connecticut minimum tax" of an individual means the lesser of (i) nineteen per cent of the adjusted federal tentative minimum tax, as defined in subdivision (24) of this subsection, [(a) of this section,] or (ii) five and one-half per cent of the adjusted federal alternative minimum taxable income, as defined in subdivision (30) of this subsection. (B) "Connecticut minimum tax" of a trust or estate means the lesser of (i) nineteen per cent of the adjusted federal tentative minimum tax, as defined in subdivision (28) of this subsection, or (ii) five and one-half per cent of the adjusted federal alternative minimum taxable income, as defined in subdivision (31) of this subsection.

(27) "Adjusted net Connecticut minimum tax" means (A) if the Connecticut minimum tax is calculated under subparagraph (A)(i) or (B)(i), as the case may be, of subdivision (26) of this subsection, the excess, if any, of (i) the net Connecticut minimum tax, less the credit allowed under subsection (e) of section 12-700a, over (ii) the amount that would have been the net Connecticut minimum tax provided the adjustments and items of preference specified in Section 53(d) of the Internal Revenue Code had been used in determining the net Connecticut minimum tax, less the credit that would have been allowed under subsection (e) of section 12-700a for a similar tax determined by using only the adjustments and items of preference specified in Section 53(d) of the Internal Revenue Code, or (B) if the Connecticut minimum tax is calculated under subparagraph (A)(ii) or (B)(ii), as the case may be, of subdivision (26) of this subsection, then the product of the excess that is described in subparagraph (A) of this subdivision and that is determined without regard to said subparagraph (A)(ii) or (B)(ii), as the case may be, of subdivision (26) of this subsection, multiplied by a fraction, the numerator of which is the net Connecticut minimum tax, as

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if the Connecticut minimum tax were calculated under said subparagraph (A)(ii) or (B)(ii), as the case may be, of subdivision (26) of this subsection and the denominator of which is the net Connecticut minimum tax, as if the Connecticut minimum tax were calculated under said subparagraph (A)(i) or (B)(i), as the case may be, of subdivision (26) of this subsection.

(28) "Adjusted federal tentative minimum tax" of a trust or estate means its federal tentative minimum tax or, in the case of a trust or estate whose Connecticut taxable income includes modifications described in subparagraph (A)(i), (A)(ii), (A)(iv), (A)(v), (A)(vi) or (A)(vii) of subdivision (10) of this subsection [(a) of this section] or subparagraph (B)(i), (B)(ii), (B)(iii), (B)(iv), (B)(v), (B)(vi) or (B)(vii) of subdivision (10) of this subsection, [(a) of this section,] the amount that would have been the federal tentative minimum tax if such tax were calculated by including, to the extent not includable in federal alternative minimum taxable income, the modifications described in subparagraph (A)(i), (A)(ii), (A)(iv), (A)(v), (A)(vi) or (A)(vii) of subdivision (10) of this subsection, [(a) of this section,] by excluding, to the extent includable in federal alternative minimum taxable income, the modifications described in subparagraph (B)(i), (B)(ii), (B)(iii), (B)(iv), (B)(v), (B)(vi) or (B)(vii) of subdivision (10) of this subsection, [(a) of this section,] and by excluding, to the extent includable in federal alternative minimum taxable income, the amount of any interest income or exempt-interest dividends, as defined in Section 852(b)(5) of the Internal Revenue Code, from obligations that are issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district, or similar public entity that is created under the laws of the state of Connecticut, or from obligations that are issued by or on behalf of any territory or possession of the United States, any political subdivision of such territory or possession, or public instrumentality, authority, district or similar public entity of such territory or possession, the income with respect to

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which taxation by any state is prohibited by federal law. If such trust or estate is itself a beneficiary of a trust or estate, then, for purposes of calculating its adjusted federal alternative minimum tax, its federal alternative minimum taxable income shall also be increased or decreased, as the case may be, by the net amount of such trust or estate's proportionate share of the Connecticut fiduciary adjustment relating to modifications that are described, to the extent not includable in federal alternative minimum taxable income, in subparagraph (A)(i), (A)(ii), (A)(iv), (A)(v), (A)(vi) or (A)(vii) of subdivision (10) of this subsection [(a) of this section] or, to the extent includable in federal alternative minimum taxable income, subparagraph (B)(i), (B)(ii), (B)(iii), (B)(iv), (B)(v), (B)(vi) or (B)(vii) of subdivision (10) of this subsection. [(a) of this section.]

(29) "Federal alternative minimum taxable income" means alternative minimum taxable income, as defined in Section 55(b)(2) of the Internal Revenue Code.

(30) "Adjusted federal alternative minimum taxable income" of an individual means his or her federal alternative minimum taxable income or, in the case of an individual whose Connecticut adjusted gross income includes modifications described in subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this subsection [(a) of this section] or subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection, [(a) of this section,] the amount that would have been the federal alternative minimum taxable income if such amount were calculated by including, to the extent not includable in federal alternative minimum taxable income, the modifications described in subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this subsection, [(a) of this section,] by excluding, to the extent includable in federal alternative minimum taxable income, the modifications described in subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi),

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(B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection, [(a) of this section,] and by excluding, to the extent includable in federal alternative minimum taxable income, the amount of any interest income or exempt-interest dividends, as defined in Section 852(b)(5) of the Internal Revenue Code, from obligations that are issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district, or similar public entity that is created under the laws of the state of Connecticut, or from obligations that are issued by or on behalf of any territory or possession of the United States, any political subdivision of such territory or possession, or public instrumentality, authority, district or similar public entity of such territory or possession, the income with respect to which taxation by any state is prohibited by federal law. If such individual is a beneficiary of a trust or estate, then, for purposes of calculating his or her adjusted federal alternative minimum taxable income, his or her federal alternative minimum taxable income shall also be increased or decreased, as the case may be, by the net amount of such individual's proportionate share of the Connecticut fiduciary adjustment relating to modifications to the extent not includable in federal alternative minimum taxable income, that are described in subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this subsection [(a) of this section] or, to the extent includable in federal alternative minimum taxable income, subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection, [(a) of this section.]

(31) "Adjusted federal alternative minimum taxable income" of a trust or estate means its federal alternative minimum taxable income or, in the case of a trust or estate whose Connecticut taxable income includes modifications described in subparagraph (A)(i), (A)(ii), (A)(iv), (A)(v), (A)(vi) or (A)(vii) of subdivision (10) of this subsection [(a) of this section] or subparagraph (B)(i), (B)(ii), (B)(iii), (B)(iv), (B)(v), (B)(vi) or

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(B)(vii) of subdivision (10) of this subsection, [(a) of this section,] the amount that would have been the federal alternative minimum taxable income if such amount were calculated by including, to the extent not includable in federal alternative minimum taxable income, the modifications described in subparagraph (A)(i), (A)(ii), (A)(iv), (A)(v), (A)(vi) or (A)(vii) of subdivision (10) of this subsection, [(a) of this section,] by excluding, to the extent includable in federal alternative minimum taxable income, the modifications described in subparagraph (B)(i), (B)(ii), (B)(iii), (B)(iv), (B)(v), (B)(vi) or (B)(vii) of subdivision (10) of this subsection, [(a) of this section,] and by excluding, to the extent includable in federal alternative minimum taxable income, the amount of any interest income or exempt-interest dividends, as defined in Section 852(b)(5) of the Internal Revenue Code, from obligations that are issued by or on behalf of the state of Connecticut, any political subdivision thereof, or public instrumentality, state or local authority, district, or similar public entity that is created under the laws of the state of Connecticut, or from obligations that are issued by or on behalf of any territory or possession of the United States, any political subdivision of such territory or possession, or public instrumentality, authority, district or similar public entity of such territory or possession, the income with respect to which taxation by any state is prohibited by federal law. If such trust or estate is itself a beneficiary of a trust or estate, then, for purposes of calculating its adjusted federal alternative minimum taxable income, its federal alternative minimum taxable income shall also be increased or decreased, as the case may be, by the net amount of such trust or estate's proportionate share of the Connecticut fiduciary adjustment relating to modifications that are described, to the extent not includable in federal alternative minimum taxable income, in subparagraph (A)(i), (A)(ii), (A)(iv), (A)(v), (A)(vi) or (A)(vii) of subdivision (10) of this subsection [(a) of this section,] or, to the extent includable in federal alternative minimum taxable income, subparagraph (B)(i), (B)(ii), (B)(iii), (B)(iv), (B)(v), (B)(vi) or (B)(vii) of subdivision (10) of this subsection. [(a) of this section.]

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Sec. 34. Section 12-701a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

The maximum [annual modification] amount that may be subtracted under subparagraph (B)(xiii) of subdivision (20) of subsection (a) of section 12-701 shall be equal to the amount of contributions to all accounts established pursuant to any qualified state tuition program, as defined in Section 529(b) of the Internal Revenue Code, established and maintained by this state or any official, agency or instrumentality of the state, but shall not exceed five thousand dollars for each individual taxpayer, or ten thousand dollars for taxpayers filing a joint return. Any amount of a contribution that is not subtracted by the taxpayer in the year for which the contribution is made, on or after January 1, 2006, may be carried forward as a subtraction from income for the succeeding five years; provided the amount subtracted shall not exceed the maximum allowed in each subsequent taxable year.

Sec. 35. Subdivision (5) of subsection (c) of section 12-717 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(5) If a trust changes its status from resident to nonresident or from nonresident to resident, the provisions of subdivisions (1) to (4), inclusive, of this subsection shall apply, except that the term "individual" shall be read as "trust", reference to "items of income, gain, loss or deduction" shall mean the trust's share of such items determined in accordance with the methods of allocation set forth in section 12-714, reference to "gain" shall include any modification for includable gain under [subsection] subdivision (9) of subsection (a) of section 12-701 and federal adjusted gross income shall be determined as if the trust were an individual.

Sec. 36. Subsection (f) of section 12-18b of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu

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thereof (*Effective October 1, 2022*):

(f) For purposes of this section, any real property that is owned by [the John Dempsey Hospital] The University of Connecticut Health Center Finance Corporation established pursuant to the provisions of sections 10a-250 to 10a-263, inclusive, or by one or more subsidiary corporations established pursuant to subdivision (13) of section 10a-254 and that is free from taxation pursuant to the provisions of section 10a-259 shall be deemed to be state-owned real property.

Sec. 37. Subsection (c) of section 12-19a of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(c) As used in this section "total tax levied" means the total real property tax levy in such town for the fiscal year preceding the fiscal year in which a grant in lieu of taxes under this section is made, reduced by the Secretary of the Office of Policy and Management in an amount equal to all reimbursements certified as payable to such town by the secretary for real property exemptions and credits on the taxable grand list or rate bill of such town for the assessment year that corresponds to that for which the assessed valuation of the state-owned land and buildings has been provided. For purposes of this section and section 12-19b, any real property which is owned by [the John Dempsey Hospital] The University of Connecticut Health Center Finance Corporation established pursuant to the provisions of sections 10a-250 to 10a-263, inclusive, or by one or more subsidiary corporations established pursuant to subdivision (13) of section 10a-254 and which is free from taxation pursuant to the provisions of subdivision (13) of section 10a-259 shall be deemed to be state-owned real property. As used in this section and section 12-19b, "town" includes borough.

Sec. 38. Section 3-20d of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

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No state officer, employee, agency, board or commission, or any agent thereof, shall incur, for any purpose, any obligation, by order, contract, lease purchase, installment purchase or any other means, which anticipates that any gain therefrom or interest payable thereon by the state or such officer, employee, agency, board or commission, or agent thereof, shall be excludable from the taxable income of the recipient of such payments for the purposes of federal or state income taxation unless, prior to the execution of any such obligation by or on behalf of the state or such officer, employee, agency, board, commission or agent, (1) such officer, employee, agency, board or commission, or the agent thereof, has filed with the Treasurer, and the Treasurer has approved, documents relating to the transaction which support the availability of such tax exclusion and which set forth such monitoring procedures as may be necessary to ensure compliance with any requirements of the Internal Revenue Code of 1986, as from time to time amended, or any subsequent corresponding internal revenue code of the United States, related to the tax-exempt status of such obligation, and (2) such obligation contains a certificate from the Treasurer to the effect that the documents required to be filed with and approved by the Treasurer pursuant to this section have been so filed and approved and that any monitoring procedures which may be necessary to ensure compliance with any requirements of the Internal Revenue Code of 1986, as from time to time amended, or any subsequent corresponding internal revenue code of the United States, related to the tax-exempt status of such obligation, have been implemented. Any such obligation which does not contain such a certificate shall not be considered an obligation of the state of Connecticut or of any officer, employee, agency, board or commission thereof, or any agent thereof, for any purpose relating to the exclusion of such obligation, or any gain therefrom or interest thereon, from the taxable income of the recipient for the purposes of federal or state income taxation. For the purposes of this section, "state officer, employee, agency, board or commission, or any agent thereof", shall include [the John Dempsey Hospital] The

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University of Connecticut Health Center Finance Corporation or any similar organization.

Sec. 39. Subsection (c) of section 4-28f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(c) The trust fund shall be administered by a board of trustees, except that the board shall suspend its operations from July 1, 2003, to June 30, 2005, inclusive. The board shall consist of seventeen trustees. The appointment of the initial trustees shall be as follows: (1) The Governor shall appoint four trustees, one of whom shall serve for a term of one year from July 1, 2000, two of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (2) the speaker of the House of Representatives and the president pro tempore of the Senate each shall appoint two trustees, one of whom shall serve for a term of two years from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (3) the majority leader of the House of Representatives and the majority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of three years from July 1, 2000; (4) the minority leader of the House of Representatives and the minority leader of the Senate each shall appoint two trustees, one of whom shall serve for a term of one year from July 1, 2000, and one of whom shall serve for a term of two years from July 1, 2000; and (5) the Secretary of the Office of Policy and Management, or the secretary's designee, shall serve as an ex-officio voting member. Following the expiration of such initial terms, subsequent trustees shall serve for a term of three years. The period of suspension of the board's operations from July 1, 2003, to June 30, 2005, inclusive, shall not be included in the term of any trustee serving on July 1, 2003. The trustees shall serve without compensation except for reimbursement for necessary expenses incurred in performing their

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duties. The board of trustees shall establish rules of procedure for the conduct of its business which shall include, but not be limited to, criteria, processes and procedures to be used in selecting programs to receive money from the trust fund. The trust fund shall be within the Office of Policy and Management for administrative purposes only. The board of trustees shall, not later than January first of each year, except following a fiscal year in which the trust fund does not receive a deposit from the Tobacco Settlement Fund, [shall] submit a report of its activities and accomplishments to the joint standing committees of the General Assembly having cognizance of matters relating to public health and appropriations and the budgets of state agencies, in accordance with section 11-4a.

Sec. 40. Subsections (b) and (c) of section 4-66k of the 2022 supplement to the general statutes are repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

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

(c) For the fiscal years ending June 30, 2015, to June 30, 2021, inclusive, funds from the regional planning incentive account shall be distributed to each regional council of governments formed pursuant to section 4-124j, in the amount of one hundred twenty-five thousand dollars plus fifty cents per capita, using population information from the most recent federal decennial census. Any regional council of governments that is

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comprised of any two or more regional planning organizations, as defined in section 4-124i of the general statutes, revision of 1958, revised to January 1, 2013, that voluntarily consolidated on or before December 31, 2013, shall receive a payment in the amount of one hundred twenty-five thousand dollars for each such regional planning organization that voluntarily consolidated on or before said date.

Sec. 41. Section 3-36c of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

The Treasurer, on behalf of the trust and for purposes of the trust, may:

(1) Receive and invest moneys in the trust in any instruments, obligations, securities or property in accordance with section 3-36d;

(2) Enter into one or more contractual agreements, including contracts for legal, actuarial, accounting, custodial, advisory, management, administrative, advertising, marketing and consulting services for the trust and pay for such services from the assets of the trust;

(3) Procure insurance in connection with the trust's property, assets, activities or deposits to the trust;

(4) Apply for, accept and expend gifts, grants or donations from public or private sources to enable the trust to carry out its objectives;

(5) Adopt regulations in accordance with chapter 54 for purposes of [public act 21-111] sections 3-36b to 3-36i, inclusive;

(6) Sue and be sued;

(7) Establish one or more funds within the trust; and

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(8) Take any other action necessary to carry out the purposes of [public act 21-111] sections 3-36b to 3-36i, inclusive, and incidental to the duties imposed on the Treasurer pursuant to [public act 21-111] said sections.

Sec. 42. Subdivision (1) of subsection (a) of section 31-225a of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(1) "Qualified employer" means each employer subject to this chapter whose experience record has been chargeable with benefits for at least one full experience year, with the exception of employers subject to a flat entry rate of contributions as provided under subsection [(e)] (d) of this section, employers subject to the maximum contribution rate under subsection (c) of section 31-273, and reimbursing employers;

Sec. 43. Subsection (h) of section 38a-88a of the 2022 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2022*):

(h) No taxpayer shall be eligible for a credit under this section and [either] section 12-217e [or section 12-217m] for the same investment. No two taxpayers shall be eligible for any tax credit with respect to the same investment, employee or facility.

Sec. 44. (*Effective from passage*) Section 465 of public act 21-2 of the June special session shall take effect July 1, 2023, and shall be applicable to calendar quarters commencing on or after July 1, 2023.

Approved May 24, 2022