



Senate

General Assembly

File No. 314

February Session, 2022

Senate Bill No. 351

Senate, April 5, 2022

The Committee on Commerce reported through SEN. HARTLEY of the 15th Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

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

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

- 1 Section 1. (*Effective from passage*) The Commissioner of Economic and
2 Community Development shall conduct a study regarding whether to
3 extend research and development tax credits to pass-through entities.
4 Not later than January 1, 2023, the commissioner shall report, in
5 accordance with the provisions of section 11-4a of the general statutes,
6 regarding such study to the joint standing committee of the General
7 Assembly having cognizance of matters relating to commerce.

This act shall take effect as follows and shall amend the following sections:

| | | |
|-----------|---------------------|-------------|
| Section 1 | <i>from passage</i> | New section |
|-----------|---------------------|-------------|

CE *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

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

Note: GF=General Fund

Municipal Impact: None

Explanation

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

The Out Years

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

OLR Bill Analysis

SB 351

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

SUMMARY

The Office of Legislative Research does not analyze Special Acts.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 22 Nay 0 (03/22/2022)