



General Assembly

Substitute Bill No. 981

January Session, 2023



AN ACT CONCERNING REVENUE ITEMS TO IMPLEMENT THE BIENNIAL BUDGET.

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

1 Section 1. Subdivision (4) of subsection (b) of section 12-214 of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective from passage and applicable to income years commencing on*
4 *or after January 1, 2023*):

5 (4) (A) With respect to income years commencing on or after January
6 1, 2018, and prior to January 1, [2023] 2026, any company subject to the
7 tax imposed in accordance with subsection (a) of this section shall pay,
8 for such income year, except when the tax so calculated is equal to two
9 hundred fifty dollars, an additional tax in an amount equal to ten per
10 cent of the tax calculated under said subsection (a) for such income year,
11 without reduction of the tax so calculated by the amount of any credit
12 against such tax. The additional amount of tax determined under this
13 subsection for any income year shall constitute a part of the tax imposed
14 by the provisions of said subsection (a) and shall become due and be
15 paid, collected and enforced as provided in this chapter.

16 (B) Any company whose gross income for the income year was less
17 than one hundred million dollars shall not be subject to the additional

18 tax imposed under subparagraph (A) of this subdivision. This exception
19 shall not apply to taxable members of a combined group that files a
20 combined unitary tax return.

21 Sec. 2. Subdivision (4) of subsection (b) of section 12-219 of the general
22 statutes is repealed and the following is substituted in lieu thereof
23 (*Effective from passage and applicable to income years commencing on or after*
24 *January 1, 2023*):

25 (4) (A) With respect to income years commencing on or after January
26 1, 2018, and prior to January 1, [2023] 2026, the additional tax imposed
27 on any company and calculated in accordance with subsection (a) of this
28 section shall, for such income year, except when the tax so calculated is
29 equal to two hundred fifty dollars, be increased by adding thereto an
30 amount equal to ten per cent of the additional tax so calculated for such
31 income year, without reduction of the tax so calculated by the amount
32 of any credit against such tax. The increased amount of tax payable by
33 any company under this section, as determined in accordance with this
34 subsection, shall become due and be paid, collected and enforced as
35 provided in this chapter.

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

41 Sec. 3. (*Effective from passage*) The provisions of section 12-242d of the
42 general statutes shall not apply to any additional tax due as a result of
43 the changes made to subdivision (4) of subsection (b) of section 12-214
44 of the general statutes pursuant to section 1 of this act or to subdivision
45 (4) of section 12-219 of the general statutes pursuant to section 2 of this
46 act, for income years commencing on or after January 1, 2023, but prior
47 to the effective date of sections 1 and 2 of this act.

48 Sec. 4. Section 12-217x of the general statutes is repealed and the

49 following is substituted in lieu thereof (*Effective January 1, 2024*):

50 (a) For purposes of this section, "human capital investment" means
51 the amount paid or incurred by a corporation on;

52 (1) [job] Job training [which] that occurs in this state for persons who
53 are employed in this state;

54 (2) [work] Work education programs in this state, including, but not
55 limited to, programs in public high schools and work education-
56 diversified occupations programs in this state;

57 (3) [worker] Worker training and education for persons who are
58 employed in this state provided by institutions of higher education in
59 this state;

60 (4) [donations] Donations or capital contributions to institutions of
61 higher education in this state for improvements or advancements of
62 technology, including physical plant improvements;

63 (5) [planning] Planning, site preparation, construction, renovation or
64 acquisition of facilities in this state for the purpose of establishing a child
65 care center, as described in section 19a-77, in this state to be used
66 primarily by the children of employees who are employed in this state;

67 (6) [subsidies] Donations or capital contributions to an organization
68 exempt from taxation pursuant to Section 501(c)(3) of the Internal
69 Revenue Code of 1986, or any subsequent corresponding internal
70 revenue code of the United States, as amended from time to time, for the
71 planning, site preparation, construction, renovation or acquisition of
72 facilities in this state for the purpose of establishing a child care center
73 in this state to be used by children residing in the community, including
74 the children of employees who are employed in this state;

75 (7) Subsidies to employees who are employed in this state for child
76 care to be provided in this state; and

77 [(7) contributions] (8) Contributions made to the Individual
78 Development Account Reserve Fund, as defined in section 31-51ww.

79 (b) There shall be allowed a credit for any corporation against the tax
80 imposed under this chapter in an amount spent by such corporation, as
81 a human capital investment as follows: (1) For any income year
82 commencing on or after January 1, 1998, and prior to January 1, 1999,
83 equal to three per cent of such amount paid or incurred by the
84 corporation during such income year; (2) for any income year
85 commencing on or after January 1, 1999, and prior to January 1, 2000,
86 equal to four per cent of such amount paid or incurred by the
87 corporation during such income year; [and] (3) for any income year
88 commencing on or after January 1, 2000, equal to five per cent of such
89 amount paid or incurred by the corporation during such income year;
90 and (4) for any income year commencing on or after January 1, 2024, (A)
91 equal to ten per cent of the amount paid or incurred by the corporation
92 during such income year for the purposes set forth in subdivisions (1)
93 to (4), inclusive, and subdivision (8) of subsection (a) of this section, and
94 (B) equal to twenty-five per cent of the amount paid or incurred by the
95 corporation during such income year for the purposes set forth in
96 subdivisions (5) to (7), inclusive, of subsection (a) of this section.

97 (c) The amount of credit allowed to any corporation under this
98 section shall not exceed the amount of tax due from such corporation
99 under this chapter with respect to such income year.

100 (d) No corporation claiming the credit under this section with respect
101 to a human capital investment as defined in subsection (a) of this section
102 shall claim a credit against any tax under any other provision of the
103 general statutes against any tax with respect to the same investment.

104 (e) Any tax credit not used in the income year during which the
105 investment was made may be carried forward for the five immediately
106 succeeding income years until the full credit has been allowed.

107 Sec. 5. Subsection (a) of section 12-704e of the general statutes is

108 repealed and the following is substituted in lieu thereof (*Effective from*
109 *passage*):

110 (a) Any resident of this state, as defined in subdivision (1) of
111 subsection (a) of section 12-701, who is subject to the tax imposed under
112 this chapter for any taxable year shall be allowed a credit against the tax
113 otherwise due under this chapter in an amount equal to the applicable
114 percentage of the earned income credit claimed and allowed for the
115 same taxable year under Section 32 of the Internal Revenue Code, as
116 defined in subsection (a) of section 12-701, as amended by this act. As
117 used in this section, "applicable percentage" means (1) twenty-three per
118 cent for taxable years commencing prior to January 1, 2021, [and] (2)
119 thirty and one-half per cent for taxable years commencing on or after
120 January 1, 2021, and prior to January 1, 2023, and (3) forty-five per cent
121 for taxable years commencing on or after January 1, 2023.

122 Sec. 6. Subsection (a) of section 12-700 of the general statutes is
123 repealed and the following is substituted in lieu thereof (*Effective January*
124 *1, 2024*):

125 (a) There is hereby imposed on the Connecticut taxable income of
126 each resident of this state a tax:

127 (1) At the rate of four and one-half per cent of such Connecticut
128 taxable income for taxable years commencing on or after January 1,
129 1992, and prior to January 1, 1996.

130 (2) For taxable years commencing on or after January 1, 1996, but
131 prior to January 1, 1997, in accordance with the following schedule:

132 (A) For any person who files a return under the federal income tax
133 for such taxable year as an unmarried individual or as a married
134 individual filing separately:

T1	Connecticut Taxable Income	Rate of Tax
T2	Not over \$2,250	3.0%

T14	Not over \$6,250	3.0%
T15	Over \$6,250	\$187.50, plus 4.5% of the
T16		excess over \$6,250

149 (B) For any person who files a return under the federal income tax for
150 such taxable year as a head of household, as defined in Section 2(b) of
151 the Internal Revenue Code:

T17	Connecticut Taxable Income	Rate of Tax
T18	Not over \$10,000	3.0%
T19	Over \$10,000	\$300.00, plus 4.5% of the
T20		excess over \$10,000

152 (C) For any husband and wife who file a return under the federal
153 income tax for such taxable year as married individuals filing jointly or
154 any person who files a return under the federal income tax for such
155 taxable year as a surviving spouse, as defined in Section 2(a) of the
156 Internal Revenue Code:

T21	Connecticut Taxable Income	Rate of Tax
T22	Not over \$12,500	3.0%
T23	Over \$12,500	\$375.00, plus 4.5% of the
T24		excess over \$12,500

157 (D) For trusts or estates, the rate of tax shall be 4.5% of their
158 Connecticut taxable income.

159 (4) For taxable years commencing on or after January 1, 1998, but
160 prior to January 1, 1999, in accordance with the following schedule:

161 (A) For any person who files a return under the federal income tax
162 for such taxable year as an unmarried individual or as a married
163 individual filing separately:

T25	Connecticut Taxable Income	Rate of Tax
T26	Not over \$7,500	3.0%
T27	Over \$7,500	\$225.00, plus 4.5% of the
T28		excess over \$7,500

164 (B) For any person who files a return under the federal income tax for
165 such taxable year as a head of household, as defined in Section 2(b) of
166 the Internal Revenue Code:

T29	Connecticut Taxable Income	Rate of Tax
T30	Not over \$12,000	3.0%
T31	Over \$12,000	\$360.00, plus 4.5% of the
T32		excess over \$12,000

167 (C) For any husband and wife who file a return under the federal
168 income tax for such taxable year as married individuals filing jointly or
169 any person who files a return under the federal income tax for such
170 taxable year as a surviving spouse, as defined in Section 2(a) of the
171 Internal Revenue Code:

T33	Connecticut Taxable Income	Rate of Tax
T34	Not over \$15,000	3.0%
T35	Over \$15,000	\$450.00, plus 4.5% of the
T36		excess over \$15,000

172 (D) For trusts or estates, the rate of tax shall be 4.5% of their
173 Connecticut taxable income.

174 (5) For taxable years commencing on or after January 1, 1999, but
175 prior to January 1, 2003, in accordance with the following schedule:

176 (A) For any person who files a return under the federal income tax
177 for such taxable year as an unmarried individual or as a married

178 individual filing separately:

T37	Connecticut Taxable Income	Rate of Tax
T38	Not over \$10,000	3.0%
T39	Over \$10,000	\$300.00, plus 4.5% of the
T40		excess over \$10,000

179 (B) For any person who files a return under the federal income tax for
180 such taxable year as a head of household, as defined in Section 2(b) of
181 the Internal Revenue Code:

T41	Connecticut Taxable Income	Rate of Tax
T42	Not over \$16,000	3.0%
T43	Over \$16,000	\$480.00, plus 4.5% of the
T44		excess over \$16,000

182 (C) For any husband and wife who file a return under the federal
183 income tax for such taxable year as married individuals filing jointly or
184 any person who files a return under the federal income tax for such
185 taxable year as a surviving spouse, as defined in Section 2(a) of the
186 Internal Revenue Code:

T45	Connecticut Taxable Income	Rate of Tax
T46	Not over \$20,000	3.0%
T47	Over \$20,000	\$600.00, plus 4.5% of the
T48		excess over \$20,000

187 (D) For trusts or estates, the rate of tax shall be 4.5% of their
188 Connecticut taxable income.

189 (6) For taxable years commencing on or after January 1, 2003, but
190 prior to January 1, 2009, in accordance with the following schedule:

191 (A) For any person who files a return under the federal income tax
192 for such taxable year as an unmarried individual or as a married
193 individual filing separately:

T49	Connecticut Taxable Income	Rate of Tax
T50	Not over \$10,000	3.0%
T51	Over \$10,000	\$300.00, plus 5.0% of the
T52		excess over \$10,000

194 (B) For any person who files a return under the federal income tax for
195 such taxable year as a head of household, as defined in Section 2(b) of
196 the Internal Revenue Code:

T53	Connecticut Taxable Income	Rate of Tax
T54	Not over \$16,000	3.0%
T55	Over \$16,000	\$480.00, plus 5.0% of the
T56		excess over \$16,000

197 (C) For any husband and wife who file a return under the federal
198 income tax for such taxable year as married individuals filing jointly or
199 any person who files a return under the federal income tax for such
200 taxable year as a surviving spouse, as defined in Section 2(a) of the
201 Internal Revenue Code:

T57	Connecticut Taxable Income	Rate of Tax
T58	Not over \$20,000	3.0%
T59	Over \$20,000	\$600.00, plus 5.0% of the
T60		excess over \$20,000

202 (D) For trusts or estates, the rate of tax shall be 5.0% of the
203 Connecticut taxable income.

204 (7) For taxable years commencing on or after January 1, 2009, but

205 prior to January 1, 2011, in accordance with the following schedule:

206 (A) For any person who files a return under the federal income tax
207 for such taxable year as an unmarried individual:

T61	Connecticut Taxable Income	Rate of Tax
T62	Not over \$10,000	3.0%
T63	Over \$10,000 but not	\$300.00, plus 5.0% of the
T64	over \$500,000	excess over \$10,000
T65	Over \$500,000	\$24,800, plus 6.5% of the
T66		excess over \$500,000

208 (B) For any person who files a return under the federal income tax for
209 such taxable year as a head of household, as defined in Section 2(b) of
210 the Internal Revenue Code:

T67	Connecticut Taxable Income	Rate of Tax
T68	Not over \$16,000	3.0%
T69	Over \$16,000 but not	\$480.00, plus 5.0% of the
T70	over \$800,000	excess over \$16,000
T71	Over \$800,000	\$39,680, plus 6.5% of the
T72		excess over \$800,000

211 (C) For any husband and wife who file a return under the federal
212 income tax for such taxable year as married individuals filing jointly or
213 any person who files a return under the federal income tax for such
214 taxable year as a surviving spouse, as defined in Section 2(a) of the
215 Internal Revenue Code:

T73	Connecticut Taxable Income	Rate of Tax
T74	Not over \$20,000	3.0%
T75	Over \$20,000 but not	\$600.00, plus 5.0% of the
T76	over \$1,000,000	excess over \$20,000

T77 Over \$1,000,000 \$49,600, plus 6.5% of the
T78 excess over \$1,000,000

216 (D) For any person who files a return under the federal income tax
217 for such taxable year as a married individual filing separately:

T79	Connecticut Taxable Income	Rate of Tax
T80	Not over \$10,000	3.0%
T81	Over \$10,000 but not	\$300.00, plus 5.0% of the
T82	over \$500,000	excess over \$10,000
T83	Over \$500,000	\$24,800, plus 6.5% of the
T84		excess over \$500,000

218 (E) For trusts or estates, the rate of tax shall be 6.5% of the Connecticut
219 taxable income.

220 (8) For taxable years commencing on or after January 1, 2011, but
221 prior to January 1, 2015, in accordance with the following schedule:

222 (A) (i) For any person who files a return under the federal income tax
223 for such taxable year as an unmarried individual:

T85	Connecticut Taxable Income	Rate of Tax
T86	Not over \$10,000	3.0%
T87	Over \$10,000 but not	\$300.00, plus 5.0% of the
T88	over \$50,000	excess over \$10,000
T89	Over \$50,000 but not	\$2,300, plus 5.5% of the
T90	over \$100,000	excess over \$50,000
T91	Over \$100,000 but not	\$5,050, plus 6.0% of the
T92	over \$200,000	excess over \$100,000
T93	Over \$200,000 but not	\$11,050, plus 6.5% of the
T94	over \$250,000	excess over \$200,000
T95	Over \$250,000	\$14,300, plus 6.70% of the
T96		excess over \$250,000

224 (ii) Notwithstanding the provisions of subparagraph (A)(i) of this
225 subdivision, for each taxpayer whose Connecticut adjusted gross
226 income exceeds fifty-six thousand five hundred dollars, the amount of
227 the taxpayer's Connecticut taxable income to which the three-per-cent
228 tax rate applies shall be reduced by one thousand dollars for each five
229 thousand dollars, or fraction thereof, by which the taxpayer's
230 Connecticut adjusted gross income exceeds said amount. Any such
231 amount of Connecticut taxable income to which, as provided in the
232 preceding sentence, the three-per-cent tax rate does not apply shall be
233 an amount to which the five-per-cent tax rate shall apply.

234 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
235 two hundred thousand dollars shall pay, in addition to the tax
236 computed under the provisions of subparagraphs (A)(i) and (A)(ii) of
237 this subdivision, an amount equal to seventy-five dollars for each five
238 thousand dollars, or fraction thereof, by which the taxpayer's
239 Connecticut adjusted gross income exceeds two hundred thousand
240 dollars, up to a maximum payment of two thousand two hundred fifty
241 dollars.

242 (B) (i) For any person who files a return under the federal income tax
243 for such taxable year as a head of household, as defined in Section 2(b)
244 of the Internal Revenue Code:

T97	Connecticut Taxable Income	Rate of Tax
T98	Not over \$16,000	3.0%
T99	Over \$16,000 but not	\$480.00, plus 5.0% of the
T100	over \$80,000	excess over \$16,000
T101	Over \$80,000 but not	\$3,680, plus 5.5% of the
T102	over \$160,000	excess over \$80,000
T103	Over \$160,000 but not	\$8,080, plus 6.0% of the
T104	over \$320,000	excess over \$160,000
T105	Over \$320,000 but not	\$17,680, plus 6.5% of the

T106	over \$400,000	excess over \$320,000
T107	Over \$400,000	\$22,880, plus 6.70% of the
T108		excess over \$400,000

245 (ii) Notwithstanding the provisions of subparagraph (B)(i) of this
 246 subdivision, for each taxpayer whose Connecticut adjusted gross
 247 income exceeds seventy-eight thousand five hundred dollars, the
 248 amount of the taxpayer's Connecticut taxable income to which the three-
 249 per-cent tax rate applies shall be reduced by one thousand six hundred
 250 dollars for each four thousand dollars, or fraction thereof, by which the
 251 taxpayer's Connecticut adjusted gross income exceeds said amount.
 252 Any such amount of Connecticut taxable income to which, as provided
 253 in the preceding sentence, the three-per-cent tax rate does not apply
 254 shall be an amount to which the five-per-cent tax rate shall apply.

255 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
 256 three hundred twenty thousand dollars shall pay, in addition to the tax
 257 computed under the provisions of subparagraphs (B)(i) and (B)(ii) of
 258 this subdivision, an amount equal to one hundred twenty dollars for
 259 each eight thousand dollars, or fraction thereof, by which the taxpayer's
 260 Connecticut adjusted gross income exceeds three hundred twenty
 261 thousand dollars, up to a maximum payment of three thousand six
 262 hundred dollars.

263 (C) (i) For any husband and wife who file a return under the federal
 264 income tax for such taxable year as married individuals filing jointly or
 265 any person who files a return under the federal income tax for such
 266 taxable year as a surviving spouse, as defined in Section 2(a) of the
 267 Internal Revenue Code:

T109	Connecticut Taxable Income	Rate of Tax
T110	Not over \$20,000	3.0%
T111	Over \$20,000 but not	\$600.00, plus 5.0% of the
T112	over \$100,000	excess over \$20,000

T113	Over \$100,000 but not	\$4,600, plus 5.5% of the
T114	over \$200,000	excess over \$100,000
T115	Over \$200,000 but not	\$10,100, plus 6.0% of the
T116	over \$400,000	excess over \$200,000
T117	Over \$400,000 but not	\$22,100, plus 6.5% of the
T118	over \$500,000	excess over \$400,000
T119	Over \$500,000	\$28,600, plus 6.70% of the
T120		excess over \$500,000

268 (ii) Notwithstanding the provisions of subparagraph (C)(i) of this
 269 subdivision, for each taxpayer whose Connecticut adjusted gross
 270 income exceeds one hundred thousand five hundred dollars, the
 271 amount of the taxpayer's Connecticut taxable income to which the three-
 272 per-cent tax rate applies shall be reduced by two thousand dollars for
 273 each five thousand dollars, or fraction thereof, by which the taxpayer's
 274 Connecticut adjusted gross income exceeds said amount. Any such
 275 amount of Connecticut taxable income to which, as provided in the
 276 preceding sentence, the three-per-cent tax rate does not apply shall be
 277 an amount to which the five-per-cent tax rate shall apply.

278 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
 279 four hundred thousand dollars shall pay, in addition to the tax
 280 computed under the provisions of subparagraphs (C)(i) and (C)(ii) of
 281 this subdivision, an amount equal to one hundred fifty dollars for each
 282 ten thousand dollars, or fraction thereof, by which the taxpayer's
 283 Connecticut adjusted gross income exceeds four hundred thousand
 284 dollars, up to a maximum payment of four thousand five hundred
 285 dollars.

286 (D) (i) For any person who files a return under the federal income tax
 287 for such taxable year as a married individual filing separately:

T121	Connecticut Taxable Income	Rate of Tax
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T122	Not over \$10,000	3.0%
T123	Over \$10,000 but not	\$300.00, plus 5.0% of the
T124	over \$50,000	excess over \$10,000
T125	Over \$50,000 but not	\$2,300, plus 5.5% of the
T126	over \$100,000	excess over \$50,000
T127	Over \$100,000 but not	\$5,050, plus 6.0% of the
T128	over \$200,000	excess over \$100,000
T129	Over \$200,000 but not	\$11,050, plus 6.5% of the
T130	over \$250,000	excess over \$200,000
T131	Over \$250,000	\$14,300, plus 6.70% of the
T132		excess over \$250,000

288 (ii) Notwithstanding the provisions of subparagraph (D)(i) of this
289 subdivision, for each taxpayer whose Connecticut adjusted gross
290 income exceeds fifty thousand two hundred fifty dollars, the amount of
291 the taxpayer's Connecticut taxable income to which the three-per-cent
292 tax rate applies shall be reduced by one thousand dollars for each two
293 thousand five hundred dollars, or fraction thereof, by which the
294 taxpayer's Connecticut adjusted gross income exceeds said amount.
295 Any such amount of Connecticut taxable income to which, as provided
296 in the preceding sentence, the three-per-cent tax rate does not apply
297 shall be an amount to which the five-per-cent tax rate shall apply.

298 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
299 two hundred thousand dollars shall pay, in addition to the tax
300 computed under the provisions of subparagraphs (D)(i) and (D)(ii) of
301 this subdivision, an amount equal to seventy-five dollars for each five
302 thousand dollars, or fraction thereof, by which the taxpayer's
303 Connecticut adjusted gross income exceeds two hundred thousand
304 dollars, up to a maximum payment of two thousand two hundred fifty
305 dollars.

306 (E) For trusts or estates, the rate of tax shall be 6.70% of the
307 Connecticut taxable income.

308 (9) For taxable years commencing on or after January 1, 2015, but
309 prior to January 1, 2024, in accordance with the following schedule:

310 (A) (i) For any person who files a return under the federal income tax
311 for such taxable year as an unmarried individual:

T133	Connecticut Taxable Income	Rate of Tax
T134	Not over \$10,000	3.0%
T135	Over \$10,000 but not	\$300.00, plus 5.0% of the
T136	over \$50,000	excess over \$10,000
T137	Over \$50,000 but not	\$2,300, plus 5.5% of the
T138	over \$100,000	excess over \$50,000
T139	Over \$100,000 but not	\$5,050, plus 6.0% of the
T140	over \$200,000	excess over \$100,000
T141	Over \$200,000 but not	\$11,050, plus 6.5% of the
T142	over \$250,000	excess over \$200,000
T143	Over \$250,000 but not	\$14,300, plus 6.9% of the
T144	over \$500,000	excess over \$250,000
T145	Over \$500,000	\$31,550, plus 6.99% of the
T146		excess over \$500,000

312 (ii) Notwithstanding the provisions of subparagraph (A)(i) of this
313 subdivision, for each taxpayer whose Connecticut adjusted gross
314 income exceeds fifty-six thousand five hundred dollars, the amount of
315 the taxpayer's Connecticut taxable income to which the three-per-cent
316 tax rate applies shall be reduced by one thousand dollars for each five
317 thousand dollars, or fraction thereof, by which the taxpayer's
318 Connecticut adjusted gross income exceeds said amount. Any such
319 amount of Connecticut taxable income to which, as provided in the
320 preceding sentence, the three-per-cent tax rate does not apply shall be
321 an amount to which the five-per-cent tax rate shall apply.

322 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
323 two hundred thousand dollars shall pay, in addition to the tax

324 computed under the provisions of subparagraphs (A)(i) and (A)(ii) of
325 this subdivision, an amount equal to ninety dollars for each five
326 thousand dollars, or fraction thereof, by which the taxpayer's
327 Connecticut adjusted gross income exceeds two hundred thousand
328 dollars, up to a maximum payment of two thousand seven hundred
329 dollars.

330 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds
331 five hundred thousand dollars shall pay, in addition to the tax
332 computed under the provisions of subparagraphs (A)(i), (A)(ii) and
333 (A)(iii) of this subdivision, an amount equal to fifty dollars for each five
334 thousand dollars, or fraction thereof, by which the taxpayer's
335 Connecticut adjusted gross income exceeds five hundred thousand
336 dollars, up to a maximum payment of four hundred fifty dollars.

337 (B) (i) For any person who files a return under the federal income tax
338 for such taxable year as a head of household, as defined in Section 2(b)
339 of the Internal Revenue Code:

T147	Connecticut Taxable Income	Rate of Tax
T148	Not over \$16,000	3.0%
T149	Over \$16,000 but not	\$480.00, plus 5.0% of the
T150	over \$80,000	excess over \$16,000
T151	Over \$80,000 but not	\$3,680, plus 5.5% of the
T152	over \$160,000	excess over \$80,000
T153	Over \$160,000 but not	\$8,080, plus 6.0% of the
T154	over \$320,000	excess over \$160,000
T155	Over \$320,000 but not	\$17,680, plus 6.5% of the
T156	over \$400,000	excess over \$320,000
T157	Over \$400,000 but not	\$22,880, plus 6.9% of the
T158	over \$800,000	excess over \$400,000
T159	Over \$800,000	\$50,480, plus 6.99% of the
T160		excess over \$800,000

340 (ii) Notwithstanding the provisions of subparagraph (B)(i) of this

341 subdivision, for each taxpayer whose Connecticut adjusted gross
342 income exceeds seventy-eight thousand five hundred dollars, the
343 amount of the taxpayer's Connecticut taxable income to which the three-
344 per-cent tax rate applies shall be reduced by one thousand six hundred
345 dollars for each four thousand dollars, or fraction thereof, by which the
346 taxpayer's Connecticut adjusted gross income exceeds said amount.
347 Any such amount of Connecticut taxable income to which, as provided
348 in the preceding sentence, the three-per-cent tax rate does not apply
349 shall be an amount to which the five-per-cent tax rate shall apply.

350 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
351 three hundred twenty thousand dollars shall pay, in addition to the tax
352 computed under the provisions of subparagraphs (B)(i) and (B)(ii) of
353 this subdivision, an amount equal to one hundred forty dollars for each
354 eight thousand dollars, or fraction thereof, by which the taxpayer's
355 Connecticut adjusted gross income exceeds three hundred twenty
356 thousand dollars, up to a maximum payment of four thousand two
357 hundred dollars.

358 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds
359 eight hundred thousand dollars shall pay, in addition to the tax
360 computed under the provisions of subparagraphs (B)(i), (B)(ii) and
361 (B)(iii) of this subdivision, an amount equal to eighty dollars for each
362 eight thousand dollars, or fraction thereof, by which the taxpayer's
363 Connecticut adjusted gross income exceeds eight hundred thousand
364 dollars, up to a maximum payment of seven hundred twenty dollars.

365 (C) (i) For any husband and wife who file a return under the federal
366 income tax for such taxable year as married individuals filing jointly or
367 any person who files a return under the federal income tax for such
368 taxable year as a surviving spouse, as defined in Section 2(a) of the
369 Internal Revenue Code:

T161	Connecticut Taxable Income	Rate of Tax
T162	Not over \$20,000	3.0%

T163	Over \$20,000 but not	\$600.00, plus 5.0% of the
T164	over \$100,000	excess over \$20,000
T165	Over \$100,000 but not	\$4,600, plus 5.5% of the
T166	over \$200,000	excess over \$100,000
T167	Over \$200,000 but not	\$10,100, plus 6.0% of the
T168	over \$400,000	excess over \$200,000
T169	Over \$400,000 but not	\$22,100, plus 6.5% of the
T170	over \$500,000	excess over \$400,000
T171	Over \$500,000 but not	\$28,600, plus 6.9% of the
T172	over \$1,000,000	excess over \$500,000
T173	Over \$1,000,000	\$63,100, plus 6.99% of the
T174		excess over \$1,000,000

370 (ii) Notwithstanding the provisions of subparagraph (C)(i) of this
371 subdivision, for each taxpayer whose Connecticut adjusted gross
372 income exceeds one hundred thousand five hundred dollars, the
373 amount of the taxpayer's Connecticut taxable income to which the three-
374 per-cent tax rate applies shall be reduced by two thousand dollars for
375 each five thousand dollars, or fraction thereof, by which the taxpayer's
376 Connecticut adjusted gross income exceeds said amount. Any such
377 amount of Connecticut taxable income to which, as provided in the
378 preceding sentence, the three-per-cent tax rate does not apply shall be
379 an amount to which the five-per-cent tax rate shall apply.

380 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
381 four hundred thousand dollars shall pay, in addition to the tax
382 computed under the provisions of subparagraphs (C)(i) and (C)(ii) of
383 this subdivision, an amount equal to one hundred eighty dollars for
384 each ten thousand dollars, or fraction thereof, by which the taxpayer's
385 Connecticut adjusted gross income exceeds four hundred thousand
386 dollars, up to a maximum payment of five thousand four hundred
387 dollars.

388 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds

389 one million dollars shall pay, in addition to the tax computed under the
390 provisions of subparagraphs (C)(i), (C)(ii) and (C)(iii) of this
391 subdivision, an amount equal to one hundred dollars for each ten
392 thousand dollars, or fraction thereof, by which the taxpayer's
393 Connecticut adjusted gross income exceeds one million dollars, up to a
394 maximum payment of nine hundred dollars.

395 (D) (i) For any person who files a return under the federal income tax
396 for such taxable year as a married individual filing separately:

T175	Connecticut Taxable Income	Rate of Tax
T176	Not over \$10,000	3.0%
T177	Over \$10,000 but not	\$300.00, plus 5.0% of the
T178	over \$50,000	excess over \$10,000
T179	Over \$50,000 but not	\$2,300, plus 5.5% of the
T180	over \$100,000	excess over \$50,000
T181	Over \$100,000 but not	\$5,050, plus 6.0% of the
T182	over \$200,000	excess over \$100,000
T183	Over \$200,000 but not	\$11,050, plus 6.5% of the
T184	over \$250,000	excess over \$200,000
T185	Over \$250,000 but not	\$14,300, plus 6.9% of the
T186	over \$500,000	excess over \$250,000
T187	Over \$500,000	\$31,550, plus 6.99% of the
T188		excess over \$500,000

397 (ii) Notwithstanding the provisions of subparagraph (D)(i) of this
398 subdivision, for each taxpayer whose Connecticut adjusted gross
399 income exceeds fifty thousand two hundred fifty dollars, the amount of
400 the taxpayer's Connecticut taxable income to which the three-per-cent
401 tax rate applies shall be reduced by one thousand dollars for each two
402 thousand five hundred dollars, or fraction thereof, by which the
403 taxpayer's Connecticut adjusted gross income exceeds said amount.
404 Any such amount of Connecticut taxable income to which, as provided

405 in the preceding sentence, the three-per-cent tax rate does not apply
406 shall be an amount to which the five-per-cent tax rate shall apply.

407 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
408 two hundred thousand dollars shall pay, in addition to the tax
409 computed under the provisions of subparagraphs (D)(i) and (D)(ii) of
410 this subdivision, an amount equal to ninety dollars for each five
411 thousand dollars, or fraction thereof, by which the taxpayer's
412 Connecticut adjusted gross income exceeds two hundred thousand
413 dollars, up to a maximum payment of two thousand seven hundred
414 dollars.

415 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds
416 five hundred thousand dollars shall pay, in addition to the tax
417 computed under the provisions of subparagraphs (D)(i), (D)(ii) and
418 (D)(iii) of this subdivision, an amount equal to fifty dollars for each five
419 thousand dollars, or fraction thereof, by which the taxpayer's
420 Connecticut adjusted gross income exceeds five hundred thousand
421 dollars, up to a maximum payment of four hundred fifty dollars.

422 (E) For trusts or estates, the rate of tax shall be 6.99% of the
423 Connecticut taxable income.

424 (10) For taxable years commencing on or after January 1, 2024, in
425 accordance with the following schedule:

426 (A) (i) For any person who files a return under the federal income tax
427 for such taxable year as an unmarried individual:

T189	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T190	<u>Not over \$10,000</u>	<u>2.0%</u>
T191	<u>Over \$10,000 but not</u>	<u>\$200.00, plus 4.75% of the</u>
T192	<u>over \$50,000</u>	<u>excess over \$10,000</u>
T193	<u>Over \$50,000 but not</u>	<u>\$2,100, plus 5.5% of the</u>
T194	<u>over \$100,000</u>	<u>excess over \$50,000</u>
T195	<u>Over \$100,000 but not</u>	<u>\$4,850, plus 6.0% of the</u>

T196	<u>over \$200,000</u>	<u>excess over \$100,000</u>
T197	<u>Over \$200,000 but not</u>	<u>\$10,850, plus 6.5% of the</u>
T198	<u>over \$250,000</u>	<u>excess over \$200,000</u>
T199	<u>Over \$250,000 but not</u>	<u>\$14,100, plus 6.9% of the</u>
T200	<u>over \$500,000</u>	<u>excess over \$250,000</u>
T201	<u>Over \$500,000</u>	<u>\$31,350, plus 6.99% of the</u>
T202		<u>excess over \$500,000</u>

428 (ii) Notwithstanding the provisions of subparagraph (A)(i) of this
429 subdivision, for each taxpayer whose Connecticut adjusted gross
430 income exceeds fifty-six thousand five hundred dollars, the amount of
431 the taxpayer's Connecticut taxable income to which the two-per-cent tax
432 rate applies shall be reduced by one thousand dollars for each five
433 thousand dollars, or fraction thereof, by which the taxpayer's
434 Connecticut adjusted gross income exceeds said amount. Any such
435 amount of Connecticut taxable income to which, as provided in the
436 preceding sentence, the two-per-cent tax rate does not apply shall be an
437 amount to which the four-and-three-quarters-per-cent tax rate shall
438 apply.

439 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
440 two hundred thousand dollars shall pay, in addition to the tax
441 computed under the provisions of subparagraphs (A)(i) and (A)(ii) of
442 this subdivision, an amount equal to ninety dollars for each five
443 thousand dollars, or fraction thereof, by which the taxpayer's
444 Connecticut adjusted gross income exceeds two hundred thousand
445 dollars, up to a maximum payment of two thousand seven hundred
446 dollars.

447 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds
448 five hundred thousand dollars shall pay, in addition to the tax
449 computed under the provisions of subparagraphs (A)(i), (A)(ii) and
450 (A)(iii) of this subdivision, an amount equal to fifty dollars for each five
451 thousand dollars, or fraction thereof, by which the taxpayer's

469 Any such amount of Connecticut taxable income to which, as provided
470 in the preceding sentence, the two-per-cent tax rate does not apply shall
471 be an amount to which the four-and-three-quarters-per-cent tax rate
472 shall apply.

473 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
474 three hundred twenty thousand dollars shall pay, in addition to the tax
475 computed under the provisions of subparagraphs (B)(i) and (B)(ii) of
476 this subdivision, an amount equal to one hundred forty dollars for each
477 eight thousand dollars, or fraction thereof, by which the taxpayer's
478 Connecticut adjusted gross income exceeds three hundred twenty
479 thousand dollars, up to a maximum payment of four thousand two
480 hundred dollars.

481 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds
482 eight hundred thousand dollars shall pay, in addition to the tax
483 computed under the provisions of subparagraphs (B)(i), (B)(ii) and
484 (B)(iii) of this subdivision, an amount equal to eighty dollars for each
485 eight thousand dollars, or fraction thereof, by which the taxpayer's
486 Connecticut adjusted gross income exceeds eight hundred thousand
487 dollars, up to a maximum payment of seven hundred twenty dollars.

488 (v) Each taxpayer whose Connecticut adjusted gross income exceeds
489 three hundred twenty thousand dollars shall pay, in addition to the tax
490 computed under the provisions of subparagraphs (B)(i), (B)(ii), (B)(iii)
491 and, if applicable, (B)(iv) of this subdivision, two hundred dollars.

492 (C) (i) For any husband and wife who file a return under the federal
493 income tax for such taxable year as married individuals filing jointly or
494 any person who files a return under the federal income tax for such
495 taxable year as a surviving spouse, as defined in Section 2(a) of the
496 Internal Revenue Code:

T217	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T218	<u>Not over \$20,000</u>	<u>2.0%</u>

T219	<u>Over \$20,000 but not</u>	<u>\$400.00, plus 4.75% of the</u>
T220	<u>over \$100,000</u>	<u>excess over \$20,000</u>
T221	<u>Over \$100,000 but not</u>	<u>\$4,200, plus 5.5% of the</u>
T222	<u>over \$200,000</u>	<u>excess over \$100,000</u>
T223	<u>Over \$200,000 but not</u>	<u>\$9,700, plus 6.0% of the</u>
T224	<u>over \$400,000</u>	<u>excess over \$200,000</u>
T225	<u>Over \$400,000 but not</u>	<u>\$21,700, plus 6.5% of the</u>
T226	<u>over \$500,000</u>	<u>excess over \$400,000</u>
T227	<u>Over \$500,000 but not</u>	<u>\$28,200, plus 6.9% of the</u>
T228	<u>over \$1,000,000</u>	<u>excess over \$500,000</u>
T229	<u>Over \$1,000,000</u>	<u>\$62,700, plus 6.99% of the</u>
T230		<u>excess over \$1,000,000</u>

497 (ii) Notwithstanding the provisions of subparagraph (C)(i) of this
498 subdivision, for each taxpayer whose Connecticut adjusted gross
499 income exceeds one hundred thousand five hundred dollars, the
500 amount of the taxpayer's Connecticut taxable income to which the two-
501 per-cent tax rate applies shall be reduced by two thousand dollars for
502 each five thousand dollars, or fraction thereof, by which the taxpayer's
503 Connecticut adjusted gross income exceeds said amount. Any such
504 amount of Connecticut taxable income to which, as provided in the
505 preceding sentence, the two-per-cent tax rate does not apply shall be an
506 amount to which the four-and-three-quarters-per-cent tax rate shall
507 apply.

508 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
509 four hundred thousand dollars shall pay, in addition to the tax
510 computed under the provisions of subparagraphs (C)(i) and (C)(ii) of
511 this subdivision, an amount equal to one hundred eighty dollars for
512 each ten thousand dollars, or fraction thereof, by which the taxpayer's
513 Connecticut adjusted gross income exceeds four hundred thousand
514 dollars, up to a maximum payment of five thousand four hundred
515 dollars.

516 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds
517 one million dollars shall pay, in addition to the tax computed under the
518 provisions of subparagraphs (C)(i), (C)(ii) and (C)(iii) of this
519 subdivision, an amount equal to one hundred dollars for each ten
520 thousand dollars, or fraction thereof, by which the taxpayer's
521 Connecticut adjusted gross income exceeds one million dollars, up to a
522 maximum payment of nine hundred dollars.

523 (v) Each taxpayer whose Connecticut adjusted gross income exceeds
524 four hundred thousand dollars shall pay, in addition to the tax
525 computed under the provisions of subparagraphs (C)(i), (C)(ii), (C)(iii)
526 and, if applicable, (C)(iv) of this subdivision, two hundred fifty dollars.

527 (D) (i) For any person who files a return under the federal income tax
528 for such taxable year as a married individual filing separately:

T231	<u>Connecticut Taxable Income</u>	<u>Rate of Tax</u>
T232	<u>Not over \$10,000</u>	<u>2.0%</u>
T233	<u>Over \$10,000 but not</u>	<u>\$200.00, plus 4.75% of the</u>
T234	<u>over \$50,000</u>	<u>excess over \$10,000</u>
T235	<u>Over \$50,000 but not</u>	<u>\$2,100, plus 5.5% of the</u>
T236	<u>over \$100,000</u>	<u>excess over \$50,000</u>
T237	<u>Over \$100,000 but not</u>	<u>\$4,850, plus 6.0% of the</u>
T238	<u>over \$200,000</u>	<u>excess over \$100,000</u>
T239	<u>Over \$200,000 but not</u>	<u>\$10,850, plus 6.5% of the</u>
T240	<u>over \$250,000</u>	<u>excess over \$200,000</u>
T241	<u>Over \$250,000 but not</u>	<u>\$14,100, plus 6.9% of the</u>
T242	<u>over \$500,000</u>	<u>excess over \$250,000</u>
T243	<u>Over \$500,000</u>	<u>\$31,350, plus 6.99% of the</u>
T244		<u>excess over \$500,000</u>

529 (ii) Notwithstanding the provisions of subparagraph (D)(i) of this
530 subdivision, for each taxpayer whose Connecticut adjusted gross
531 income exceeds fifty thousand two hundred fifty dollars, the amount of

532 the taxpayer's Connecticut taxable income to which the two-per-cent tax
533 rate applies shall be reduced by one thousand dollars for each two
534 thousand five hundred dollars, or fraction thereof, by which the
535 taxpayer's Connecticut adjusted gross income exceeds said amount.
536 Any such amount of Connecticut taxable income to which, as provided
537 in the preceding sentence, the two-per-cent tax rate does not apply shall
538 be an amount to which the four-and-three-quarters-per-cent tax rate
539 shall apply.

540 (iii) Each taxpayer whose Connecticut adjusted gross income exceeds
541 two hundred thousand dollars shall pay, in addition to the tax
542 computed under the provisions of subparagraphs (D)(i) and (D)(ii) of
543 this subdivision, an amount equal to ninety dollars for each five
544 thousand dollars, or fraction thereof, by which the taxpayer's
545 Connecticut adjusted gross income exceeds two hundred thousand
546 dollars, up to a maximum payment of two thousand seven hundred
547 dollars.

548 (iv) Each taxpayer whose Connecticut adjusted gross income exceeds
549 five hundred thousand dollars shall pay, in addition to the tax
550 computed under the provisions of subparagraphs (D)(i), (D)(ii) and
551 (D)(iii) of this subdivision, an amount equal to fifty dollars for each five
552 thousand dollars, or fraction thereof, by which the taxpayer's
553 Connecticut adjusted gross income exceeds five hundred thousand
554 dollars, up to a maximum payment of four hundred fifty dollars.

555 (v) Each taxpayer whose Connecticut adjusted gross income exceeds
556 two hundred thousand dollars shall pay, in addition to the tax
557 computed under the provisions of subparagraphs (D)(i), (D)(ii), (D)(iii)
558 and, if applicable, (D)(iv) of this subdivision, one hundred twenty-five
559 dollars.

560 (E) For trusts or estates, the rate of tax shall be 6.99% of the
561 Connecticut taxable income.

562 [(10)] (11) The provisions of this subsection shall apply to resident

563 trusts and estates and, wherever reference is made in this subsection to
564 residents of this state, such reference shall be construed to include
565 resident trusts and estates, provided any reference to a resident's
566 Connecticut adjusted gross income derived from sources without this
567 state or to a resident's Connecticut adjusted gross income shall be
568 construed, in the case of a resident trust or estate, to mean the resident
569 trust or estate's Connecticut taxable income derived from sources
570 without this state and the resident trust or estate's Connecticut taxable
571 income, respectively.

572 Sec. 7. Subparagraph (B) of subdivision (20) of subsection (a) of
573 section 12-701 of the general statutes is repealed and the following is
574 substituted in lieu thereof (*Effective from passage and applicable to taxable*
575 *years commencing on or after January 1, 2023*):

576 (B) There shall be subtracted therefrom:

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

580 (ii) To the extent allowable under section 12-718, exempt dividends
581 paid by a regulated investment company;

582 (iii) To the extent properly includable in gross income for federal
583 income tax purposes, the amount of any refund or credit for
584 overpayment of income taxes imposed by this state, or any other state
585 of the United States or a political subdivision thereof, or the District of
586 Columbia;

587 (iv) To the extent properly includable in gross income for federal
588 income tax purposes and not otherwise subtracted from federal
589 adjusted gross income pursuant to clause (x) of this subparagraph in
590 computing Connecticut adjusted gross income, any tier 1 railroad
591 retirement benefits;

592 (v) To the extent any additional allowance for depreciation under

593 Section 168(k) of the Internal Revenue Code for property placed in
594 service after September 27, 2017, was added to federal adjusted gross
595 income pursuant to subparagraph (A)(ix) of this subdivision in
596 computing Connecticut adjusted gross income, twenty-five per cent of
597 such additional allowance for depreciation in each of the four
598 succeeding taxable years;

599 (vi) To the extent properly includable in gross income for federal
600 income tax purposes, any interest income from obligations issued by or
601 on behalf of the state of Connecticut, any political subdivision thereof,
602 or public instrumentality, state or local authority, district or similar
603 public entity created under the laws of the state of Connecticut;

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

611 (viii) Any interest on indebtedness incurred or continued to purchase
612 or carry obligations or securities the interest on which is subject to tax
613 under this chapter but exempt from federal income tax, to the extent that
614 such interest on indebtedness is not deductible in determining federal
615 adjusted gross income and is attributable to a trade or business carried
616 on by such individual;

617 (ix) Ordinary and necessary expenses paid or incurred during the
618 taxable year for the production or collection of income which is subject
619 to taxation under this chapter but exempt from federal income tax, or
620 the management, conservation or maintenance of property held for the
621 production of such income, and the amortizable bond premium for the
622 taxable year on any bond the interest on which is subject to tax under
623 this chapter but exempt from federal income tax, to the extent that such
624 expenses and premiums are not deductible in determining federal

625 adjusted gross income and are attributable to a trade or business carried
626 on by such individual;

627 (x) (I) For taxable years commencing prior to January 1, 2019, for a
628 person who files a return under the federal income tax as an unmarried
629 individual whose federal adjusted gross income for such taxable year is
630 less than fifty thousand dollars, or as a married individual filing
631 separately whose federal adjusted gross income for such taxable year is
632 less than fifty thousand dollars, or for a husband and wife who file a
633 return under the federal income tax as married individuals filing jointly
634 whose federal adjusted gross income for such taxable year is less than
635 sixty thousand dollars or a person who files a return under the federal
636 income tax as a head of household whose federal adjusted gross income
637 for such taxable year is less than sixty thousand dollars, an amount
638 equal to the Social Security benefits includable for federal income tax
639 purposes;

640 (II) For taxable years commencing prior to January 1, 2019, for a
641 person who files a return under the federal income tax as an unmarried
642 individual whose federal adjusted gross income for such taxable year is
643 fifty thousand dollars or more, or as a married individual filing
644 separately whose federal adjusted gross income for such taxable year is
645 fifty thousand dollars or more, or for a husband and wife who file a
646 return under the federal income tax as married individuals filing jointly
647 whose federal adjusted gross income from such taxable year is sixty
648 thousand dollars or more or for a person who files a return under the
649 federal income tax as a head of household whose federal adjusted gross
650 income for such taxable year is sixty thousand dollars or more, an
651 amount equal to the difference between the amount of Social Security
652 benefits includable for federal income tax purposes and the lesser of
653 twenty-five per cent of the Social Security benefits received during the
654 taxable year, or twenty-five per cent of the excess described in Section
655 86(b)(1) of the Internal Revenue Code;

656 (III) For the taxable year commencing January 1, 2019, and each
657 taxable year thereafter, for a person who files a return under the federal

658 income tax as an unmarried individual whose federal adjusted gross
659 income for such taxable year is less than seventy-five thousand dollars,
660 or as a married individual filing separately whose federal adjusted gross
661 income for such taxable year is less than seventy-five thousand dollars,
662 or for a husband and wife who file a return under the federal income tax
663 as married individuals filing jointly whose federal adjusted gross
664 income for such taxable year is less than one hundred thousand dollars
665 or a person who files a return under the federal income tax as a head of
666 household whose federal adjusted gross income for such taxable year is
667 less than one hundred thousand dollars, an amount equal to the Social
668 Security benefits includable for federal income tax purposes; and

669 (IV) For the taxable year commencing January 1, 2019, and each
670 taxable year thereafter, for a person who files a return under the federal
671 income tax as an unmarried individual whose federal adjusted gross
672 income for such taxable year is seventy-five thousand dollars or more,
673 or as a married individual filing separately whose federal adjusted gross
674 income for such taxable year is seventy-five thousand dollars or more,
675 or for a husband and wife who file a return under the federal income tax
676 as married individuals filing jointly whose federal adjusted gross
677 income from such taxable year is one hundred thousand dollars or more
678 or for a person who files a return under the federal income tax as a head
679 of household whose federal adjusted gross income for such taxable year
680 is one hundred thousand dollars or more, an amount equal to the
681 difference between the amount of Social Security benefits includable for
682 federal income tax purposes and the lesser of twenty-five per cent of the
683 Social Security benefits received during the taxable year, or twenty-five
684 per cent of the excess described in Section 86(b)(1) of the Internal
685 Revenue Code;

686 (xi) To the extent properly includable in gross income for federal
687 income tax purposes, any amount rebated to a taxpayer pursuant to
688 section 12-746;

689 (xii) To the extent properly includable in the gross income for federal
690 income tax purposes of a designated beneficiary, any distribution to

691 such beneficiary from any qualified state tuition program, as defined in
692 Section 529(b) of the Internal Revenue Code, established and
693 maintained by this state or any official, agency or instrumentality of the
694 state;

695 (xiii) To the extent allowable under section 12-701a, contributions to
696 accounts established pursuant to any qualified state tuition program, as
697 defined in Section 529(b) of the Internal Revenue Code, established and
698 maintained by this state or any official, agency or instrumentality of the
699 state;

700 (xiv) To the extent properly includable in gross income for federal
701 income tax purposes, the amount of any Holocaust victims' settlement
702 payment received in the taxable year by a Holocaust victim;

703 (xv) To the extent properly includable in gross income for federal
704 income tax purposes of an account holder, as defined in section 31-
705 51ww, interest earned on funds deposited in the individual
706 development account, as defined in section 31-51ww, of such account
707 holder;

708 (xvi) To the extent properly includable in the gross income for federal
709 income tax purposes of a designated beneficiary, as defined in section
710 3-123aa, interest, dividends or capital gains earned on contributions to
711 accounts established for the designated beneficiary pursuant to the
712 Connecticut Homecare Option Program for the Elderly established by
713 sections 3-123aa to 3-123ff, inclusive;

714 (xvii) To the extent properly includable in gross income for federal
715 income tax purposes, any income received from the United States
716 government as retirement pay for a retired member of (I) the Armed
717 Forces of the United States, as defined in Section 101 of Title 10 of the
718 United States Code, or (II) the National Guard, as defined in Section 101
719 of Title 10 of the United States Code;

720 (xviii) To the extent properly includable in gross income for federal
721 income tax purposes for the taxable year, any income from the discharge

722 of indebtedness in connection with any reacquisition, after December
723 31, 2008, and before January 1, 2011, of an applicable debt instrument or
724 instruments, as those terms are defined in Section 108 of the Internal
725 Revenue Code, as amended by Section 1231 of the American Recovery
726 and Reinvestment Act of 2009, to the extent any such income was added
727 to federal adjusted gross income pursuant to subparagraph (A)(xi) of
728 this subdivision in computing Connecticut adjusted gross income for a
729 preceding taxable year;

730 (xix) To the extent not deductible in determining federal adjusted
731 gross income, the amount of any contribution to a manufacturing
732 reinvestment account established pursuant to section 32-9zz in the
733 taxable year that such contribution is made;

734 (xx) To the extent properly includable in gross income for federal
735 income tax purposes, (I) for the taxable year commencing January 1,
736 2015, ten per cent of the income received from the state teachers'
737 retirement system, (II) for the taxable years commencing January 1,
738 2016, to January 1, 2020, inclusive, twenty-five per cent of the income
739 received from the state teachers' retirement system, and (III) for the
740 taxable year commencing January 1, 2021, and each taxable year
741 thereafter, fifty per cent of the income received from the state teachers'
742 retirement system or, for a taxpayer whose federal adjusted gross
743 income does not exceed the applicable threshold under clause (xxi) of
744 this subparagraph, the percentage pursuant to said clause of the income
745 received from the state teachers' retirement system, whichever
746 deduction is greater;

747 (xxi) To the extent properly includable in gross income for federal
748 income tax purposes, except for retirement benefits under clause (iv) of
749 this subparagraph and retirement pay under clause (xvii) of this
750 subparagraph, for a person who files a return under the federal income
751 tax as an unmarried individual whose federal adjusted gross income for
752 such taxable year is less than seventy-five thousand dollars, or as a
753 married individual filing separately whose federal adjusted gross
754 income for such taxable year is less than seventy-five thousand dollars,

755 or as a head of household whose federal adjusted gross income for such
 756 taxable year is less than seventy-five thousand dollars, or for a husband
 757 and wife who file a return under the federal income tax as married
 758 individuals filing jointly whose federal adjusted gross income for such
 759 taxable year is less than one hundred thousand dollars, (I) for the taxable
 760 year commencing January 1, 2019, fourteen per cent of any pension or
 761 annuity income, (II) for the taxable year commencing January 1, 2020,
 762 twenty-eight per cent of any pension or annuity income, (III) for the
 763 taxable year commencing January 1, 2021, forty-two per cent of any
 764 pension or annuity income, and (IV) for the taxable year commencing
 765 January 1, 2022, [and each taxable year thereafter,] one hundred per cent
 766 of any pension or annuity income;

767 (xxii) To the extent properly includable in gross income for federal
 768 income tax purposes, except for retirement benefits under clause (iv) of
 769 this subparagraph and retirement pay under clause (xvii) of this
 770 subparagraph, any pension or annuity income for the taxable year
 771 commencing on or after January 1, 2023, and each taxable year
 772 thereafter, in accordance with the following schedule, for a person who
 773 files a return under the federal income tax as an unmarried individual
 774 whose federal adjusted gross income for such taxable year is less than
 775 one hundred thousand dollars, or as a married individual filing
 776 separately whose federal adjusted gross income for such taxable year is
 777 less than one hundred thousand dollars, or as a head of household
 778 whose federal adjusted gross income for such taxable year is less than
 779 one hundred thousand dollars:

T245	<u>Federal Adjusted Gross Income</u>	<u>Deduction</u>
T246	<u>Less than \$75,000</u>	<u>100.0%</u>
T247	<u>\$75,000 but not over \$77,499</u>	<u>85.0%</u>
T248	<u>\$77,500 but not over \$79,999</u>	<u>70.0%</u>
T249	<u>\$80,000 but not over \$82,499</u>	<u>55.0%</u>
T250	<u>\$82,500 but not over \$84,999</u>	<u>40.0%</u>
T251	<u>\$85,000 but not over \$87,499</u>	<u>25.0%</u>
T252	<u>\$87,500 but not over \$89,999</u>	<u>10.0%</u>

T253	<u>\$90,000 but not over \$94,999</u>	<u>5.0%</u>
T254	<u>\$95,000 but not over \$99,999</u>	<u>2.5%</u>
T255	<u>\$100,000 and over</u>	<u>0.0%</u>

780 (xxiii) To the extent properly includable in gross income for federal
781 income tax purposes, except for retirement benefits under clause (iv) of
782 this subparagraph and retirement pay under clause (xvii) of this
783 subparagraph, any pension or annuity income for the taxable year
784 commencing on or after January 1, 2023, and each taxable year
785 thereafter, in accordance with the following schedule for married
786 individuals who file a return under the federal income tax as married
787 individuals filing jointly whose federal adjusted gross income for such
788 taxable year is less than one hundred fifty thousand dollars:

T256	<u>Federal Adjusted Gross Income</u>	<u>Deduction</u>
T257	<u>Less than \$100,000</u>	<u>100.0%</u>
T258	<u>\$100,000 but not over \$104,999</u>	<u>85.0%</u>
T259	<u>\$105,000 but not over \$109,999</u>	<u>70.0%</u>
T260	<u>\$110,000 but not over \$114,999</u>	<u>55.0%</u>
T261	<u>\$115,000 but not over \$119,999</u>	<u>40.0%</u>
T262	<u>\$120,000 but not over \$124,999</u>	<u>25.0%</u>
T263	<u>\$125,000 but not over \$129,999</u>	<u>10.0%</u>
T264	<u>\$130,000 but not over \$139,999</u>	<u>5.0%</u>
T265	<u>\$140,000 but not over \$149,999</u>	<u>2.5%</u>
T266	<u>\$150,000 and over</u>	<u>0.0%</u>

789 ~~[(xxii)]~~ (xxiv) The amount of lost wages and medical, travel and
790 housing expenses, not to exceed ten thousand dollars in the aggregate,
791 incurred by a taxpayer during the taxable year in connection with the
792 donation to another person of an organ for organ transplantation
793 occurring on or after January 1, 2017;

794 ~~[(xxiii)]~~ (xxv) To the extent properly includable in gross income for

795 federal income tax purposes, the amount of any financial assistance
796 received from the Crumbling Foundations Assistance Fund or paid to
797 or on behalf of the owner of a residential building pursuant to sections
798 8-442 and 8-443;

799 ~~[(xxiv)]~~ (xxvi) To the extent properly includable in gross income for
800 federal income tax purposes, the amount calculated pursuant to
801 subsection (b) of section 12-704g for income received by a general
802 partner of a venture capital fund, as defined in 17 CFR 275.203(l)-1, as
803 amended from time to time;

804 ~~[(xxv)]~~ (xxvii) To the extent any portion of a deduction under Section
805 179 of the Internal Revenue Code was added to federal adjusted gross
806 income pursuant to subparagraph (A)(xiv) of this subdivision in
807 computing Connecticut adjusted gross income, twenty-five per cent of
808 such disallowed portion of the deduction in each of the four succeeding
809 taxable years;

810 ~~[(xxvi)]~~ (xxviii) To the extent properly includable in gross income for
811 federal income tax purposes, for a person who files a return under the
812 federal income tax as an unmarried individual whose federal adjusted
813 gross income for such taxable year is less than ~~[seventy-five]~~ one
814 hundred thousand dollars, or as a married individual filing separately
815 whose federal adjusted gross income for such taxable year is less than
816 ~~[seventy-five]~~ one hundred thousand dollars, or as a head of household
817 whose federal adjusted gross income for such taxable year is less than
818 ~~[seventy-five]~~ one hundred thousand dollars, ~~[or for a husband and wife~~
819 ~~who file a return under the federal income tax as married individuals~~
820 ~~filing jointly whose federal adjusted gross income for such taxable year~~
821 ~~is less than one hundred thousand dollars,]~~ (I) for the taxable year
822 commencing January 1, 2023, twenty-five per cent of any distribution
823 from an individual retirement account other than a Roth individual
824 retirement account, (II) for the taxable year commencing January 1, 2024,
825 fifty per cent of any distribution from an individual retirement account
826 other than a Roth individual retirement account, (III) for the taxable year
827 commencing January 1, 2025, seventy-five per cent of any distribution

828 from an individual retirement account other than a Roth individual
829 retirement account, and (IV) for the taxable year commencing January
830 1, 2026, and each taxable year thereafter, any distribution from an
831 individual retirement account other than a Roth individual retirement
832 account. [; and] The subtraction under this clause shall be made in
833 accordance with the following schedule:

T267	<u>Federal Adjusted Gross Income</u>	<u>Deduction</u>
T268	<u>Less than \$75,000</u>	<u>100.0%</u>
T269	<u>\$75,000 but not over \$77,499</u>	<u>85.0%</u>
T270	<u>\$77,500 but not over \$79,999</u>	<u>70.0%</u>
T271	<u>\$80,000 but not over \$82,499</u>	<u>55.0%</u>
T272	<u>\$82,500 but not over \$84,999</u>	<u>40.0%</u>
T273	<u>\$85,000 but not over \$87,499</u>	<u>25.0%</u>
T274	<u>\$87,500 but not over \$89,999</u>	<u>10.0%</u>
T275	<u>\$90,000 but not over \$94,999</u>	<u>5.0%</u>
T276	<u>\$95,000 but not over \$99,999</u>	<u>2.5%</u>
T277	<u>\$100,000 and over</u>	<u>0.0%</u>

834 (xxix) To the extent properly includable in gross income for federal
835 income tax purposes, for married individuals who file a return under
836 the federal income tax as married individuals filing jointly whose
837 federal adjusted gross income for such taxable year is less than one
838 hundred fifty thousand dollars, (I) for the taxable year commencing
839 January 1, 2023, twenty-five per cent of any distribution from an
840 individual retirement account other than a Roth individual retirement
841 account, (II) for the taxable year commencing January 1, 2024, fifty per
842 cent of any distribution from an individual retirement account other
843 than a Roth individual retirement account, (III) for the taxable year
844 commencing January 1, 2025, seventy-five per cent of any distribution
845 from an individual retirement account other than a Roth individual
846 retirement account, and (IV) for the taxable year commencing January
847 1, 2026, and each taxable year thereafter, any distribution from an
848 individual retirement account other than a Roth individual retirement

849 account. The subtraction under this clause shall be made in accordance
850 with the following schedule:

T278	<u>Federal Adjusted Gross Income</u>	<u>Deduction</u>
T279	<u>Less than \$100,000</u>	<u>100.0%</u>
T280	<u>\$100,000 but not over \$104,999</u>	<u>85.0%</u>
T281	<u>\$105,000 but not over \$109,999</u>	<u>70.0%</u>
T282	<u>\$110,000 but not over \$114,999</u>	<u>55.0%</u>
T283	<u>\$115,000 but not over \$119,999</u>	<u>40.0%</u>
T284	<u>\$120,000 but not over \$124,999</u>	<u>25.0%</u>
T285	<u>\$125,000 but not over \$129,999</u>	<u>10.0%</u>
T286	<u>\$130,000 but not over \$139,999</u>	<u>5.0%</u>
T287	<u>\$140,000 but not over \$149,999</u>	<u>2.5%</u>
T288	<u>\$150,000 and over</u>	<u>0.0%</u>

851 [(xxvii)] (xxx) To the extent properly includable in gross income for
852 federal income tax purposes, for the taxable year commencing January
853 1, 2022, the amount or amounts paid or otherwise credited to any
854 eligible resident of this state under (I) the 2020 Earned Income Tax
855 Credit enhancement program from funding allocated to the state
856 through the Coronavirus Relief Fund established under the Coronavirus
857 Aid, Relief, and Economic Security Act, P.L. 116-136, and (II) the 2021
858 Earned Income Tax Credit enhancement program from funding
859 allocated to the state pursuant to Section 9901 of Subtitle M of Title IX of
860 the American Rescue Plan Act of 2021, P.L. 117-2;

861 (xxxi) For a taxpayer licensed under the provisions of chapter 420f or
862 420h, the amount of the expenditures that would be eligible to be
863 claimed as a deduction for federal income tax purposes but that are
864 disallowed under Section 280E of the Internal Revenue Code because
865 marijuana is a controlled substance under the federal Controlled
866 Substance Act.

867 Sec. 8. Section 12-217 of the general statutes is repealed and the

868 following is substituted in lieu thereof (*Effective from passage and*
869 *applicable to income years commencing on or after January 1, 2023*):

870 (a) (1) In arriving at net income as defined in section 12-213, whether
871 or not the taxpayer is taxable under the federal corporation net income
872 tax, there shall be deducted from gross income; [.]

873 (A) [all] All items deductible under the Internal Revenue Code
874 effective and in force on the last day of the income year, except (i) any
875 taxes imposed under the provisions of this chapter [which] that are paid
876 or accrued in the income year and in the income year commencing
877 January 1, 1989, and thereafter, any taxes in any state of the United
878 States or any political subdivision of such state, or the District of
879 Columbia, imposed on or measured by the income or profits of a
880 corporation [which] that are paid or accrued in the income year, (ii)
881 deductions for depreciation, which shall be allowed as provided in
882 subsection (b) of this section, (iii) deductions for qualified domestic
883 production activities income, as provided in Section 199 of the Internal
884 Revenue Code, and (iv) in the case of any captive real estate investment
885 trust, the deduction for dividends paid provided under Section 857(b)(2)
886 of the Internal Revenue Code; [.] and

887 (B) [additionally] Additionally, in the case of a regulated investment
888 company, the sum of (i) the exempt-interest dividends, as defined in the
889 Internal Revenue Code, and (ii) expenses, bond premium, and interest
890 related to tax-exempt income that are disallowed as deductions under
891 the Internal Revenue Code; [.] and

892 (C) [in] In the case of a taxpayer maintaining an international banking
893 facility as defined in the laws of the United States or the regulations of
894 the Board of Governors of the Federal Reserve System, as either may be
895 amended from time to time, the gross income attributable to the
896 international banking facility, provided [.] no expense or loss
897 attributable to the international banking facility shall be a deduction
898 under any provision of this section; [.] and

899 (D) [additionally] Additionally, in the case of all taxpayers, all
900 dividends as defined in the Internal Revenue Code effective and in force
901 on the last day of the income year not otherwise deducted from gross
902 income, including dividends received from a DISC or former DISC as
903 defined in Section 992 of the Internal Revenue Code and dividends
904 deemed to have been distributed by a DISC or former DISC as provided
905 in Section 995 of said Internal Revenue Code, other than thirty per cent
906 of dividends received from a domestic corporation in which the
907 taxpayer owns less than twenty per cent of the total voting power and
908 value of the stock of such corporation; [,] and

909 (E) [additionally] Additionally, in the case of all taxpayers, the value
910 of any capital gain realized from the sale of any land, or interest in land,
911 to the state, any political subdivision of the state, or to any nonprofit
912 land conservation organization where such land is to be permanently
913 preserved as protected open space or to a water company, as defined in
914 section 25-32a, where such land is to be permanently preserved as
915 protected open space or as Class I or Class II water company land; [,]
916 and

917 (F) [in] In the case of [manufacturers] a manufacturer, the amount of
918 any contribution to a manufacturing reinvestment account established
919 pursuant to section 32-9zz in the income year that such contribution is
920 made to the extent not deductible for federal income tax purposes; [,]
921 and

922 (G) [the] The amount of any contribution made on or after December
923 23, 2017, by the state of Connecticut or a political subdivision thereof to
924 the extent included in a company's gross income under Section 118(b)(2)
925 of the Internal Revenue Code; and

926 (H) In the case of a taxpayer licensed under the provisions of chapter
927 420f or 420h, the amount of the expenditures that would be eligible to
928 be claimed as a deduction for federal income tax purposes but that are
929 disallowed under Section 280E of the Internal Revenue Code because
930 marijuana is a controlled substance under the federal Controlled

931 Substance Act.

932 (2) (A) No deduction shall be allowed for (i) expenses related to
933 dividends that are allowable as a deduction or credit under the Internal
934 Revenue Code, and (ii) federal taxes on income or profits, losses of other
935 calendar or fiscal years, retroactive to include all calendar or fiscal years
936 beginning after January 1, 1935, interest received from federal, state and
937 local government securities, if any such deductions are allowed by the
938 federal government.

939 (B) For purposes of this subdivision, expenses related to dividends
940 shall equal five per cent of all dividends received by a company during
941 an income year. The net income associated with the disallowance of
942 expenses related to dividends shall be apportioned, if the company
943 conducts business within and without the state or is required to
944 apportion its income under section 12-218b, in accordance with this
945 chapter.

946 (3) Notwithstanding any provision of this section to the contrary, no
947 dividend received from a real estate investment trust shall be deductible
948 under this section by the recipient unless the dividend is: (A) Deductible
949 under Section 243 of the Internal Revenue Code; (B) received by a
950 qualified dividend recipient from a qualified real estate investment trust
951 and, as of the last day of the period for which such dividend is paid,
952 persons, not including the qualified dividend recipient or any person
953 that is either a related person to, or an employee or director of, the
954 qualified dividend recipient, have outstanding cash capital
955 contributions to the qualified real estate investment trust that, in the
956 aggregate, exceed five per cent of the fair market value of the aggregate
957 real estate assets, valued as of the last day of the period for which such
958 dividend is paid, then held by the qualified real estate investment trust;
959 or (C) received from a captive real estate investment trust that is subject
960 to the tax imposed under this chapter. For purposes of this section,
961 "related person" has the same meaning as provided in section 12-217ii,
962 "real estate assets" has the same meaning as provided in Section 856 of
963 the Internal Revenue Code, "qualified dividend recipient" means a

964 dividend recipient who has invested in a qualified real estate investment
965 trust prior to April 1, 1997, and "qualified real estate investment trust"
966 means an entity that both was incorporated and had contributed to it a
967 minimum of five hundred million dollars' worth of real estate assets
968 prior to April 1, 1997, and that elects to be a real estate investment trust
969 under Section 856 of the Internal Revenue Code prior to April 1, 1998.

970 (4) Notwithstanding any provision of this section: [to the contrary,]

971 (A) [any] Any excess of the deductions provided in this section for
972 any income year commencing on or after January 1, 1973, over the gross
973 income for such year or the amount of such excess apportioned to this
974 state under the provisions of this chapter, shall be an operating loss of
975 such income year and shall be deductible as an operating loss carry-over
976 for operating losses incurred prior to income years commencing January
977 1, 2000, in each of the five income years following such loss year, and
978 for operating losses incurred in income years commencing on or after
979 January 1, 2000, in each of the twenty income years following such loss
980 year, except that:

981 (i) [for] For income years commencing prior to January 1, 2015, the
982 portion of such operating loss [which] that may be deducted as an
983 operating loss carry-over in any income year following such loss year
984 shall be limited to the lesser of (I) any net income greater than zero of
985 such income year following such loss year, or in the case of a company
986 entitled to apportion its net income under the provisions of this chapter,
987 the amount of such net income [which] that is apportioned to this state
988 pursuant thereto, or (II) the excess, if any, of such operating loss over
989 the total of such net income for each of any prior income years following
990 such loss year, such net income of each of such prior income years
991 following such loss year for such purposes being computed without
992 regard to any operating loss carry-over from such loss year allowed
993 under this subparagraph and being regarded as not less than zero, and
994 provided further the operating loss of any income year shall be
995 deducted in any subsequent year, to the extent available for such
996 deduction, before the operating loss of any subsequent income year is

997 deducted; [.]

998 (ii) [for] For income years commencing on or after January 1, 2015,
999 the portion of such operating loss [which] that may be deducted as an
1000 operating loss carry-over in any income year following such loss year
1001 shall be limited to the lesser of (I) fifty per cent of net income of such
1002 income year following such loss year, or in the case of a company
1003 entitled to apportion its net income under the provisions of this chapter,
1004 fifty per cent of such net income [which] that is apportioned to this state
1005 pursuant thereto, or (II) the excess, if any, of such operating loss over
1006 the operating loss deductions allowable with respect to such operating
1007 loss under this subparagraph for each of any prior income years
1008 following such loss year, such net income of each of such prior income
1009 years following such loss year for such purposes being computed
1010 without regard to any operating loss carry-over from such loss year
1011 allowed under this subparagraph and being regarded as not less than
1012 zero, and provided further the operating loss of any income year shall
1013 be deducted in any subsequent year, to the extent available for such
1014 deduction, before the operating loss of any subsequent income year is
1015 deducted; [.] and

1016 (iii) [if] If a combined group so elects, the combined group shall
1017 relinquish fifty per cent of its unused operating losses incurred prior to
1018 the income year commencing on or after January 1, 2015, and before
1019 January 1, 2016, and may utilize the remaining operating loss carry-over
1020 without regard to the limitations prescribed in subparagraph (A)(ii) of
1021 this subdivision. The portion of such operating loss carry-over that may
1022 be deducted shall be limited to the amount required to reduce a
1023 combined group's tax under this chapter, prior to surtax and prior to the
1024 application of credits, to two million five hundred thousand dollars in
1025 any income year commencing on or after January 1, 2015. Only after the
1026 combined group's remaining operating loss carry-over for operating
1027 losses incurred prior to income years commencing January 1, 2015, has
1028 been fully utilized, will the limitations prescribed in subparagraph
1029 (A)(ii) of this subdivision apply. The combined group, or any member

1030 thereof, shall make such election on its return for the income year
1031 beginning on or after January 1, 2015, and before January 1, 2016, by the
1032 due date for such return, including any extensions. Only combined
1033 groups with unused operating losses in excess of six billion dollars from
1034 income years beginning prior to January 1, 2013, may make the election
1035 prescribed in this clause; [,] and

1036 (B) [any] Any net capital loss, as defined in the Internal Revenue Code
1037 effective and in force on the last day of the income year, for any income
1038 year commencing on or after January 1, 1973, shall be allowed as a
1039 capital loss carry-over to reduce, but not below zero, any net capital
1040 gain, as so defined, in each of the five following income years, in order
1041 of sequence, to the extent not exhausted by the net capital gain of any of
1042 the preceding of such five following income years; [,] and

1043 (C) [any] Any net capital losses allowed and carried forward from
1044 prior years to income years beginning on or after January 1, 1973, for
1045 federal income tax purposes by companies entitled to a deduction for
1046 dividends paid under the Internal Revenue Code other than companies
1047 subject to the gross earnings taxes imposed under chapters 211 and 212,
1048 shall be allowed as a capital loss carry-over.

1049 (5) This section shall not apply to a life insurance company as defined
1050 in the Internal Revenue Code effective and in force on the last day of the
1051 income year. For purposes of this section, the unpaid loss reserve
1052 adjustment required for nonlife insurance companies under the
1053 provisions of Section 832(b)(5) of the Internal Revenue Code of 1986, or
1054 any subsequent corresponding internal revenue code of the United
1055 States, as from time to time amended, shall be applied without making
1056 the adjustment in Subparagraph (B) of said Section 832(b)(5).

1057 (6) For purposes of determining net income under this section for
1058 income years commencing on or after January 1, 2018, the deduction
1059 allowed for business interest paid or accrued shall be determined as
1060 provided under the Internal Revenue Code, except that in making such
1061 determination, the provisions of Section 163(j) shall not apply.

1062 (b) (1) For purposes of determining net income under this section, the
1063 deduction allowed for depreciation shall be determined as provided
1064 under the Internal Revenue Code of 1986, or any subsequent
1065 corresponding internal revenue code of the United States, as from time
1066 to time amended, provided in making such determination, the
1067 provisions of Section 168(k) of said code shall not apply.

1068 (2) (A) For purposes of determining net income under this section for
1069 taxable years ending after December 31, 2008, and to the extent any
1070 income from the discharge of indebtedness, under Section 108 of the
1071 Internal Revenue Code, as amended by Section 1231 of the American
1072 Recovery and Reinvestment Act of 2009, in connection with any
1073 reacquisition, after December 31, 2008, and before January 1, 2011, of an
1074 applicable debt instrument or instruments, as those terms are defined in
1075 said Section 108, as amended by said Section 1231, is not properly
1076 includable in gross income for federal income tax purposes for the
1077 taxable year, any deferral of the recognition of any such income shall
1078 not be allowed.

1079 (B) To the extent that any income from the discharge of indebtedness
1080 in connection with any reacquisition, after December 31, 2008, and
1081 before January 1, 2011, of an applicable debt instrument or instruments,
1082 as those terms are defined in Section 108 of the Internal Revenue Code,
1083 as amended by Section 1231 of the American Recovery and
1084 Reinvestment Act of 2009, is properly includable in gross income for
1085 federal income tax purposes for the taxable year, any such income shall
1086 be deductible in computing net income under this section for a taxable
1087 year ending after December 31, 2008, to the extent that the deferral of
1088 recognition of such income from such discharge was not allowed
1089 pursuant to subparagraph (A) of this subdivision in computing net
1090 income for a preceding taxable year.

1091 (C) For income years commencing on or after January 1, 2018, eighty
1092 per cent of any deduction claimed under Section 179 of the Internal
1093 Revenue Code for federal income tax purposes shall be disallowed. To
1094 the extent such a deduction is disallowed for purposes of computing the

1095 tax under this chapter, twenty-five per cent of the disallowed portion of
1096 the deduction shall be allowed as a deduction in each of the four
1097 succeeding income years.

1098 (c) (1) Notwithstanding the provisions of subsections (a) and (b) of
1099 this section, "net income", in the case of an S corporation, means the
1100 percentage of the nonseparately computed income or loss, as defined in
1101 Section 1366(a)(2) of the Internal Revenue Code, of such S corporation,
1102 without separate state adjustment pursuant to section 12-233 or 12-226a
1103 for the compensation of any officer or employee, to which shall be added
1104 (A) any taxes imposed under the provisions of this chapter [which] that
1105 are paid or accrued in the income year, and (B) any taxes in any state of
1106 the United States or any political subdivision of such state, or the District
1107 of Columbia, imposed on or measured by the income or profits of a
1108 corporation [which] that are paid or accrued in the income year as
1109 provided in subdivision (2) of this subsection.

1110 (2) For income years commencing prior to January 1, 1997, "net
1111 income" means one hundred per cent of the amount computed under
1112 subdivision (1) of this subsection; for income years commencing on or
1113 after January 1, 1997, and prior to January 1, 1998, "net income" means
1114 ninety per cent of the amount computed under subdivision (1) of this
1115 subsection; for income years commencing on or after January 1, 1998,
1116 and prior to January 1, 1999, "net income" means seventy-five per cent
1117 of the amount computed under subdivision (1) of this subsection; for
1118 income years commencing on or after January 1, 1999, and prior to
1119 January 1, 2000, "net income" means fifty-five per cent of the amount
1120 computed under subdivision (1) of this subsection; for income years
1121 commencing on or after January 1, 2000, and prior to January 1, 2001,
1122 "net income" means thirty per cent of the amount computed under
1123 subdivision (1) of this subsection; for income years commencing on or
1124 after January 1, 2001, net income of S corporations as computed under
1125 subdivision (1) of this subsection shall not be subject to the tax under
1126 this chapter. Any S corporation subject to the tax on net income as
1127 provided in this section shall be eligible for any credit against the tax

1128 otherwise available to taxpayers under this chapter only to the extent
1129 and in the same percentage as net income of such S corporation is subject
1130 to taxation under this chapter, except that any S corporation with an
1131 income year commencing on or after January 1, 1999, but before
1132 December 31, 2000, shall be eligible for the entire credit available under
1133 sections 8-395, 12-633, 12-634, 12-635 and 12-635a.

1134 (d) The commissioner may adopt regulations in accordance with
1135 chapter 54, relating to mergers or consolidations of corporations
1136 providing for the deduction, by the surviving or new corporation
1137 provided for in the plan of consolidation, of operating losses that were
1138 incurred by a merging or consolidating corporation, respectively, before
1139 the merger or consolidation, respectively. Such regulations may follow
1140 the provisions of the Internal Revenue Code of 1986, or any subsequent
1141 corresponding internal revenue code of the United States, as from time
1142 to time amended, or the regulations thereunder.

1143 (e) Where a combined group is required to file a combined unitary
1144 tax return pursuant to section 12-222, the combined group's net income
1145 shall be computed as provided in subsection (a) of section 12-218e.

1146 (f) Where a combined group is required to file a combined unitary tax
1147 return pursuant to section 12-222, a taxable member's net operating loss
1148 apportioned to this state shall be deducted and carried over by the
1149 taxable member as provided in subsection (d) of section 12-218e.

1150 Sec. 9. Section 12-217jj of the general statutes is repealed and the
1151 following is substituted in lieu thereof (*Effective January 1, 2024*):

1152 (a) As used in this section:

1153 (1) "Commissioner" means the Commissioner of Revenue Services.

1154 (2) "Department" means the Department of Economic and
1155 Community Development.

1156 (3) (A) "Qualified production" means entertainment content created

1157 in whole or in part within the state, including motion pictures, except as
1158 otherwise provided in this subparagraph; documentaries; long-form,
1159 specials, mini-series, series, sound recordings, videos and music videos
1160 and interstitials television programming; interactive television;
1161 relocated television production; interactive games; videogames;
1162 commercials; any format of digital media, including an interactive web
1163 site, created for distribution or exhibition to the general public; and any
1164 trailer, pilot, video teaser or demo created primarily to stimulate the
1165 sale, marketing, promotion or exploitation of future investment in either
1166 a product or a qualified production via any means and media in any
1167 digital media format, film or videotape, provided such program meets
1168 all the underlying criteria of a qualified production. For state fiscal years
1169 ending on or after June 30, 2014, "qualified production" shall not include
1170 a motion picture that has not been designated as a state-certified
1171 qualified production prior to July 1, 2013, and no tax credit voucher for
1172 such motion picture may be issued for such motion picture, except, for
1173 state fiscal years ending on or after June 30, 2015, "qualified production"
1174 shall include a motion picture for which twenty-five per cent or more of
1175 the principal photography shooting days are in this state at a facility that
1176 receives not less than twenty-five million dollars in private investment
1177 and opens for business on or after July 1, 2013, and a tax credit voucher
1178 may be issued for such motion picture.

1179 (B) "Qualified production" shall not include any ongoing television
1180 program created primarily as news, weather or financial market reports;
1181 a production featuring current events, other than a relocated television
1182 production, sporting events, an awards show or other gala event; a
1183 production whose sole purpose is fundraising; a long-form production
1184 that primarily markets a product or service; a production used for
1185 corporate training or in-house corporate advertising or other similar
1186 productions; or any production for which records are required to be
1187 maintained under 18 USC 2257, as amended from time to time, with
1188 respect to sexually explicit content.

1189 (4) "Eligible production company" means a corporation, partnership,

1190 limited liability company, or other business entity engaged in the
1191 business of producing qualified productions on a one-time or ongoing
1192 basis, and qualified by the Secretary of the State to engage in business
1193 in the state.

1194 (5) "Production expenses or costs" means all expenditures clearly and
1195 demonstrably incurred in the state in the preproduction, production or
1196 postproduction costs of a qualified production, including:

1197 (A) Expenditures incurred in the state in the form of either
1198 compensation or purchases including production work, production
1199 equipment not eligible for the infrastructure tax credit provided in
1200 section 12-217kk, production software, postproduction work,
1201 postproduction equipment, postproduction software, set design, set
1202 construction, props, lighting, wardrobe, makeup, makeup accessories,
1203 special effects, visual effects, audio effects, film processing, music,
1204 sound mixing, editing, location fees, soundstages and any and all other
1205 costs or services directly incurred in connection with a state-certified
1206 qualified production;

1207 (B) Expenditures for distribution, including preproduction,
1208 production or postproduction costs relating to the creation of trailers,
1209 marketing videos, commercials, point-of-purchase videos and any and
1210 all content created on film or digital media, including the duplication of
1211 films, videos, CDs, DVDs and any and all digital files now in existence
1212 and those yet to be created for mass consumer consumption; the
1213 purchase, by a company in the state, of any and all equipment relating
1214 to the duplication or mass market distribution of any content created or
1215 produced in the state by any digital media format which is now in use
1216 and those formats yet to be created for mass consumer consumption;
1217 and

1218 (C) "Production expenses or costs" does not include the following: (i)
1219 On and after January 1, 2008, compensation in excess of fifteen million
1220 dollars paid to any individual or entity representing an individual, for
1221 services provided in the production of a qualified production and on or

1222 after January 1, 2010, compensation subject to Connecticut personal
1223 income tax in excess of twenty million dollars paid in the aggregate to
1224 any individuals or entities representing individuals, for star talent
1225 provided in the production of a qualified production; (ii) media buys,
1226 promotional events or gifts or public relations associated with the
1227 promotion or marketing of any qualified production; (iii) deferred,
1228 leveraged or profit participation costs relating to any and all personnel
1229 associated with any and all aspects of the production, including, but not
1230 limited to, producer fees, director fees, talent fees and writer fees; (iv)
1231 costs relating to the transfer of the production tax credits; (v) any
1232 amounts paid to persons or businesses as a result of their participation
1233 in profits from the exploitation of the qualified production; and (vi) any
1234 expenses or costs relating to an independent certification, as required by
1235 subsection (h) of this section, or as the department may otherwise
1236 require, pertaining to the amount of production expenses or costs set
1237 forth by an eligible production company in its application for a
1238 production tax credit.

1239 (6) "Sound recording" means a recording of music, poetry or spoken-
1240 word performance, but does not include the audio portions of dialogue
1241 or words spoken and recorded as part of a motion picture, video,
1242 theatrical production, television news coverage or athletic event.

1243 (7) "State-certified qualified production" means a qualified
1244 production produced by an eligible production company that (A) is in
1245 compliance with regulations adopted pursuant to subsection (l) of this
1246 section, (B) is authorized to conduct business in this state, and (C) has
1247 been approved by the department as qualifying for a production tax
1248 credit under this section.

1249 (8) "Interactive web site" means a web site, the production costs of
1250 which (A) exceed five hundred thousand dollars per income year, and
1251 (B) is primarily (i) interactive games or end user applications, or (ii)
1252 animation, simulation, sound, graphics, story lines or video created or
1253 repurposed for distribution over the Internet. An interactive web site
1254 does not include a web site primarily used for institutional, private,

1255 industrial, retail or wholesale marketing or promotional purposes, or
1256 which contains obscene content.

1257 (9) "Post-certification remedy" means the recapture, disallowance,
1258 recovery, reduction, repayment, forfeiture, decertification or any other
1259 remedy that would have the effect of reducing or otherwise limiting the
1260 use of a tax credit provided by this section.

1261 (10) "Compensation" means base salary or wages and does not
1262 include bonus pay, stock options, restricted stock units or similar
1263 arrangements.

1264 (11) "Relocated television production" means:

1265 (A) An ongoing television program all of the prior seasons of which
1266 were filmed outside this state, and may include current events shows,
1267 except those referenced in subparagraph (B)(i) of this subdivision.

1268 (B) An eligible production company's television programming in this
1269 state that (i) is not a general news program, sporting event or game
1270 broadcast, and (ii) is created at a qualified production facility that has
1271 had a minimum investment of twenty-five million dollars made by such
1272 eligible production company on or after January 1, 2012, at which
1273 facility the eligible production company creates ongoing television
1274 programming as defined in subparagraph (A) of this subdivision, and
1275 creates at least two hundred new jobs in Connecticut on or after January
1276 1, 2012. For purposes of this subdivision, "new job" means a full-time
1277 job, as defined in section 12-217ii, that did not exist in this state prior to
1278 January 1, 2012, and is filled by a new employee, and "new employee"
1279 includes a person who was employed outside this state by the eligible
1280 production company prior to January 1, 2012, but does not include a
1281 person who was employed in this state by the eligible production
1282 company or a related person, as defined in section 12-217ii, with respect
1283 to the eligible production company during the prior twelve months.

1284 (C) A relocated television production may be a state-certified
1285 qualified production for not more than ten successive income years,

1286 after which period the eligible production company shall be ineligible
1287 to resubmit an application for certification.

1288 (b) (1) The Department of Economic and Community Development
1289 shall administer a system of tax credit vouchers within the resources,
1290 requirements and purposes of this section for eligible production
1291 companies producing a state-certified qualified production in the state.

1292 (2) Any eligible production company incurring production expenses
1293 or costs shall be eligible for a credit (A) for income years commencing
1294 on or after January 1, 2010, but prior to January 1, 2018, against the tax
1295 imposed under chapter 207 or this chapter, (B) for income years
1296 commencing on or after January 1, 2018, but prior to January 1, 2022,
1297 against the tax imposed under chapter 207 or 211 or this chapter, and
1298 (C) for income years commencing on or after January 1, 2022, against the
1299 tax imposed under chapter 207, 211, 219 or this chapter, as follows: (i)
1300 For any such company incurring such expenses or costs of not less than
1301 one hundred thousand dollars, but not more than five hundred
1302 thousand dollars, a credit equal to ten per cent of such expenses or costs,
1303 (ii) for any such company incurring such expenses or costs of more than
1304 five hundred thousand dollars, but not more than one million dollars, a
1305 credit equal to fifteen per cent of such expenses or costs, and (iii) for any
1306 such company incurring such expenses or costs of more than one million
1307 dollars, a credit equal to thirty per cent of such expenses or costs.

1308 (c) No eligible production company incurring an amount of
1309 production expenses or costs that qualifies for such credit shall be
1310 eligible for such credit unless on or after January 1, 2010, such company
1311 conducts (1) not less than fifty per cent of principal photography days
1312 within the state, or (2) expends not less than fifty per cent of
1313 postproduction costs within the state, or (3) expends not less than one
1314 million dollars of postproduction costs within the state.

1315 (d) For income years commencing on or after January 1, 2010, no
1316 expenses or costs incurred outside the state and used within the state
1317 shall be eligible for a credit, and one hundred per cent of such expenses

1318 or costs shall be counted toward such credit when incurred within the
1319 state and used within the state.

1320 (e) (1) On and after July 1, 2006, and for income years commencing
1321 on or after January 1, 2006, any credit allowed pursuant to this section
1322 may be sold, assigned or otherwise transferred, in whole or in part, to
1323 one or more taxpayers, provided (A) no credit, after issuance, may be
1324 sold, assigned or otherwise transferred, in whole or in part, more than
1325 three times, (B) in the case of a credit allowed for the income year
1326 commencing on or after January 1, 2011, [and] but prior to January 1,
1327 2012, any entity that is not subject to tax under chapter 207 or this
1328 chapter may transfer not more than fifty per cent of such credit in any
1329 one income year, and (C) in the case of a credit allowed for an income
1330 year commencing on or after January 1, 2012, any entity that is not
1331 subject to tax under chapter 207 or this chapter may transfer not more
1332 than twenty-five per cent of such credit in any one income year.

1333 (2) Notwithstanding the provisions of subdivision (1) of this
1334 subsection, any entity that is not subject to tax under this chapter or
1335 chapter 207 shall not be subject to the limitations on the transfer of
1336 credits provided in subparagraphs (B) and (C) of said subdivision (1),
1337 provided such entity owns not less than fifty per cent, directly or
1338 indirectly, of a business entity, as defined in section 12-284b.

1339 (3) Notwithstanding the provisions of subdivision (1) of this
1340 subsection, any qualified production that is created in whole or in
1341 significant part, as determined by the Commissioner of Economic and
1342 Community Development, at a qualified production facility shall not be
1343 subject to the limitations of subparagraph (B) or (C) of said subdivision
1344 (1). For purposes of this subdivision, "qualified production facility"
1345 means a facility (A) located in this state, (B) intended for film, television
1346 or digital media production, and (C) that has had a minimum
1347 investment of three million dollars, or less if the Commissioner of
1348 Economic and Community Development determines such facility
1349 otherwise qualifies.

1350 (4) (A) For the income year commencing on or after January 1, 2018,
1351 but prior to January 1, 2019, any credit that is sold, assigned or otherwise
1352 transferred, in whole or in part, to one or more taxpayers pursuant to
1353 subdivision (1) of this subsection may be claimed against the tax
1354 imposed under chapter 211 only if there is common ownership of at least
1355 fifty per cent between such taxpayer and the eligible production
1356 company that sold, assigned or otherwise transferred such credit. Such
1357 taxpayer may only claim ninety-two per cent of the amount of such
1358 credit entered by the department on the production tax credit voucher.

1359 (B) For income years commencing on or after January 1, 2019, any
1360 credit that is sold, assigned or otherwise transferred, in whole or in part,
1361 to one or more taxpayers pursuant to subdivision (1) of this subsection,
1362 which credit is claimed against the tax imposed under chapter 211, shall
1363 be subject to the following limits:

1364 (i) The taxpayer may only claim ninety-five per cent of the amount of
1365 such credit entered by the department on the production tax credit
1366 voucher; and

1367 (ii) If there is common ownership of at least fifty per cent between
1368 such taxpayer and the eligible production company that sold, assigned
1369 or otherwise transferred such credit, such taxpayer may only claim
1370 ninety-two per cent of the amount of such credit entered by the
1371 department on the production tax credit voucher.

1372 (5) (A) For income years commencing on or after January 1, 2022, but
1373 prior to January 1, 2024, any credit that is claimed against the tax
1374 imposed under chapter 219 shall be subject to the following limits:

1375 [(A)] (i) Any credit that is sold, assigned or otherwise transferred, in
1376 whole or in part, to one or more taxpayers pursuant to subdivision (1)
1377 of this subsection may be claimed against the tax imposed under chapter
1378 219 only if there is common ownership of at least fifty per cent between
1379 such taxpayer and the eligible production company that sold, assigned
1380 or otherwise transferred such credit; and

1381 [(B)] (ii) The eligible production company or taxpayer claiming the
1382 credit against the tax imposed under chapter 219 may only claim
1383 seventy-eight per cent of the amount of such credit entered by the
1384 department on the production tax credit voucher.

1385 (B) For income years commencing on or after January 1, 2024, any
1386 credit that is claimed against the tax imposed under chapter 219 shall be
1387 subject to the following limits:

1388 (i) Any credit that is sold, assigned or otherwise transferred, in whole
1389 or in part, to one or more taxpayers pursuant to subdivision (1) of this
1390 subsection may be claimed against the tax imposed under chapter 219
1391 only if there is common ownership of at least fifty per cent between such
1392 taxpayer and the eligible production company that sold, assigned or
1393 otherwise transferred such credit; and

1394 (ii) The eligible production company or taxpayer claiming the credit
1395 against the tax imposed under chapter 219 may only claim ninety-two
1396 per cent of the amount of such credit entered by the department on the
1397 production tax credit voucher.

1398 (f) (1) On and after July 1, 2006, and for income years commencing on
1399 or after January 1, 2006, but prior to January 1, 2015, all or part of any
1400 such credit allowed under this section may be claimed against the tax
1401 imposed under chapter 207 or this chapter for the income year in which
1402 the production expenses or costs were incurred, or in the three
1403 immediately succeeding income years.

1404 (2) For production tax credit vouchers issued on or after July 1, 2015,
1405 but prior to January 1, 2018, all or part of any such credit may be claimed
1406 against the tax imposed under chapter 207 or this chapter, for the
1407 income year in which the production expenses or costs were incurred,
1408 or in the five immediately succeeding income years.

1409 (3) For production tax credit vouchers issued on or after July 1, 2018,
1410 but prior to January 1, 2022, all or part of any such credit may be claimed
1411 against the tax imposed under chapter 207 or 211 or this chapter, for the

1412 income year in which the production expenses or costs were incurred,
1413 or in the five immediately succeeding income years.

1414 (4) For production tax credit vouchers issued on or after January 1,
1415 2022, all or part of any such credit may be claimed against the tax
1416 imposed under chapter 207, 211, 219 or this chapter, for the income year
1417 in which the production expenses or costs were incurred, or in the five
1418 immediately succeeding income years.

1419 (g) Any production tax credit allowed under this section shall be
1420 nonrefundable.

1421 (h) (1) An eligible production company shall apply to the department
1422 for a tax credit voucher on an annual basis, but not later than ninety days
1423 after the first production expenses or costs are incurred in the
1424 production of a qualified production, and shall provide with such
1425 application such information as the department may require to
1426 determine such company's eligibility to claim a credit under this section.
1427 No production expenses or costs may be listed more than once for
1428 purposes of the tax credit voucher pursuant to this section, or pursuant
1429 to section 12-217kk or 12-217ll, and if a production expense or cost has
1430 been included in a claim for a credit, such production expense or cost
1431 may not be included in any subsequent claim for a credit.

1432 (2) Not later than ninety days after the end of the annual period, or
1433 after the last production expenses or costs are incurred in the production
1434 of a qualified production, an eligible production company shall apply
1435 to the department for a production tax credit voucher, and shall provide
1436 with such application (A) a report that includes the number of full-time
1437 jobs and the number of part-time jobs created by the eligible production
1438 company during the annual period, a description of each such job and
1439 an explanation of what the eligible production company considers to be
1440 job creation for purposes of the report, and (B) such information and
1441 independent certification as the department may require pertaining to
1442 the amount of such company's production expenses or costs. Such
1443 independent certification shall be provided by an audit professional

1444 chosen from a list compiled by the department. If the department
1445 determines that such company is eligible to be issued a production tax
1446 credit voucher, the department shall enter on the voucher the amount
1447 of production expenses or costs that has been established to the
1448 satisfaction of the department and the amount of such company's credit
1449 under this section. The department shall provide a copy of such voucher
1450 to the commissioner, upon request.

1451 (3) The department shall charge a reasonable administrative fee
1452 sufficient to cover the department's costs to analyze applications
1453 submitted under this section.

1454 (i) If an eligible production company sells, assigns or otherwise
1455 transfers a credit under this section to another taxpayer, the transferor
1456 and transferee shall jointly submit written notification of such transfer
1457 to the department not later than thirty days after such transfer. If such
1458 transferee sells, assigns or otherwise transfers a credit under this section
1459 to a subsequent transferee, such transferee and such subsequent
1460 transferee shall jointly submit written notification of such transfer to the
1461 department not later than thirty days after such transfer. The
1462 notification after each transfer shall include the credit voucher number,
1463 the date of transfer, the amount of such credit transferred, the tax credit
1464 balance before and after the transfer, the tax identification numbers for
1465 both the transferor and the transferee, and any other information
1466 required by the department. Failure to comply with this subsection will
1467 result in a disallowance of the tax credit until there is full compliance on
1468 the part of the transferor and the transferee, and for a second or third
1469 transfer, on the part of all subsequent transferors and transferees. The
1470 department shall provide a copy of the notification of assignment to the
1471 commissioner upon request.

1472 (j) Any eligible production company that submits information to the
1473 department that it knows to be fraudulent or false shall, in addition to
1474 any other penalties provided by law, be liable for a penalty equal to the
1475 amount of such company's credit entered on the production tax credit
1476 voucher issued under this section.

1477 (k) No tax credits transferred pursuant to this section shall be subject
1478 to a post-certification remedy, and the department and the
1479 commissioner shall have no right, except in the case of possible material
1480 misrepresentation or fraud, to conduct any further or additional review,
1481 examination or audit of the expenditures or costs for which such tax
1482 credits were issued. The sole and exclusive remedy of the department
1483 and the commissioner shall be to seek collection of the amount of such
1484 tax credits from the entity that committed the fraud or
1485 misrepresentation.

1486 (l) The department, in consultation with the commissioner, shall
1487 adopt regulations, in accordance with the provisions of chapter 54, as
1488 may be necessary for the administration of this section.

1489 Sec. 10. Subsection (a) of section 32-1m of the general statutes is
1490 repealed and the following is substituted in lieu thereof (*Effective January*
1491 *1, 2024*):

1492 (a) Not later than February first, annually, the Commissioner of
1493 Economic and Community Development shall submit a report to the
1494 Governor, the Auditors of Public Accounts and the joint standing
1495 committees of the General Assembly having cognizance of matters
1496 relating to appropriations and the budgets of state agencies, finance,
1497 revenue and bonding and commerce, in accordance with the provisions
1498 of section 11-4a. Not later than thirty days after submission of the report,
1499 said commissioner shall post the report on the Department of Economic
1500 and Community Development's web site. Such report shall include, but
1501 not be limited to, the following information with regard to the activities
1502 of the Department of Economic and Community Development and to
1503 business assistance programs administered by Connecticut Innovations,
1504 Incorporated, during the preceding state fiscal year:

1505 (1) A brief description and assessment of the state's economy during
1506 such year, utilizing the most recent and reasonably available data, and
1507 including:

1508 (A) Connecticut employment by industry;

1509 (B) Connecticut and national average unemployment; and

1510 (C) Connecticut gross state product, by industry.

1511 (2) An analysis of the economic development portfolio of the
1512 department, including, but not limited to, each business assistance or
1513 incentive program, including any business tax credit or abatement
1514 program, grant, loan, forgivable loan or other form of assistance,
1515 enacted for the purpose of improving economic development. The
1516 analysis shall include:

1517 (A) The Internet web site address of the state's open data portal and
1518 an indication of where the name, address and location of each recipient
1519 of the department's assistance is published on the site along with the
1520 following information concerning each recipient: (i) Business activities,
1521 (ii) standard industrial classification codes or North American industrial
1522 classification codes, (iii) whether the recipient is a minority or woman-
1523 owned business, (iv) a summary of the terms and conditions for the
1524 assistance, including the type and amount of state financial assistance
1525 and job creation or retention requirements, (v) the amount of
1526 investments from private and other nonstate sources that have been
1527 leveraged by the assistance, and (vi) the amount of state investment;

1528 (B) A portfolio analysis, including an analysis of the wages paid by
1529 recipients of financial assistance by industry;

1530 (C) An investment analysis, including (i) total portfolio value, (ii)
1531 total investment by industry, (iii) portfolio dollar per job average, and
1532 (iv) portfolio leverage ratio;

1533 (D) An overview of the business assistance and incentive programs
1534 administered by the department and an analysis of their estimated
1535 economic impact on the state's economy. The analysis shall include, for
1536 each business assistance or incentive program for which such data is
1537 available, the number of new jobs created, the borrowing cost to the

1538 state and the estimated impact of such program on annual state
1539 revenues;

1540 (E) An analysis of whether the statutory and programmatic goals of
1541 each business or incentive program are being met, with obstacles to such
1542 goals identified, if possible;

1543 (F) (i) Recommendations as to whether any existing business
1544 assistance or incentive program should be continued, modified or
1545 repealed and the basis or bases for such recommendations, and (ii) any
1546 recommendations for additional data collection by the state to better
1547 inform future evaluations of such programs; and

1548 (G) The methodologies and assumptions used in carrying out the
1549 analyses under this subdivision.

1550 (3) An analysis of the community development portfolio of the
1551 department, including:

1552 (A) The Internet web site address of the state's open data portal and
1553 an indication of where the name, address and location of each recipient
1554 of the department's assistance is published on the site along with the
1555 following information concerning each recipient: (i) Amount of state
1556 investment, (ii) a summary of the terms and conditions for the
1557 department's assistance, including the type and amount of state
1558 financial assistance, and (iii) the amount of investments from private
1559 and other nonstate sources that have been leveraged by such assistance;
1560 and

1561 (B) An investment analysis, including (i) total active portfolio value,
1562 (ii) total investments made in the preceding state fiscal year, and (iii)
1563 total portfolio leverage ratio.

1564 (4) An analysis of each business assistance or incentive program,
1565 including any business tax credit or abatement program, grant, loan,
1566 forgivable loan or other form of assistance, enacted for the purpose of
1567 improving economic development, that (A) (i) had ten or more

1568 recipients of assistance in the preceding state fiscal year, or (ii) credited,
1569 abated or distributed more than one million dollars in the preceding
1570 state fiscal year, and (B) is administered by the department or
1571 Connecticut Innovations, Incorporated. The analysis shall include:

1572 (i) An overview of the business assistance or incentive program and
1573 an analysis of its estimated economic effects on the state's economy,
1574 including, for each program where such data is available, the number of
1575 new jobs created and the estimated impact of such program on annual
1576 state revenues;

1577 (ii) An analysis of whether the statutory and programmatic goals of
1578 each business assistance or incentive program are being met, with
1579 obstacles to such goals identified, if possible;

1580 (iii) Recommendations as to whether any such existing business
1581 assistance or incentive program should be continued, modified or
1582 repealed and the basis or bases for such recommendations, and any
1583 recommendations for additional data collection by the state to better
1584 inform future evaluations of such programs; and

1585 (iv) The methodologies and assumptions used in carrying out the
1586 analysis under this subdivision.

1587 (5) A summary of the department's international trade efforts in the
1588 preceding state fiscal year, and, to the extent possible, a summary of
1589 foreign direct investment that occurred in the state in such year.

1590 (6) A summary of the total social and economic impact of the
1591 department's efforts and activities in the areas of economic and
1592 community development, and an assessment of the department's
1593 performance in terms of meeting its stated goals and objectives.

1594 (7) With regard to the Small Business Express program established
1595 pursuant to section 32-7g, data on (A) the number of small businesses
1596 that received assistance under said program and the general categories
1597 of such businesses, (B) the amounts and types of assistance provided,

1598 (C) the total number of jobs on the date of application and the number
1599 proposed to be created or retained, (D) the most recent employment
1600 figures of the small businesses receiving assistance, (E) the default rate
1601 of small businesses that received assistance under said program, and (F)
1602 the progress of the lenders participating in said program in becoming
1603 self-sustainable.

1604 (8) With regard to airport development zones established pursuant
1605 to section 32-75d, a summary of the economic and cost benefits of each
1606 zone and any recommended revisions to any such zones.

1607 (9) An overview of the department's activities related to tourism, the
1608 arts and historic preservation.

1609 (10) An overview of the department's activities concerning digital
1610 media, motion pictures and related production activity, and an analysis
1611 of the use of the film production tax credit established under section 12-
1612 217jj, as amended by this act, the entertainment industry infrastructure
1613 tax credit established under section 12-217kk and the digital animation
1614 production tax credit established under section 12-217ll, including the
1615 amount of any tax credit issued under said sections, [and] the total
1616 amount of production expenses or costs incurred in the state by the
1617 taxpayer who was issued such a tax credit and the information
1618 submitted in the report required under subparagraph (A) of subdivision
1619 (1) of subsection (h) of section 12-217jj, as amended by this act.

1620 (11) A summary of the department's and the office of the permit
1621 ombudsman's brownfield-related efforts and activities in the preceding
1622 fiscal year.

1623 (12) A summary of the department's dry cleaning establishment
1624 remediation account activities in the preceding fiscal year.

1625 Sec. 11. Section 12-217ee of the general statutes is repealed and the
1626 following is substituted in lieu thereof (*Effective July 1, 2023*):

1627 (a) (1) Any taxpayer that [(1)] (A) is a qualified small business, [(2)]

1628 (B) qualifies for a credit under section 12-217j or section 12-217n, and
1629 ~~[(3)] (C)~~ cannot take such credit in the taxable year in which the credit
1630 could otherwise be taken as a result of having no tax liability under this
1631 chapter may elect to carry such credit forward under this chapter or may
1632 apply to the commissioner as provided in subsection (b) of this section
1633 to exchange such credit with the state for a credit refund equal to sixty-
1634 five per cent of the value of the credit or, for a biotechnology company,
1635 equal to eighty per cent of the value of the credit.

1636 (2) Any amount of credit refunded under this section shall be
1637 refunded to the taxpayer under the provisions of this chapter, except
1638 that such credit refund shall not be subject to the provisions of section
1639 12-227. Payment of the capital base tax under section 12-219, as
1640 amended by this act, for an income year commencing on or after January
1641 1, 2002, in which year the taxpayer reports no net income, as defined in
1642 section 12-213, or payment of the minimum tax of two hundred fifty
1643 dollars under section 12-219, as amended by this act, or 12-223c for any
1644 income year, shall not be considered a tax liability for purposes of this
1645 section.

1646 (b) An application for refund of such credit amount shall be made to
1647 the Commissioner of Revenue Services, at the same time such taxpayer
1648 files its return for the income year on or before the original due date or,
1649 if applicable, the extended due date of such [year's] year's return, on
1650 such forms and containing such information as prescribed by said
1651 commissioner. No application for refund of such credit amount may be
1652 made after the due date or extended due date, as the case may be, of
1653 such return.

1654 (c) If the commissioner determines that the taxpayer qualifies for a
1655 credit refund under this section, the commissioner shall notify, no later
1656 than one hundred twenty days from receipt of the application for such
1657 credit refund, the State Comptroller of the name of the eligible taxpayer,
1658 and the State Comptroller shall draw an order on the State Treasurer.
1659 The amount of the credit refund shall be limited as follows:

1660 (1) In the case of an application for such credit refund filed by the
1661 taxpayer for income years beginning during 2000 or 2001 where such
1662 credit refund has not been paid as of July 1, 2002, the taxpayer shall be
1663 entitled to receive no more than one million dollars during the [state's]
1664 state's fiscal year in which the initial refund is paid, with any remaining
1665 unpaid balance to be paid in two equal installments during the [state's]
1666 state's next two succeeding fiscal years; and

1667 (2) [in] In the case of an application for such credit refund filed by the
1668 taxpayer for the income years beginning during 2002 or thereafter, the
1669 taxpayer shall be entitled to receive no more than one million five
1670 hundred thousand dollars for any one such income year.

1671 (d) The Commissioner of Revenue Services may disallow the credit
1672 refund of any credit otherwise allowable for a taxable year under this
1673 section if the company claiming the exchange has any amount of taxes
1674 due and unpaid to the state including interest, penalties, fees and other
1675 charges related thereto for which a period in excess of thirty days has
1676 elapsed following the date on which such taxes were due and which are
1677 not the subject of a timely filed administrative appeal to the
1678 commissioner or of a timely filed appeal pending before any court of
1679 competent jurisdiction. Before any such disallowance, the commissioner
1680 shall send written notice to the company, stating that it may pay the
1681 amount of such delinquent tax or enter into an agreement with the
1682 commissioner for the payment thereof, by the date set forth in said
1683 notice, provided, such date shall not be less than thirty days after the
1684 date of such notice. Failure on the part of the company to pay the
1685 amount of the delinquent tax or enter into an agreement to pay the
1686 amount thereof by said date shall result in a disallowance of the credit
1687 refund being claimed.

1688 (e) For purposes of this section, (1) "qualified small business" means
1689 a company that [(1)] (A) has gross income for the previous income year
1690 that does not exceed seventy million dollars, and [(2)] (B) has not, in the
1691 determination of the commissioner, met the gross income test through
1692 transactions with a related person, as defined in section 12-217w, as

1693 amended by this act, and (2) "biotechnology company" has the same
1694 meaning as provided in subsection (b) of section 12-217j.

1695 Sec. 12. Section 22a-245a of the general statutes is repealed and the
1696 following is substituted in lieu thereof (*Effective from passage*):

1697 (a) Each deposit initiator shall open a special interest-bearing account
1698 at a Connecticut branch of a financial institution, as defined in section
1699 45a-557a, to the credit of the deposit initiator. Each deposit initiator shall
1700 deposit in such account an amount equal to the refund value established
1701 pursuant to subsection (a) of section 22a-244, for each beverage
1702 container sold by such deposit initiator. Such deposit shall be made not
1703 more than one month after the date such beverage container is sold,
1704 provided for any beverage container sold during the period from
1705 December 1, 2008, to December 31, 2008, inclusive, such deposit shall be
1706 made not later than January 5, 2009. All interest, dividends and returns
1707 earned on the special account shall be paid directly into such account.
1708 Such moneys shall be kept separate and apart from all other moneys in
1709 the possession of the deposit initiator. The amount required to be
1710 deposited pursuant to this section, when deposited, shall be held to be
1711 a special fund in trust for the state.

1712 (b) (1) Any reimbursement of the refund value for a redeemed
1713 beverage container shall be paid from the deposit initiator's special
1714 account, with such payment to be computed, subject to the provisions
1715 of subdivision (2) of this subsection, under the cash receipts and
1716 disbursements method of accounting, as described in Section 446(c)(1)
1717 of the Internal Revenue Code of 1986, or any subsequent corresponding
1718 Internal Revenue Code of the United States, as amended from time to
1719 time.

1720 (2) A deposit initiator may petition the Commissioner of Revenue
1721 Services for an alternate method of accounting by filing with such
1722 deposit initiator's return a statement of objections and other proposed
1723 alternate method of accounting, as such deposit initiator believes proper
1724 and equitable under the circumstances, that is accompanied by

1725 supporting details and proof. The Commissioner of Revenue Services
1726 shall promptly notify such deposit initiator whether the proposed
1727 alternate method is accepted as reasonable and equitable and, if so
1728 accepted, shall adjust such deposit initiator's return and payment of
1729 reimbursement accordingly.

1730 (c) Not later than August 1, 2024, and annually thereafter, the
1731 Commissioner of Energy and Environmental Protection shall calculate
1732 and publish the average state-wide redemption rate for the preceding
1733 fiscal year, calculated as the number of beverage containers redeemed
1734 for the deposit divided by the number of beverage containers sold.

1735 ~~[(c)]~~ (d) (1) Each deposit initiator shall submit a report on March 15,
1736 2009, for the period from December 1, 2008, to February 28, 2009,
1737 inclusive. Each deposit initiator shall submit a report on July 31, 2009,
1738 for the period from March 1, 2009, to June 30, 2009, inclusive, and
1739 thereafter shall submit a quarterly report for the immediately preceding
1740 calendar quarter one month after the close of such quarter. Each such
1741 report shall be submitted to the Commissioner of Energy and
1742 Environmental Protection, on a form prescribed by the commissioner
1743 and with such information as the commissioner deems necessary,
1744 including, but not limited to: (A) The balance in the special account at
1745 the beginning of the quarter for which the report is prepared; (B) a list
1746 of all deposits credited to such account during such quarter, including
1747 all refund values paid to the deposit initiator and all interest, dividends
1748 or returns received on the account; (C) a list of all withdrawals from
1749 such account during such quarter, all service charges and overdraft
1750 charges on the account and all payments made pursuant to subsection
1751 ~~[(d)]~~ (e) of this section; and (D) the balance in the account at the close of
1752 the quarter for which the report is prepared.

1753 (2) Each deposit initiator shall submit a report on October 31, 2010,
1754 for the calendar quarter beginning July 1, 2010. Subsequently, each
1755 deposit initiator shall submit a quarterly report for the immediately
1756 preceding calendar quarter, on or before the last day of the month next
1757 succeeding the close of such quarter. Each such report shall be

1758 submitted to the Commissioner of Revenue Services, on a form
1759 prescribed by the Commissioner of Revenue Services, and with such
1760 information as the Commissioner of Revenue Services deems necessary,
1761 including, but not limited to, the following information: (A) The balance
1762 in the special account at the beginning of the quarter for which the
1763 report is prepared, (B) all deposits credited to such account during such
1764 quarter, including all refund values paid to the deposit initiator and all
1765 interest, dividends or returns received on such account, (C) all
1766 withdrawals from such account during such quarter, including all
1767 service charges and overdraft charges on such account and all payments
1768 made pursuant to subsection [(d)] (e) of this section, and (D) the balance
1769 in such account at the close of the quarter for which the report is
1770 prepared. Such quarterly report shall be filed electronically with the
1771 Commissioner of Revenue Services, in the manner provided by chapter
1772 228g.

1773 [(d)] (e) (1) On or before April 30, 2009, each deposit initiator shall
1774 pay the balance outstanding in the special account that is attributable to
1775 the period from December 1, 2008, to March 31, 2009, inclusive, to the
1776 Commissioner of Energy and Environmental Protection for deposit in
1777 the General Fund. Thereafter, the balance outstanding in the special
1778 account that is attributable to the immediately preceding calendar
1779 quarter shall be paid by the deposit initiator one month after the close
1780 of such quarter to the Commissioner of Energy and Environmental
1781 Protection for deposit in the General Fund. If the amount of the required
1782 payment pursuant to this subdivision is not paid by the date seven days
1783 after the due date, a penalty of ten per cent of the amount due shall be
1784 added to the amount due. The amount due shall bear interest at the rate
1785 of one and one-half per cent per month or fraction thereof, from the due
1786 date. Any such penalty or interest shall not be paid from funds
1787 maintained in the special account.

1788 (2) (A) On or before October 31, 2010, each deposit initiator shall pay
1789 the balance outstanding in the special account that is attributable to the
1790 period from July 1, 2010, to September 30, 2010, inclusive, to the

1791 Commissioner of Revenue Services for deposit in the General Fund.

1792 (B) Subsequently: [, for]

1793 (i) For the fiscal year ending June 30, 2023, ninety-five per cent of the
1794 balance outstanding in the special account that is attributable to the
1795 immediately preceding calendar quarter shall be paid by the deposit
1796 initiator on or before the last day of the month next succeeding the close
1797 of such quarter to the Commissioner of Revenue Services for deposit in
1798 the General Fund; [, for]

1799 (ii) For the fiscal year ending June 30, 2024, sixty-five per cent of the
1800 balance outstanding in the special account that is attributable to the
1801 immediately preceding calendar quarter shall be paid by the deposit
1802 initiator on or before the last day of the month next succeeding the close
1803 of such quarter to the Commissioner of Revenue Services for deposit in
1804 the General Fund, except that for the calendar quarters ending
1805 September 30, 2023, and December 31, 2023, the balances outstanding in
1806 the special account that are attributable to said calendar quarters shall
1807 be retained in the special account by the deposit initiator for the purpose
1808 of reimbursement of the refund value in effect on January 1, 2024, for a
1809 redeemed beverage container in accordance with the provisions of
1810 subsection (b) of this section and section 22a-244;

1811 (iii) For the fiscal year ending June 30, 2025, [fifty-five] fifty per cent
1812 of the balance outstanding in the special account that is attributable to
1813 the immediately preceding calendar quarter shall be paid by the deposit
1814 initiator on or before the last day of the month next succeeding the close
1815 of such quarter to the Commissioner of Revenue Services for deposit in
1816 the General Fund; [and for]

1817 (iv) For the fiscal year ending June 30, 2026, [and each subsequent
1818 fiscal year thereafter, forty-five] if the redemption rate calculated under
1819 subsection (c) of this section for the preceding fiscal year is:

1820 (I) At least sixty-five per cent, twenty-five per cent of the balance
1821 outstanding in the special account that is attributable to the immediately

1822 preceding calendar quarter shall be paid by the deposit initiator on or
1823 before the last day of the month next succeeding the close of such
1824 quarter to the Commissioner of Revenue Services for deposit in the
1825 General Fund; and

1826 (II) Less than sixty-five per cent, forty-five per cent of the balance
1827 outstanding in the special account that is attributable to the immediately
1828 preceding calendar quarter shall be paid by the deposit initiator on or
1829 before the last day of the month next succeeding the close of such
1830 quarter to the Commissioner of Revenue Services for deposit in the
1831 General Fund;

1832 (v) For the fiscal year ending June 30, 2027, if the redemption rate
1833 calculated under subsection (c) of this section for the preceding fiscal
1834 year is:

1835 (I) At least seventy per cent, five per cent of the balance outstanding
1836 in the special account that is attributable to the immediately preceding
1837 calendar quarter shall be paid by the deposit initiator on or before the
1838 last day of the month next succeeding the close of such quarter to the
1839 Commissioner of Revenue Services for deposit in the General Fund;

1840 (II) Less than seventy per cent but more than sixty-five per cent,
1841 twenty-five per cent of the balance outstanding in the special account
1842 that is attributable to the immediately preceding calendar quarter shall
1843 be paid by the deposit initiator on or before the last day of the month
1844 next succeeding the close of such quarter to the Commissioner of
1845 Revenue Services for deposit in the General Fund; and

1846 (III) Sixty-five per cent or less, forty-five per cent of the balance
1847 outstanding in the special account that is attributable to the immediately
1848 preceding calendar quarter shall be paid by the deposit initiator on or
1849 before the last day of the month next succeeding the close of such
1850 quarter to the Commissioner of Revenue Services for deposit in the
1851 General Fund; and

1852 (vi) For the fiscal year ending June 30, 2028, and each fiscal year

1853 thereafter, if the redemption rate calculated under subsection (c) of this
1854 section for the preceding fiscal year is:

1855 (I) At least eighty per cent, five per cent of the balance outstanding in
1856 the special account that is attributable to the immediately preceding
1857 calendar quarter shall be paid by the deposit initiator on or before the
1858 last day of the month next succeeding the close of such quarter to the
1859 Commissioner of Revenue Services for deposit in the General Fund;

1860 (II) Less than eighty per cent but more than seventy per cent, ten per
1861 cent of the balance outstanding in the special account that is attributable
1862 to the immediately preceding calendar quarter shall be paid by the
1863 deposit initiator on or before the last day of the month next succeeding
1864 the close of such quarter to the Commissioner of Revenue Services for
1865 deposit in the General Fund;

1866 (III) Seventy per cent or less but more than sixty-five per cent, twenty-
1867 five per cent of the balance outstanding in the special account that is
1868 attributable to the immediately preceding calendar quarter shall be paid
1869 by the deposit initiator on or before the last day of the month next
1870 succeeding the close of such quarter to the Commissioner of Revenue
1871 Services for deposit in the General Fund; and

1872 (IV) Sixty-five per cent or less, forty-five per cent of the balance
1873 outstanding in the special account that is attributable to the immediately
1874 preceding calendar quarter shall be paid by the deposit initiator on or
1875 before the last day of the month next succeeding the close of such
1876 quarter to the Commissioner of Revenue Services for deposit in the
1877 General Fund.

1878 (C) If the amount of the required payment pursuant to this
1879 subdivision is not paid on or before the due date, a penalty of ten per
1880 cent of the amount due and unpaid, or fifty dollars, whichever is greater,
1881 shall be imposed. The amount due and unpaid shall bear interest at the
1882 rate of one per cent per month or fraction thereof, from the due date.
1883 Any such penalty or interest shall not be paid from funds maintained in

1884 such special account. Such required payment shall be made by
1885 electronic funds transfer to the Commissioner of Revenue Services, in
1886 the manner provided by chapter 228g.

1887 ~~[(e)]~~ (f) If moneys deposited in the special account are insufficient to
1888 pay for withdrawals authorized pursuant to subsection (b) of this
1889 section, the amount of such deficiency shall be subtracted from the next
1890 succeeding payment or payments due pursuant to subsection ~~[(d)]~~ (e) of
1891 this section until the amount of the deficiency has been subtracted in
1892 full.

1893 ~~[(f)]~~ (g) The Commissioner of Revenue Services may examine the
1894 accounts and records of any deposit initiator maintained under this
1895 section or sections 22a-243 to 22a-245, inclusive, and any related
1896 accounts and records, including receipts, disbursements and such other
1897 items as the Commissioner of Revenue Services deems appropriate.

1898 ~~[(g)]~~ (h) The Attorney General may, independently or upon
1899 complaint of the Commissioner of Energy and Environmental
1900 Protection or the Commissioner of Revenue Services, institute any
1901 appropriate action or proceeding to enforce any provision of this section
1902 or any regulation adopted pursuant to section 22a-245 to implement the
1903 provisions of this section.

1904 ~~[(h)]~~ (i) The provisions of sections 12-548, 12-550 to 12-554, inclusive,
1905 and 12-555a shall be deemed to apply to the provisions of this section,
1906 except any provision of sections 12-548, 12-550 to 12-554, inclusive, and
1907 12-555a that is inconsistent with the provision in this section.

1908 ~~[(i)]~~ (j) Any payment required pursuant to this section shall be treated
1909 as a tax for purposes of sections 12-30b, 12-33a, 12-35a, 12-39g and 12-
1910 39h.

1911 ~~[(j)]~~ (k) Not later than July 1, 2010, the Department of Energy and
1912 Environmental Protection or successor agency shall establish a
1913 procedure that allows each such deposit initiator to take a credit against
1914 any payment made pursuant to subsection ~~[(d)]~~ (e) of this section in the

1915 amount of the deposits refunded on beverage containers which such
1916 deposit initiator donated for any charitable purpose.

1917 Sec. 13. Subparagraph (J) of subdivision (37) of section 12-407 of the
1918 general statutes is repealed and the following is substituted in lieu
1919 thereof (*Effective July 1, 2023, and applicable to sales occurring on or after*
1920 *July 1, 2023*):

1921 (J) Business analysis, management, management consulting and
1922 public relations services, excluding (i) any environmental consulting
1923 services, (ii) any job-related or personnel training services, [provided by
1924 an institution of higher education licensed or accredited by the Board of
1925 Regents for Higher Education or authorized by the Office of Higher
1926 Education pursuant to sections 10a-35a and 10a-34, respectively, and] or
1927 (iii) on and after January 1, 1994, any business analysis, management,
1928 management consulting and public relations services when such
1929 services are rendered in connection with an aircraft leased or owned by
1930 a certificated air carrier or in connection with an aircraft [which] that has
1931 a maximum certificated take-off weight of six thousand pounds or more;

1932 Sec. 14. Subsection (c) of section 12-217g of the general statutes is
1933 repealed and the following is substituted in lieu thereof (*Effective January*
1934 *1, 2024, and applicable to income years commencing on or after January 1,*
1935 *2024*):

1936 (c) There shall be allowed a credit for any taxpayer against the tax
1937 imposed under this chapter for any income year with respect to wages
1938 paid to apprentices in the construction trades by such taxpayer in such
1939 year that the apprentice and taxpayer participate in a qualified
1940 apprenticeship training program, as described in subsection (d) of this
1941 section, [which] that (1) is at least four years in duration, (2) is certified
1942 in accordance with regulations adopted in accordance with the
1943 provisions of chapter 54 by the Labor Commissioner, and (3) is
1944 registered with the Labor Department under section 31-22r, as amended
1945 by this act. The tax credit shall be (A) in an amount equal to two dollars
1946 per hour multiplied by the total number of hours completed by each

1947 apprentice toward completion of such program, and (B) awarded upon
1948 completion and notification of completion of such program in the
1949 income year in which such completion and notification occur, provided
1950 the amount of credit allowed for such income year with respect to each
1951 such apprentice may not exceed [four thousand] seven thousand five
1952 hundred dollars or fifty per cent of actual wages paid over the first four
1953 income years for such apprenticeship, whichever is less.

1954 Sec. 15. Section 31-22r of the general statutes is repealed and the
1955 following is substituted in lieu thereof (*Effective January 1, 2024*):

1956 (a) (1) Each person who registered as an apprentice with the Labor
1957 Department before July 1, 2003, and has not completed an
1958 apprenticeship as of July 9, 2003, shall pay to the Labor Department a
1959 registration fee of twenty-five dollars on or before July 1, 2003, and a
1960 renewal registration fee of twenty-five dollars on or before July first of
1961 each subsequent year until (A) such registration is withdrawn, or (B)
1962 such person has completed an apprenticeship and possesses a valid
1963 journeyman card of occupational license, if required.

1964 (2) Each person who initially registers as an apprentice with the Labor
1965 Department on or after July 1, 2003, shall pay to the Labor Department
1966 a registration fee of fifty dollars at the time of registration and an annual
1967 renewal registration fee of fifty dollars until (A) such registration is
1968 withdrawn, or (B) such person has completed an apprenticeship and
1969 possesses a valid journeyman card of occupational license, if
1970 required.

1971 (b) Each person sponsoring an apprenticeship program registered
1972 with the Labor Department as of July 1, 2003, shall pay to the Labor
1973 Department an annual registration fee of sixty dollars for each
1974 apprentice participating in such program until the apprentice has
1975 completed the apprenticeship and possesses a valid journeyman card
1976 of occupational license, if required, or such program is cancelled by the
1977 sponsor or deregistered for cause by the Labor Department in
1978 accordance with regulations adopted pursuant to this chapter,

1979 whichever is earlier.

1980 (c) Each person sponsoring an apprenticeship program registered
1981 with the Labor Department as of July 1, 2024, shall annually submit the
1982 following information along with such sponsor's annual registration fee:
1983 (1) The current minimum completion rate of such sponsor's
1984 apprenticeship program, (2) the number of registered apprentices
1985 currently participating in such sponsor's program, (3) the number of
1986 licensed journeypersons currently employed by such sponsor, (4) the
1987 number of registered apprentices participating in such program who
1988 have advanced a year since the date of such sponsor's previous
1989 registration, or year to date for new sponsors, (5) the number of
1990 apprentices who have separated from such sponsor's program since the
1991 date of such sponsor's previous registration, or year to date for new
1992 sponsors, (6) the number of apprentices who have completed an
1993 apprenticeship program with such sponsor since the date of such
1994 sponsor's previous registration, or year to date for new sponsors, and
1995 (7) the number of apprentices who completed such sponsor's program
1996 who have been issued an occupational license by the Department of
1997 Consumer Protection and are currently employed by such sponsor. All
1998 information shall be submitted in a form and manner as prescribed by
1999 the commissioner and disaggregated by gender identity, race and
2000 ethnicity. Notwithstanding the provisions of section 1-210, such
2001 information provided by a sponsor shall be considered a public record
2002 and all persons shall have the right to inspect and copy such records in
2003 accordance with the provisions of section 1-212.

2004 ~~[(c)]~~ (d) Fifty per cent of any amount collected by the Labor
2005 Department pursuant to this section shall be deposited in the General
2006 Fund and fifty per cent of such amount shall be credited to a separate
2007 nonlapsing appropriation to the Labor Department, for the purpose of
2008 administering the department's apprentice training program and
2009 sections 31-22m to 31-22p, inclusive.

2010 Sec. 16. Subdivision (1) of section 12-408 of the general statutes is
2011 repealed and the following is substituted in lieu thereof (*Effective July 1,*

2012 2023, and applicable to sales occurring on or after July 1, 2023):

2013 (1) (A) For the privilege of making any sales, as defined in
2014 subdivision (2) of subsection (a) of section 12-407, at retail, in this state
2015 for a consideration, a tax is hereby imposed on all retailers at the rate of
2016 six and thirty-five-hundredths per cent of the gross receipts of any
2017 retailer from the sale of all tangible personal property sold at retail or
2018 from the rendering of any services constituting a sale in accordance with
2019 subdivision (2) of subsection (a) of section 12-407, except, in lieu of said
2020 rate, the rates provided in subparagraphs (B) to (I), inclusive, of this
2021 subdivision;

2022 (B) (i) At a rate of fifteen per cent with respect to each transfer of
2023 occupancy, from the total amount of rent received by a hotel or lodging
2024 house for the first period not exceeding thirty consecutive calendar
2025 days;

2026 (ii) At a rate of eleven per cent with respect to each transfer of
2027 occupancy, from the total amount of rent received by a bed and
2028 breakfast establishment for the first period not exceeding thirty
2029 consecutive calendar days;

2030 (C) With respect to the sale of a motor vehicle to any individual who
2031 is a member of the armed forces of the United States and is on full-time
2032 active duty in Connecticut and who is considered, under 50 App USC
2033 574, a resident of another state, or to any such individual and the spouse
2034 thereof, at a rate of four and one-half per cent of the gross receipts of any
2035 retailer from such sales, provided such retailer requires and maintains a
2036 declaration by such individual, prescribed as to form by the
2037 commissioner and bearing notice to the effect that false statements made
2038 in such declaration are punishable, or other evidence, satisfactory to the
2039 commissioner, concerning the purchaser's state of residence under 50
2040 App USC 574;

2041 (D) (i) With respect to the sales of computer and data processing
2042 services occurring on or after July 1, 2001, at the rate of one per cent, and

2043 (ii) with respect to sales of Internet access services, on and after July 1,
2044 2001, such services shall be exempt from such tax;

2045 (E) (i) With respect to the sales of labor that is otherwise taxable under
2046 subparagraph (C) or (G) of subdivision (2) of subsection (a) of section
2047 12-407 on existing vessels and repair or maintenance services on vessels
2048 occurring on and after July 1, 1999, such services shall be exempt from
2049 such tax;

2050 (ii) With respect to the sale of a vessel, a motor for a vessel or a trailer
2051 used for transporting a vessel, at the rate of two and ninety-nine-
2052 hundredths per cent, except that the sale of a vessel shall be exempt from
2053 such tax if such vessel is docked in this state for sixty or fewer days in a
2054 calendar year;

2055 (iii) With respect to the sale of dyed diesel fuel, as defined in
2056 subsection (d) of section 12-487, sold by a marine fuel dock exclusively
2057 for marine purposes, at the rate of two and ninety-nine-hundredths per
2058 cent;

2059 (F) With respect to patient care services for which payment is
2060 received by the hospital on or after July 1, 1999, and prior to July 1, 2001,
2061 at the rate of five and three-fourths per cent and on and after July 1, 2001,
2062 such services shall be exempt from such tax;

2063 (G) With respect to the rental or leasing of a passenger motor vehicle
2064 for a period of thirty consecutive calendar days or less, at a rate of nine
2065 and thirty-five-hundredths per cent;

2066 (H) With respect to the sale of (i) a motor vehicle for a sales price
2067 exceeding fifty thousand dollars, at a rate of seven and three-fourths per
2068 cent on the entire sales price, (ii) jewelry, whether real or imitation, for
2069 a sales price exceeding five thousand dollars, at a rate of seven and
2070 three-fourths per cent on the entire sales price, and (iii) an article of
2071 clothing or footwear intended to be worn on or about the human body,
2072 a handbag, luggage, umbrella, wallet or watch for a sales price
2073 exceeding one thousand dollars, at a rate of seven and three-fourths per

2074 cent on the entire sales price. For purposes of this subparagraph, "motor
2075 vehicle" has the meaning provided in section 14-1, but does not include
2076 a motor vehicle subject to the provisions of subparagraph (C) of this
2077 subdivision, a motor vehicle having a gross vehicle weight rating over
2078 twelve thousand five hundred pounds, or a motor vehicle having a
2079 gross vehicle weight rating of twelve thousand five hundred pounds or
2080 less that is not used for private passenger purposes, but is designed or
2081 used to transport merchandise, freight or persons in connection with
2082 any business enterprise and issued a commercial registration or more
2083 specific type of registration by the Department of Motor Vehicles;

2084 (I) With respect to the sale of meals, as defined in subdivision (13) of
2085 section 12-412, sold by an eating establishment, caterer or grocery store;
2086 and spirituous, malt or vinous liquors, soft drinks, sodas or beverages
2087 such as are ordinarily dispensed at bars and soda fountains, or in
2088 connection therewith; in addition to the tax imposed under
2089 subparagraph (A) of this subdivision, at the rate of one per cent;

2090 (J) The rate of tax imposed by this chapter shall be applicable to all
2091 retail sales upon the effective date of such rate, except that a new rate
2092 that represents an increase in the rate applicable to the sale shall not
2093 apply to any sales transaction wherein a binding sales contract without
2094 an escalator clause has been entered into prior to the effective date of the
2095 new rate and delivery is made within ninety days after the effective date
2096 of the new rate. For the purposes of payment of the tax imposed under
2097 this section, any retailer of services taxable under subdivision (37) of
2098 subsection (a) of section 12-407, as amended by this act, who computes
2099 taxable income, for purposes of taxation under the Internal Revenue
2100 Code of 1986, or any subsequent corresponding internal revenue code
2101 of the United States, as amended from time to time, on an accounting
2102 basis that recognizes only cash or other valuable consideration actually
2103 received as income and who is liable for such tax only due to the
2104 rendering of such services may make payments related to such tax for
2105 the period during which such income is received, without penalty or
2106 interest, without regard to when such service is rendered;

2107 (K) (i) For calendar quarters ending on or after September 30, 2019,
2108 the commissioner shall deposit into the regional planning incentive
2109 account, established pursuant to section 4-66k, six and seven-tenths per
2110 cent of the amounts received by the state from the tax imposed under
2111 subparagraph (B) of this subdivision and ten and seven-tenths per cent
2112 of the amounts received by the state from the tax imposed under
2113 subparagraph (G) of this subdivision;

2114 (ii) For calendar quarters ending on or after September 30, 2018, the
2115 commissioner shall deposit into the Tourism Fund established under
2116 section 10-395b ten per cent of the amounts received by the state from
2117 the tax imposed under subparagraph (B) of this subdivision;

2118 (L) For calendar months commencing on or after July 1, 2021, the
2119 commissioner shall deposit into the municipal revenue sharing account
2120 established pursuant to section 4-66l seven and nine-tenths per cent of
2121 the amounts received by the state from the tax imposed under
2122 subparagraph (A) of this subdivision; [and]

2123 (M) (i) For calendar months commencing on or after July 1, 2017, the
2124 commissioner shall deposit into the Special Transportation Fund
2125 established under section 13b-68 seven and nine-tenths per cent of the
2126 amounts received by the state from the tax imposed under
2127 subparagraph (A) of this subdivision;

2128 (ii) For calendar months commencing on or after July 1, 2018, but
2129 prior to July 1, 2019, the commissioner shall deposit into the Special
2130 Transportation Fund established under section 13b-68 eight per cent of
2131 the amounts received by the state from the tax imposed under
2132 subparagraphs (A) and (H) of this subdivision on the sale of a motor
2133 vehicle;

2134 (iii) For calendar months commencing on or after July 1, 2019, but
2135 prior to July 1, 2020, the commissioner shall deposit into the Special
2136 Transportation Fund established under section 13b-68 seventeen per
2137 cent of the amounts received by the state from the tax imposed under

2138 subparagraphs (A) and (H) of this subdivision on the sale of a motor
2139 vehicle;

2140 (iv) For calendar months commencing on or after July 1, 2020, but
2141 prior to July 1, 2021, the commissioner shall deposit into the Special
2142 Transportation Fund established under section 13b-68 twenty-five per
2143 cent of the amounts received by the state from the tax imposed under
2144 subparagraphs (A) and (H) of this subdivision on the sale of a motor
2145 vehicle;

2146 (v) For calendar months commencing on or after July 1, 2021, but
2147 prior to July 1, 2022, the commissioner shall deposit into the Special
2148 Transportation Fund established under section 13b-68 seventy-five per
2149 cent of the amounts received by the state from the tax imposed under
2150 subparagraphs (A) and (H) of this subdivision on the sale of a motor
2151 vehicle; and

2152 (vi) For calendar months commencing on or after July 1, 2022, the
2153 commissioner shall deposit into the Special Transportation Fund
2154 established under section 13b-68 one hundred per cent of the amounts
2155 received by the state from the tax imposed under subparagraphs (A)
2156 and (H) of this subdivision on the sale of a motor vehicle; and

2157 (N) For calendar months commencing on or after July 1, 2023, the
2158 commissioner shall deposit the following percentages of the amounts
2159 received by the state from the tax imposed under subparagraph (I) of
2160 this subdivision: (i) Fifty per cent into the municipal host grants account
2161 established under section 18 of this act; (ii) twenty-five per cent into the
2162 arts, culture and tourism account established under section 19 of this
2163 act; and (iii) twenty-five per cent into the municipal needs capacity
2164 account established under section 20 of this act.

2165 Sec. 17. Subdivision (1) of section 12-411 of the general statutes is
2166 repealed and the following is substituted in lieu thereof (*Effective July 1,*
2167 *2023, and applicable to sales occurring on or after July 1, 2023*):

2168 (1) (A) An excise tax is hereby imposed on the storage, acceptance,

2169 consumption or any other use in this state of tangible personal property
2170 purchased from any retailer for storage, acceptance, consumption or any
2171 other use in this state, the acceptance or receipt of any services
2172 constituting a sale in accordance with subdivision (2) of subsection (a)
2173 of section 12-407, purchased from any retailer for consumption or use in
2174 this state, or the storage, acceptance, consumption or any other use in
2175 this state of tangible personal property which has been manufactured,
2176 fabricated, assembled or processed from materials by a person, either
2177 within or without this state, for storage, acceptance, consumption or any
2178 other use by such person in this state, to be measured by the sales price
2179 of materials, at the rate of six and thirty-five-hundredths per cent of the
2180 sales price of such property or services, except, in lieu of said rate:

2181 (B) (i) At a rate of fifteen per cent of the rent paid to a hotel or lodging
2182 house for the first period not exceeding thirty consecutive calendar
2183 days;

2184 (ii) At a rate of eleven per cent of the rent paid to a bed and breakfast
2185 establishment for the first period not exceeding thirty consecutive
2186 calendar days;

2187 (C) With respect to the storage, acceptance, consumption or use in
2188 this state of a motor vehicle purchased from any retailer for storage,
2189 acceptance, consumption or use in this state by any individual who is a
2190 member of the armed forces of the United States and is on full-time
2191 active duty in Connecticut and who is considered, under 50 App USC
2192 574, a resident of another state, or to any such individual and the spouse
2193 of such individual at a rate of four and one-half per cent of the sales price
2194 of such vehicle, provided such retailer requires and maintains a
2195 declaration by such individual, prescribed as to form by the
2196 commissioner and bearing notice to the effect that false statements made
2197 in such declaration are punishable, or other evidence, satisfactory to the
2198 commissioner, concerning the purchaser's state of residence under 50
2199 App USC 574;

2200 (D) (i) With respect to the acceptance or receipt in this state of labor

2201 that is otherwise taxable under subparagraph (C) or (G) of subdivision
2202 (2) of subsection (a) of section 12-407 on existing vessels and repair or
2203 maintenance services on vessels occurring on and after July 1, 1999, such
2204 services shall be exempt from such tax;

2205 (ii) (I) With respect to the storage, acceptance or other use of a vessel
2206 in this state, at the rate of two and ninety-nine-hundredths per cent,
2207 except that such storage, acceptance or other use shall be exempt from
2208 such tax if such vessel is docked in this state for sixty or fewer days in a
2209 calendar year;

2210 (II) With respect to the storage, acceptance or other use of a motor for
2211 a vessel or a trailer used for transporting a vessel in this state, at the rate
2212 of two and ninety-nine-hundredths per cent;

2213 (III) With respect to the storage, acceptance or other use of dyed diesel
2214 fuel, as defined in subsection (d) of section 12-487, exclusively for
2215 marine purposes, at the rate of two and ninety-nine-hundredths per
2216 cent;

2217 (E) (i) With respect to the acceptance or receipt in this state of
2218 computer and data processing services purchased from any retailer for
2219 consumption or use in this state occurring on or after July 1, 2001, at the
2220 rate of one per cent of such services, and (ii) with respect to the
2221 acceptance or receipt in this state of Internet access services, on and after
2222 July 1, 2001, such services shall be exempt from such tax;

2223 (F) With respect to the acceptance or receipt in this state of patient
2224 care services purchased from any retailer for consumption or use in this
2225 state for which payment is received by the hospital on or after July 1,
2226 1999, and prior to July 1, 2001, at the rate of five and three-fourths per
2227 cent and on and after July 1, 2001, such services shall be exempt from
2228 such tax;

2229 (G) With respect to the rental or leasing of a passenger motor vehicle
2230 for a period of thirty consecutive calendar days or less, at a rate of nine
2231 and thirty-five-hundredths per cent;

2232 (H) With respect to the acceptance or receipt in this state of (i) a motor
2233 vehicle for a sales price exceeding fifty thousand dollars, at a rate of
2234 seven and three-fourths per cent on the entire sales price, (ii) jewelry,
2235 whether real or imitation, for a sales price exceeding five thousand
2236 dollars, at a rate of seven and three-fourths per cent on the entire sales
2237 price, and (iii) an article of clothing or footwear intended to be worn on
2238 or about the human body, a handbag, luggage, umbrella, wallet or
2239 watch for a sales price exceeding one thousand dollars, at a rate of seven
2240 and three-fourths per cent on the entire sales price. For purposes of this
2241 subparagraph, "motor vehicle" has the meaning provided in section 14-
2242 1, but does not include a motor vehicle subject to the provisions of
2243 subparagraph (C) of this subdivision, a motor vehicle having a gross
2244 vehicle weight rating over twelve thousand five hundred pounds, or a
2245 motor vehicle having a gross vehicle weight rating of twelve thousand
2246 five hundred pounds or less that is not used for private passenger
2247 purposes, but is designed or used to transport merchandise, freight or
2248 persons in connection with any business enterprise and issued a
2249 commercial registration or more specific type of registration by the
2250 Department of Motor Vehicles;

2251 (I) With respect to the acceptance or receipt in this state of meals, as
2252 defined in subdivision (13) of section 12-412, sold by an eating
2253 establishment, caterer or grocery store; and spirituous, malt or vinous
2254 liquors, soft drinks, sodas or beverages such as are ordinarily dispensed
2255 at bars and soda fountains, or in connection therewith; in addition to the
2256 tax imposed under subparagraph (A) of this subdivision, at the rate of
2257 one per cent;

2258 (J) (i) For calendar quarters ending on or after September 30, 2019, the
2259 commissioner shall deposit into the regional planning incentive
2260 account, established pursuant to section 4-66k, six and seven-tenths per
2261 cent of the amounts received by the state from the tax imposed under
2262 subparagraph (B) of this subdivision and ten and seven-tenths per cent
2263 of the amounts received by the state from the tax imposed under
2264 subparagraph (G) of this subdivision;

2265 (ii) For calendar quarters ending on or after September 30, 2018, the
2266 commissioner shall deposit into the Tourism Fund established under
2267 section 10-395b ten per cent of the amounts received by the state from
2268 the tax imposed under subparagraph (B) of this subdivision;

2269 (K) For calendar months commencing on or after July 1, 2021, the
2270 commissioner shall deposit into said municipal revenue sharing account
2271 seven and nine-tenths per cent of the amounts received by the state from
2272 the tax imposed under subparagraph (A) of this subdivision; [and]

2273 (L) (i) For calendar months commencing on or after July 1, 2017, the
2274 commissioner shall deposit into said Special Transportation Fund seven
2275 and nine-tenths per cent of the amounts received by the state from the
2276 tax imposed under subparagraph (A) of this subdivision;

2277 (ii) For calendar months commencing on or after July 1, 2018, but
2278 prior to July 1, 2019, the commissioner shall deposit into the Special
2279 Transportation Fund established under section 13b-68 eight per cent of
2280 the amounts received by the state from the tax imposed under
2281 subparagraphs (A) and (H) of this subdivision on the acceptance or
2282 receipt in this state of a motor vehicle;

2283 (iii) For calendar months commencing on or after July 1, 2019, but
2284 prior to July 1, 2020, the commissioner shall deposit into the Special
2285 Transportation Fund established under section 13b-68 seventeen per
2286 cent of the amounts received by the state from the tax imposed under
2287 subparagraphs (A) and (H) of this subdivision on the acceptance or
2288 receipt in this state of a motor vehicle;

2289 (iv) For calendar months commencing on or after July 1, 2020, but
2290 prior to July 1, 2021, the commissioner shall deposit into the Special
2291 Transportation Fund established under section 13b-68 twenty-five per
2292 cent of the amounts received by the state from the tax imposed under
2293 subparagraphs (A) and (H) of this subdivision on the acceptance or
2294 receipt in this state of a motor vehicle;

2295 (v) For calendar months commencing on or after July 1, 2021, but

2296 prior to July 1, 2022, the commissioner shall deposit into the Special
2297 Transportation Fund established under section 13b-68 seventy-five per
2298 cent of the amounts received by the state from the tax imposed under
2299 subparagraphs (A) and (H) of this subdivision on the acceptance or
2300 receipt in this state of a motor vehicle; and

2301 (vi) For calendar months commencing on or after July 1, 2022, the
2302 commissioner shall deposit into the Special Transportation Fund
2303 established under section 13b-68 one hundred per cent of the amounts
2304 received by the state from the tax imposed under subparagraphs (A)
2305 and (H) of this subdivision on the acceptance or receipt in this state of a
2306 motor vehicle; and

2307 (M) For calendar months commencing on or after July 1, 2023, the
2308 commissioner shall deposit the following percentages of the amount
2309 received by the state from the tax imposed under subparagraph (I) of
2310 this subdivision: (i) Fifty per cent into the municipal host grants account
2311 established under section 18 of this act; (ii) twenty-five per cent into the
2312 arts, culture and tourism account established under section 19 of this
2313 act; and (iii) twenty-five per cent into the municipal needs capacity
2314 account established under section 20 of this act.

2315 Sec. 18. (NEW) (*Effective July 1, 2023*) There is established an account
2316 to be known as the "municipal host grants account" which shall be a
2317 separate, nonlapsing account within the General Fund. The account
2318 shall contain any moneys required by law to be deposited in the account.
2319 Moneys in the account shall be expended by the Office of Policy and
2320 Management for the purpose of distributing funds to municipalities in
2321 which businesses that have remitted the tax under subparagraph (I) of
2322 subdivision (1) of section 12-408 of the general statutes, as amended by
2323 this act, and subparagraph (I) of subdivision (1) of section 12-411 of the
2324 general statutes, as amended by this act, are located.

2325 Sec. 19. (NEW) (*Effective July 1, 2023*) There is established an account
2326 to be known as the "arts, culture and tourism account" which shall be a
2327 separate, nonlapsing account within the General Fund. The account

2328 shall contain any moneys required by law to be deposited in the account.
2329 Moneys in the account shall be expended by the Department of
2330 Economic and Community Development for the purpose of providing
2331 arts, culture and tourism grants in accordance with the department's
2332 duties under chapter 184b of the general statutes.

2333 Sec. 20. (NEW) (*Effective July 1, 2023*) There is established an account
2334 to be known as the "municipal needs capacity account" which shall be a
2335 separate, nonlapsing account within the General Fund. The account
2336 shall contain any moneys required by law to be deposited in the account.
2337 Moneys in the account shall be expended by the Office of Policy and
2338 Management for the purpose of distributing funds to municipalities
2339 according to each municipality's municipal needs capacity gap metric,
2340 as calculated by the Secretary of the Office of Policy and Management
2341 in accordance with the methodologies used in the May, 2015 New
2342 England Public Policy Center Research Report 15-1.

2343 Sec. 21. (NEW) (*Effective from passage*) (a) Commencing July 1, 2023,
2344 the Commissioner of Revenue Services shall track and record the source
2345 of the revenue received by the state each fiscal year from the tax
2346 imposed under chapters 208, 219 and 229 of the general statutes, for the
2347 purpose of accurately and fairly attributing to each municipality
2348 revenue received from each such tax. The commissioner shall determine
2349 the sourcing method for the revenue from the tax imposed under
2350 chapters 208 and 219 of the general statutes, provided such revenue is
2351 sourced to each municipality in which the taxpayer has an office or
2352 facility in the state. The revenue from the tax imposed under chapter 229
2353 of the general statutes shall be sourced to the municipality in which the
2354 employer's office or facility is located, for the employees who work
2355 primarily at such location. Taxpayers paying a tax specified in this
2356 subsection shall provide disaggregated information and such other data
2357 the commissioner requests to carry out the provisions of this section. On
2358 or before June 30, 2024, and annually thereafter, the commissioner shall
2359 post on the Department of Revenue Service's Internet web site a list of
2360 all municipalities and the amount of revenue from each such tax

2361 attributed to the municipality for the applicable fiscal year.

2362 (b) (1) Prior to July 1, 2023, and annually thereafter, the Secretary of
2363 the Office of Policy and Management shall calculate, based on the
2364 statement of estimated revenue supplied by the joint standing
2365 committee of the General Assembly having cognizance of matters
2366 relating to state finance, revenue and bonding pursuant to subsection
2367 (b) of section 2-35 of the general statutes, growth rate projections on a
2368 municipal basis for each tax specified in subsection (a) of this section.

2369 (2) On or before January 1, 2024, and annually thereafter, the
2370 secretary shall calculate and post on the Office of Policy and
2371 Management's Internet web site a municipal needs capacity gap metric
2372 for each municipality. Such metric shall be calculated in accordance with
2373 the methodologies used in the May, 2015 New England Public Policy
2374 Center Research Report 15-1.

2375 (c) There is established an account to be known as the "municipal tax
2376 revenue account" which shall be a separate, nonlapsing account within
2377 the General Fund. The account shall contain any moneys required by
2378 law to be deposited in the account. Moneys in the account shall be
2379 expended by the Secretary of the Office of Policy and Management for
2380 the purposes of this section.

2381 (d) Commencing with the fiscal year ending June 30, 2025, and each
2382 fiscal year thereafter, the Comptroller shall transfer from the General
2383 Fund to the municipal tax revenue account, established under
2384 subsection (c) of this section, any amount of each tax set forth in
2385 subsection (a) of this section that exceeds the projected growth rate
2386 calculated for such tax pursuant to subdivision (1) of subsection (b) of
2387 this section.

2388 (e) (1) When the amount in the municipal tax revenue account reaches
2389 forty million dollars, the Secretary of the Office of Policy and
2390 Management shall commence disbursing grants to municipalities on an
2391 annual basis in accordance with the provisions of this subsection,

2392 provided the balance in the account may not fall below twenty million
2393 dollars.

2394 (2) The secretary shall calculate, for each municipality for which the
2395 Commissioner of Revenue Services has attributed tax revenue under
2396 subsection (a) of this section, the portion of the excess revenue deposited
2397 in the account from each tax that is attributable to such municipality.
2398 Each such municipality shall receive a grant of sixty per cent of such
2399 portion.

2400 (3) If any funds in the account remain available for disbursement after
2401 the grants under subdivision (2) of this subsection have been paid for
2402 the fiscal year, the Secretary of the Office of Policy and Management
2403 shall distribute additional grants proportionately to municipalities for
2404 which the secretary has calculated a positive gap metric under
2405 subdivision (2) of subsection (b) of this section.

2406 Sec. 22. (*Effective from passage*) (a) For each of the fiscal years ending
2407 June 30, 2023, and June 30, 2024, up to three hundred million dollars of
2408 the resources of the General Fund that exceed the statement of estimated
2409 revenue supplied by the joint standing committee of the General
2410 Assembly having cognizance of matters relating to state finance,
2411 revenue and bonding pursuant to subsection (b) of section 2-35 of the
2412 general statutes shall be transferred to the supplemental grants in lieu
2413 of taxes account established under subsection (b) of this section.

2414 (b) There is established an account to be known as the "supplemental
2415 grants in lieu of taxes account" which shall be a separate, nonlapsing
2416 account within the General Fund. The account shall contain any moneys
2417 required by law to be deposited in the account. Moneys in the account
2418 shall be expended by the Secretary of the Office of Policy and
2419 Management for the purposes of paying the grants under section 12-18b
2420 of the general statutes.

2421 Sec. 23. Subdivision (4) of subsection (a) of section 12-217 of the
2422 general statutes is repealed and the following is substituted in lieu

2423 thereof (*Effective October 1, 2023*):

2424 (4) Notwithstanding any provision of this section: [to the contrary,]

2425 (A) [any] Any excess of the deductions provided in this section for
2426 any income year commencing on or after January 1, 1973, over the gross
2427 income for such year or the amount of such excess apportioned to this
2428 state under the provisions of this chapter, shall be an operating loss of
2429 such income year and shall be deductible as an operating loss carry-over
2430 for operating losses incurred prior to income years commencing January
2431 1, 2000, in each of the five income years following such loss year; [, and]
2432 for operating losses incurred in income years commencing on or after
2433 January 1, 2000, and prior to January 1, 2015, in each of the twenty
2434 income years following such loss year; [,] and for operating losses
2435 incurred in income years commencing on or after January 1, 2015, in
2436 each of the thirty income years following such loss year; except that:

2437 (i) [for] For income years commencing prior to January 1, 2015, the
2438 portion of such operating loss [which] that may be deducted as an
2439 operating loss carry-over in any income year following such loss year
2440 shall be limited to the lesser of (I) any net income greater than zero of
2441 such income year following such loss year, or in the case of a company
2442 entitled to apportion its net income under the provisions of this chapter,
2443 the amount of such net income [which] that is apportioned to this state
2444 pursuant thereto, or (II) the excess, if any, of such operating loss over
2445 the total of such net income for each of any prior income years following
2446 such loss year, such net income of each of such prior income years
2447 following such loss year for such purposes being computed without
2448 regard to any operating loss carry-over from such loss year allowed
2449 under this subparagraph and being regarded as not less than zero, and
2450 provided further the operating loss of any income year shall be
2451 deducted in any subsequent year, to the extent available for such
2452 deduction, before the operating loss of any subsequent income year is
2453 deducted; [,]

2454 (ii) [for] For income years commencing on or after January 1, 2015,

2455 the portion of such operating loss [which] that may be deducted as an
2456 operating loss carry-over in any income year following such loss year
2457 shall be limited to the lesser of (I) fifty per cent of net income of such
2458 income year following such loss year, or in the case of a company
2459 entitled to apportion its net income under the provisions of this chapter,
2460 fifty per cent of such net income [which] that is apportioned to this state
2461 pursuant thereto, or (II) the excess, if any, of such operating loss over
2462 the operating loss deductions allowable with respect to such operating
2463 loss under this subparagraph for each of any prior income years
2464 following such loss year, such net income of each of such prior income
2465 years following such loss year for such purposes being computed
2466 without regard to any operating loss carry-over from such loss year
2467 allowed under this subparagraph and being regarded as not less than
2468 zero, and provided further the operating loss of any income year shall
2469 be deducted in any subsequent year, to the extent available for such
2470 deduction, before the operating loss of any subsequent income year is
2471 deducted; [,] and

2472 (iii) [if] If a combined group so elects, the combined group shall
2473 relinquish fifty per cent of its unused operating losses incurred prior to
2474 the income year commencing on or after January 1, 2015, and before
2475 January 1, 2016, and may utilize the remaining operating loss carry-over
2476 without regard to the limitations prescribed in subparagraph (A)(ii) of
2477 this subdivision. The portion of such operating loss carry-over that may
2478 be deducted shall be limited to the amount required to reduce a
2479 combined group's tax under this chapter, prior to surtax and prior to the
2480 application of credits, to two million five hundred thousand dollars in
2481 any income year commencing on or after January 1, 2015. Only after the
2482 combined group's remaining operating loss carry-over for operating
2483 losses incurred prior to income years commencing January 1, 2015, has
2484 been fully utilized, will the limitations prescribed in subparagraph
2485 (A)(ii) of this subdivision apply. The combined group, or any member
2486 thereof, shall make such election on its return for the income year
2487 beginning on or after January 1, 2015, and before January 1, 2016, by the
2488 due date for such return, including any extensions. Only combined

2489 groups with unused operating losses in excess of six billion dollars from
2490 income years beginning prior to January 1, 2013, may make the election
2491 prescribed in this clause; [] and

2492 (B) [any] Any net capital loss, as defined in the Internal Revenue Code
2493 effective and in force on the last day of the income year, for any income
2494 year commencing on or after January 1, 1973, shall be allowed as a
2495 capital loss carry-over to reduce, but not below zero, any net capital
2496 gain, as so defined, in each of the five following income years, in order
2497 of sequence, to the extent not exhausted by the net capital gain of any of
2498 the preceding of such five following income years; [] and

2499 (C) [any] Any net capital losses allowed and carried forward from
2500 prior years to income years beginning on or after January 1, 1973, for
2501 federal income tax purposes by companies entitled to a deduction for
2502 dividends paid under the Internal Revenue Code other than companies
2503 subject to the gross earnings taxes imposed under chapters 211 and 212,
2504 shall be allowed as a capital loss carry-over.

2505 Sec. 24. Section 12-217w of the general statutes is repealed and the
2506 following is substituted in lieu thereof (*Effective January 1, 2024*):

2507 (a) For purposes of this section: [, "fixed capital"]

2508 (1) "Fixed capital" means tangible personal property [which (1)] that
2509 (A) has a class life, in years, of more than four years, as described in
2510 Section 168(e) of the Internal Revenue Code of 1986, or any subsequent
2511 corresponding internal revenue code of the United States, as amended
2512 from time to time, [amended, (2)] (B) is acquired by purchase from a
2513 person other than a related person, [(3)] (C) is not acquired to be leased,
2514 and is not leased, to another person or persons during the twelve full
2515 months following its acquisition, and [(4)] (D) will be held and used in
2516 this state by (i) for purposes of subdivision (1) of subsection (b) of this
2517 section, a corporation in the ordinary course of the corporation's trade
2518 or business in this state for not less than five full years following its
2519 acquisition, or (ii) for purposes of subdivision (2) of subsection (b) of this

2520 section, a limited liability company in the ordinary course of the limited
2521 liability company's trade or business in this state for not less than five
2522 full years following its acquisition. "Fixed capital" does not include
2523 inventory, land, buildings or structures [,] or mobile transportation
2524 property; [. With]

2525 (2) "Related person" means, with respect to a corporation claiming a
2526 credit under this section, [a "related person" means] (A) a corporation,
2527 partnership, association or trust controlled by such corporation; [,] (B)
2528 an individual, corporation, partnership, association or trust that is in
2529 control of such corporation; [,] (C) a corporation, partnership,
2530 association or trust controlled by an individual, corporation,
2531 partnership, association or trust that is in control of such corporation; [,]
2532 or (D) a member of the same controlled group as such corporation; [. For
2533 purposes of this section, "control",]

2534 (3) "Control" means (A) with respect to a corporation, [means]
2535 ownership, directly or indirectly, of stock possessing fifty per cent or
2536 more of the total combined voting power of all classes of the stock of
2537 such corporation entitled to vote; [,] or (B) with respect to a trust,
2538 [means] ownership, directly or indirectly, of fifty per cent or more of the
2539 beneficial interest in the principal or income of such trust. The
2540 ownership of stock in a corporation, of a capital or profits interest in a
2541 partnership or association or of a beneficial interest in a trust shall be
2542 determined in accordance with the rules for constructive ownership of
2543 stock provided in Section 267(c) of the Internal Revenue Code of 1986,
2544 or any subsequent corresponding internal revenue code of the United
2545 States, as amended from time to time; [, amended,] other than paragraph
2546 (3) of [such] said section.

2547 (b) (1) There shall be allowed a credit for any corporation against the
2548 tax imposed under this chapter in an amount paid or incurred by such
2549 corporation for any new fixed capital investment during the income
2550 year in which such fixed capital is acquired as follows: For any income
2551 year commencing on or after [January 1, 1998, and prior to January 1,
2552 1999, equal to three per cent of such amount paid or incurred by the

2553 corporation during such income year; for any income year commencing
2554 on or after] January 1, 1999, and prior to January 1, 2000, equal to four
2555 per cent of such amount paid or incurred by the corporation during such
2556 income year; and for any income year commencing on or after January
2557 1, 2000, equal to five per cent of such amount paid or incurred by the
2558 corporation during such income year.

2559 (2) There shall be allowed an additional credit against the tax
2560 imposed under this chapter for any corporation that owns at least eighty
2561 per cent, directly or indirectly, of a limited liability company that is, for
2562 federal income tax purposes, treated as a partnership or disregarded as
2563 an entity separate from its owner, in an amount paid or incurred by such
2564 limited liability company for any new fixed capital investment during
2565 the income year in which such fixed capital is acquired as follows: For
2566 any income year commencing on or after January 1, 2024, equal to five
2567 per cent of such amount paid or incurred by the limited liability
2568 company.

2569 (c) The total amount of [such credit] the credits allowed to any
2570 corporation under this section shall not exceed the amount of tax due
2571 from such corporation under this chapter with respect to such income
2572 year.

2573 (d) No corporation claiming [the] a credit under this section and no
2574 limited liability for which a corporation is claiming a credit under this
2575 section, with respect to the acquisition of fixed capital, [as defined in
2576 subsection (a) of this section.] may claim a credit against any tax under
2577 any other provision of the general statutes with respect to the same
2578 acquisition.

2579 (e) Any tax credit not used in the income year during which the
2580 acquisition was made may be carried forward for the five immediately
2581 succeeding income years until the full credit has been allowed.

2582 (f) If the fixed capital on account of which a corporation has claimed
2583 the credit allowed by this section is not held and used in this state in the

2584 ordinary course of the corporation's trade or business in this state for
2585 three full years following its acquisition as provided in subsection (a) of
2586 this section, the corporation shall recapture one hundred per cent of the
2587 amount of the credit allowed under this section on its corporation
2588 business tax return required to be filed for the income year immediately
2589 succeeding the income year during which such three-year period
2590 expires. If the fixed capital on account of which a corporation has
2591 claimed the credit allowed by this section is not held and used in this
2592 state in the ordinary course of the corporation's trade or business in this
2593 state for five full years following its acquisition as provided in
2594 subsection (a) of this section, the corporation shall recapture fifty per
2595 cent of the amount of the credit allowed under this section on its
2596 corporation business tax return required to be filed for the income year
2597 immediately succeeding the income year during which such five-year
2598 period expires. The provisions of this subsection shall not apply if the
2599 property that is the subject of the credit under this section is replaced. If
2600 any amount of credit required to be recaptured has not been paid to the
2601 commissioner on or before the first day of the fourth month next
2602 succeeding the end of the income year immediately succeeding the
2603 income year during which the three-year or five-year period, as the case
2604 may be, expires, such amount shall bear interest at the rate of one per
2605 cent per month or fraction thereof from such date to the date of
2606 payment.

2607 Sec. 25. (NEW) (*Effective July 1, 2023*) (a) The Commissioner of
2608 Revenue Services shall annually:

2609 (1) Estimate the state tax gap and develop an overall strategy to
2610 promote compliance and discourage tax avoidance. Such estimate shall
2611 include an analysis of income distribution and population distribution
2612 expressed for (A) every ten percentage points, (B) the top five per cent
2613 of all income taxpayers, (C) the top one per cent of all income taxpayers,
2614 and (D) the top one-half of one per cent of all income taxpayers. As used
2615 in this section, "tax gap" means the difference between taxes owed under
2616 full compliance with all state tax laws and the state taxes voluntarily

2617 paid, where such difference may be due to a failure to file taxes,
2618 underreporting of tax liability or not paying all taxes owing;

2619 (2) Evaluate the specific staffing needs of the Department of Revenue
2620 Services to implement such overall strategy and reduce the state tax gap
2621 and determine the progress made, if any, towards filling such staffing
2622 needs; and

2623 (3) Conduct (A) a cost benefit analysis of each major tax compliance
2624 initiative undertaken by the department in the preceding fiscal year,
2625 including tax amnesty programs, and (B) an analysis of audit rates, by
2626 income level, undertaken by the department in the preceding fiscal year.

2627 (b) On or before December 15, 2023, and annually thereafter, the
2628 commissioner shall submit a report, in accordance with the provisions
2629 of section 11-4a of the general statutes, to the joint standing committee
2630 of the General Assembly having cognizance of matters relating to
2631 finance, revenue and bonding and appropriations. Such report shall be
2632 posted on the Department of Revenue Service's Internet web site and
2633 shall include (1) the tax gap estimate and analysis and the compliance
2634 strategy developed under subdivision (1) of subsection (a) of this section
2635 and any information supporting the amount of the tax gap estimate, (2)
2636 a summary of the evaluation and determination of the department's
2637 staffing needs under subdivision (2) of subsection (a) of this section, and
2638 (3) the findings of the analyses conducted under subdivision (3) of
2639 subsection (a) of this section.

2640 (c) On or before July 1, 2024, the commissioner shall publish a
2641 strategic plan that includes the department's mission, measurable goals
2642 that define how the mission is to be accomplished, specific strategies to
2643 achieve the goals and a timetable to measure progress toward achieving
2644 those goals. Such plan shall be posted on the department's Internet web
2645 site and updated annually.

2646 Sec. 26. Section 12-7c of the general statutes is repealed and the
2647 following is substituted in lieu thereof (*Effective July 1, 2023*):

2648 (a) The Commissioner of Revenue Services shall, on or before
2649 December 15, 2023, and biennially thereafter, submit to the joint
2650 standing committee of the General Assembly having cognizance of
2651 matters relating to finance, revenue and bonding, and post on the
2652 department's Internet web site a report on the overall incidence of the
2653 personal income tax, the affected business entity tax, sales and excise
2654 taxes, the corporation business tax, [and] property tax and any other tax
2655 that generated at least one hundred million dollars in the most recent
2656 fiscal year prior to the submission of each report, for each of the most
2657 recent ten tax years for which complete data are available.

2658 (1) The report shall include incidence projections for each such tax
2659 and shall present information on the distribution of the tax burden as
2660 follows:

2661 [(1)] (A) For individuals:

2662 [(A)] (i) Income classes, including income distribution and
2663 population distribution expressed for [(i)] (I) every ten percentage
2664 points, [(ii)] (II) the top five per cent of all income taxpayers, [and (iii)]
2665 (III) the top one per cent of all income taxpayers, [;] and (IV) the top one-
2666 half of one per cent of all income taxpayers;

2667 (ii) For each income class, the percentage of taxpayers who (I) are
2668 homeowners, (II) are single, (III) are married, (IV) are seniors, or (V)
2669 have children;

2670 (iii) For each income class, the average market value of a home and
2671 the average monthly rent;

2672 (iv) Effective tax rates by population distribution expressed as state
2673 taxes compared to local taxes;

2674 (v) Effective tax rates by population distribution expressed as taxes
2675 imposed on businesses compared to taxes imposed on individuals; and

2676 [(B)] (vi) Other appropriate taxpayer characteristics, as determined

2677 by said commissioner.

2678 ~~[(2)] (B)~~ For businesses:

2679 ~~[(A)] (i)~~ Business size as established by gross receipts;

2680 ~~[(B)] (ii)~~ Legal organization; and

2681 ~~[(C)] (iii)~~ Industry by NAICS code.

2682 (2) In addition to the information required under subdivision (1) of
2683 this subsection, the report shall include the following:

2684 (A) For the personal income tax, information on the distribution of
2685 the property tax credit under section 12-704c, the earned income tax
2686 credit under section 12-704e, as amended by this act, the affected
2687 business entity tax credit under section 12-699 and any other credit
2688 against the personal income tax that resulted in a revenue loss to the
2689 state of at least twenty-five million dollars in the most recent fiscal year
2690 prior to the submission of each report;

2691 (B) For property tax, information on the distribution of residential
2692 and commercial property and for residential property, the distribution
2693 of homeowners and renters; and

2694 (C) For any other tax other than the personal income tax or property
2695 tax that generated at least one hundred million dollars in the most recent
2696 fiscal year prior to the submission of each report, information on the
2697 distribution of any credit against such tax that resulted in a revenue loss
2698 to the state of at least twenty-five million dollars in the most recent fiscal
2699 year prior to the submission of each report.

2700 (b) The Commissioner of Revenue Services may enter into a contract
2701 with any public or private entity for the purpose of preparing the report
2702 required pursuant to subsection (a) of this section, provided, if the
2703 commissioner enters into such contract, the commissioner shall include
2704 in such report the resources that the commissioner deems necessary to

2705 allow the Department of Revenue Services to prepare such report in-
2706 house.

2707 Sec. 27. Section 453 of public act 21-2 of the June special session, as
2708 amended by section 471 of public act 22-118, is repealed. (*Effective from*
2709 *passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to income years commencing on or after January 1, 2023</i>	12-214(b)(4)
Sec. 2	<i>from passage and applicable to income years commencing on or after January 1, 2023</i>	12-219(b)(4)
Sec. 3	<i>from passage</i>	New section
Sec. 4	<i>January 1, 2024</i>	12-217x
Sec. 5	<i>from passage</i>	12-704e(a)
Sec. 6	<i>January 1, 2024</i>	12-700(a)
Sec. 7	<i>from passage and applicable to taxable years commencing on or after January 1, 2023</i>	12-701(a)(20)(B)
Sec. 8	<i>from passage and applicable to income years commencing on or after January 1, 2023</i>	12-217
Sec. 9	<i>January 1, 2024</i>	12-217jj
Sec. 10	<i>January 1, 2024</i>	32-1m(a)
Sec. 11	<i>July 1, 2023</i>	12-217ee
Sec. 12	<i>from passage</i>	22a-245a
Sec. 13	<i>July 1, 2023, and applicable to sales occurring on or after July 1, 2023</i>	12-407(37)(J)

Sec. 14	<i>January 1, 2024, and applicable to income years commencing on or after January 1, 2024</i>	12-217g(c)
Sec. 15	<i>January 1, 2024</i>	31-22r
Sec. 16	<i>July 1, 2023, and applicable to sales occurring on or after July 1, 2023</i>	12-408(1)
Sec. 17	<i>July 1, 2023, and applicable to sales occurring on or after July 1, 2023</i>	12-411(1)
Sec. 18	<i>July 1, 2023</i>	New section
Sec. 19	<i>July 1, 2023</i>	New section
Sec. 20	<i>July 1, 2023</i>	New section
Sec. 21	<i>from passage</i>	New section
Sec. 22	<i>from passage</i>	New section
Sec. 23	<i>October 1, 2023</i>	12-217(a)(4)
Sec. 24	<i>January 1, 2024</i>	12-217w
Sec. 25	<i>July 1, 2023</i>	New section
Sec. 26	<i>July 1, 2023</i>	12-7c
Sec. 27	<i>from passage</i>	Repealer section

FIN *Joint Favorable Subst.*