



General Assembly

Substitute Bill No. 1236

January Session, 2023



**AN ACT CONCERNING THE AMOUNTS OF UNCLAIMED BEVERAGE
CONTAINER DEPOSITS TO BE PAID FOR DEPOSIT IN THE
GENERAL FUND.**

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

1 Section 1. Section 22a-245a of the general statutes is repealed and
2 the following is substituted in lieu thereof (*Effective from passage*):

3 (a) Each deposit initiator shall open a special interest-bearing
4 account at a Connecticut branch of a financial institution, as defined in
5 section 45a-557a, to the credit of the deposit initiator. Each deposit
6 initiator shall deposit in such account an amount equal to the refund
7 value established pursuant to subsection (a) of section 22a-244, for each
8 beverage container sold by such deposit initiator. Such deposit shall be
9 made not more than one month after the date such beverage container
10 is sold, provided for any beverage container sold during the period
11 from December 1, 2008, to December 31, 2008, inclusive, such deposit
12 shall be made not later than January 5, 2009. All interest, dividends
13 and returns earned on the special account shall be paid directly into
14 such account. Such moneys shall be kept separate and apart from all
15 other moneys in the possession of the deposit initiator. The amount
16 required to be deposited pursuant to this section, when deposited,
17 shall be held to be a special fund in trust for the state.

18 (b) (1) Any reimbursement of the refund value for a redeemed

19 beverage container shall be paid from the deposit initiator's special
20 account, with such payment to be computed, subject to the provisions
21 of subdivision (2) of this subsection, under the cash receipts and
22 disbursements method of accounting, as described in Section 446(c)(1)
23 of the Internal Revenue Code of 1986, or any subsequent
24 corresponding Internal Revenue Code of the United States, as
25 amended from time to time.

26 (2) A deposit initiator may petition the Commissioner of Revenue
27 Services for an alternate method of accounting by filing with such
28 deposit initiator's return a statement of objections and other proposed
29 alternate method of accounting, as such deposit initiator believes
30 proper and equitable under the circumstances, that is accompanied by
31 supporting details and proof. The Commissioner of Revenue Services
32 shall promptly notify such deposit initiator whether the proposed
33 alternate method is accepted as reasonable and equitable and, if so
34 accepted, shall adjust such deposit initiator's return and payment of
35 reimbursement accordingly.

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

41 [(c)] (d) (1) Each deposit initiator shall submit a report on March 15,
42 2009, for the period from December 1, 2008, to February 28, 2009,
43 inclusive. Each deposit initiator shall submit a report on July 31, 2009,
44 for the period from March 1, 2009, to June 30, 2009, inclusive, and
45 thereafter shall submit a quarterly report for the immediately
46 preceding calendar quarter one month after the close of such quarter.
47 Each such report shall be submitted to the Commissioner of Energy
48 and Environmental Protection, on a form prescribed by the
49 commissioner and with such information as the commissioner deems
50 necessary, including, but not limited to: (A) The balance in the special
51 account at the beginning of the quarter for which the report is

52 prepared; (B) a list of all deposits credited to such account during such
53 quarter, including all refund values paid to the deposit initiator and all
54 interest, dividends or returns received on the account; (C) a list of all
55 withdrawals from such account during such quarter, all service
56 charges and overdraft charges on the account and all payments made
57 pursuant to subsection [(d)] (e) of this section; and (D) the balance in
58 the account at the close of the quarter for which the report is prepared.

59 (2) Each deposit initiator shall submit a report on October 31, 2010,
60 for the calendar quarter beginning July 1, 2010. Subsequently, each
61 deposit initiator shall submit a quarterly report for the immediately
62 preceding calendar quarter, on or before the last day of the month next
63 succeeding the close of such quarter. Each such report shall be
64 submitted to the Commissioner of Revenue Services, on a form
65 prescribed by the Commissioner of Revenue Services, and with such
66 information as the Commissioner of Revenue Services deems
67 necessary, including, but not limited to, the following information: (A)
68 The balance in the special account at the beginning of the quarter for
69 which the report is prepared, (B) all deposits credited to such account
70 during such quarter, including all refund values paid to the deposit
71 initiator and all interest, dividends or returns received on such
72 account, (C) all withdrawals from such account during such quarter,
73 including all service charges and overdraft charges on such account
74 and all payments made pursuant to subsection [(d)] (e) of this section,
75 and (D) the balance in such account at the close of the quarter for
76 which the report is prepared. Such quarterly report shall be filed
77 electronically with the Commissioner of Revenue Services, in the
78 manner provided by chapter 228g.

79 [(d)] (e) (1) On or before April 30, 2009, each deposit initiator shall
80 pay the balance outstanding in the special account that is attributable
81 to the period from December 1, 2008, to March 31, 2009, inclusive, to
82 the Commissioner of Energy and Environmental Protection for deposit
83 in the General Fund. Thereafter, the balance outstanding in the special
84 account that is attributable to the immediately preceding calendar

85 quarter shall be paid by the deposit initiator one month after the close
86 of such quarter to the Commissioner of Energy and Environmental
87 Protection for deposit in the General Fund. If the amount of the
88 required payment pursuant to this subdivision is not paid by the date
89 seven days after the due date, a penalty of ten per cent of the amount
90 due shall be added to the amount due. The amount due shall bear
91 interest at the rate of one and one-half per cent per month or fraction
92 thereof, from the due date. Any such penalty or interest shall not be
93 paid from funds maintained in the special account.

94 (2) (A) On or before October 31, 2010, each deposit initiator shall
95 pay the balance outstanding in the special account that is attributable
96 to the period from July 1, 2010, to September 30, 2010, inclusive, to the
97 Commissioner of Revenue Services for deposit in the General Fund.

98 (B) Subsequently: [, for]

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

105 (ii) For the fiscal year ending June 30, 2024, sixty-five per cent of the
106 balance outstanding in the special account that is attributable to the
107 immediately preceding calendar quarter shall be paid by the deposit
108 initiator on or before the last day of the month next succeeding the
109 close of such quarter to the Commissioner of Revenue Services for
110 deposit in the General Fund, except that for the calendar quarters
111 ending September 30, 2023, and December 31, 2023, the balances
112 outstanding in the special account that are attributable to said calendar
113 quarters shall be retained in the special account by the deposit initiator
114 for the purpose of reimbursement of the refund value in effect on
115 January 1, 2024, for a redeemed beverage container in accordance with
116 the provisions of subsection (b) of this section and section 22a-244;

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

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

126 (I) At least sixty-five per cent, twenty-five per cent of the balance
127 outstanding in the special account that is attributable to the
128 immediately preceding calendar quarter shall be paid by the deposit
129 initiator on or before the last day of the month next succeeding the
130 close of such quarter to the Commissioner of Revenue Services for
131 deposit in the General Fund; and

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

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

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

146 (II) Less than seventy per cent but more than sixty-five per cent,
147 twenty-five per cent of the balance outstanding in the special account

148 that is attributable to the immediately preceding calendar quarter shall
149 be paid by the deposit initiator on or before the last day of the month
150 next succeeding the close of such quarter to the Commissioner of
151 Revenue Services for deposit in the General Fund; and

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

158 (vi) For the fiscal year ending June 30, 2028, and each fiscal year
159 thereafter, if the redemption rate calculated under subsection (c) of this
160 section for the preceding fiscal year is:

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

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

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

178 (IV) Sixty-five per cent or less, forty-five per cent of the balance

179 outstanding in the special account that is attributable to the
180 immediately preceding calendar quarter shall be paid by the deposit
181 initiator on or before the last day of the month next succeeding the
182 close of such quarter to the Commissioner of Revenue Services for
183 deposit in the General Fund.

184 (C) If the amount of the required payment pursuant to this
185 subdivision is not paid on or before the due date, a penalty of ten per
186 cent of the amount due and unpaid, or fifty dollars, whichever is
187 greater, shall be imposed. The amount due and unpaid shall bear
188 interest at the rate of one per cent per month or fraction thereof, from
189 the due date. Any such penalty or interest shall not be paid from funds
190 maintained in such special account. Such required payment shall be
191 made by electronic funds transfer to the Commissioner of Revenue
192 Services, in the manner provided by chapter 228g.

193 [(e)] (f) If moneys deposited in the special account are insufficient to
194 pay for withdrawals authorized pursuant to subsection (b) of this
195 section, the amount of such deficiency shall be subtracted from the
196 next succeeding payment or payments due pursuant to subsection [(d)]
197 (e) of this section until the amount of the deficiency has been
198 subtracted in full.

199 [(f)] (g) The Commissioner of Revenue Services may examine the
200 accounts and records of any deposit initiator maintained under this
201 section or sections 22a-243 to 22a-245, inclusive, and any related
202 accounts and records, including receipts, disbursements and such
203 other items as the Commissioner of Revenue Services deems
204 appropriate.

205 [(g)] (h) The Attorney General may, independently or upon
206 complaint of the Commissioner of Energy and Environmental
207 Protection or the Commissioner of Revenue Services, institute any
208 appropriate action or proceeding to enforce any provision of this
209 section or any regulation adopted pursuant to section 22a-245 to
210 implement the provisions of this section.

211 [(h)] (i) The provisions of sections 12-548, 12-550 to 12-554, inclusive,
212 and 12-555a shall be deemed to apply to the provisions of this section,
213 except any provision of sections 12-548, 12-550 to 12-554, inclusive, and
214 12-555a that is inconsistent with the provision in this section.

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

218 [(j)] (k) Not later than July 1, 2010, the Department of Energy and
219 Environmental Protection or successor agency shall establish a
220 procedure that allows each such deposit initiator to take a credit
221 against any payment made pursuant to subsection [(d)] (e) of this
222 section in the amount of the deposits refunded on beverage containers
223 which such deposit initiator donated for any charitable purpose.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	22a-245a

FIN Joint Favorable Subst.