



Senate

General Assembly

File No. 524

February Session, 2024

Senate Bill No. 251

Senate, April 17, 2024

The Committee on Finance, Revenue and Bonding reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the bill ought to pass.

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

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

1 Section 1. Section 12-15 of the 2024 supplement to the general statutes
2 is repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2024*):

4 (a) No officer or employee, including any former officer or former
5 employee, of the state or of any other person who has or had access to
6 returns or return information in accordance with subdivision (12) of
7 subsection (b) of this section shall disclose or inspect any return or
8 return information, except as provided in this section.

9 (b) The commissioner may disclose:

10 (1) [returns] Returns or return information to (A) an authorized
11 representative of another state agency or office, upon written request by
12 the head of such agency or office, when required in the course of duty
13 or when there is reasonable cause to believe that any state law is being

14 violated, or (B) an authorized representative of an agency or office of the
15 United States, upon written request by the head of such agency or office,
16 when required in the course of duty or when there is reasonable cause
17 to believe that any federal law is being violated, provided no such
18 agency or office shall disclose such returns or return information, other
19 than in a judicial or administrative proceeding to which such agency or
20 office is a party pertaining to the enforcement of state or federal law, as
21 the case may be, in a form which can be associated with, or otherwise
22 identify, directly or indirectly, a particular taxpayer except that the
23 names and addresses of jurors or potential jurors and the fact that the
24 names were derived from the list of taxpayers pursuant to chapter 884
25 may be disclosed by the Judicial Branch;

26 (2) [returns] Returns or return information to the Auditors of Public
27 Accounts, when required in the course of duty under chapter 23;

28 (3) [returns] Returns or return information to tax officers of another
29 state or of a Canadian province or of a political subdivision of such other
30 state or province or of the District of Columbia or to any officer of the
31 United States Treasury Department or the United States Department of
32 Health and Human Services, authorized for such purpose in accordance
33 with an agreement between this state and such other state, province,
34 political subdivision, the District of Columbia or department,
35 respectively, when required in the administration of taxes imposed
36 under the laws of such other state, province, political subdivision, the
37 District of Columbia or the United States, respectively, and when a
38 reciprocal arrangement exists;

39 (4) [returns] Returns or return information in any action, case or
40 proceeding in any court of competent jurisdiction, when the
41 commissioner or any other state department or agency is a party, and
42 when such information is directly involved in such action, case or
43 proceeding;

44 (5) [returns] Returns or return information to a taxpayer or its
45 authorized representative, upon written request for a return filed by or
46 return information on such taxpayer;

47 (6) [returns] Returns or return information to a successor, receiver,
48 trustee, executor, administrator, assignee, guardian or guarantor of a
49 taxpayer, when such person establishes, to the satisfaction of the
50 commissioner, that such person has a material interest which will be
51 affected by information contained in such returns or return information;

52 (7) [information] Information to the assessor or an authorized
53 representative of the chief executive officer of a Connecticut
54 municipality, when the information disclosed is limited to (A) a list of
55 real or personal property that is or may be subject to property taxes in
56 such municipality, or (B) a list containing the name of each person who
57 is issued any license, permit or certificate which is required, under the
58 provisions of this title, to be conspicuously displayed and whose
59 address is in such municipality;

60 (8) [real] Real estate conveyance tax return information or controlling
61 interest transfer tax return information to the town clerk or an
62 authorized representative of the chief executive officer of a Connecticut
63 municipality to which the information relates;

64 (9) [estate] Estate tax returns and estate tax return information to the
65 Probate Court Administrator or to the court of probate for the district
66 within which a decedent resided at the date of the decedent's death, or
67 within which the commissioner contends that a decedent resided at the
68 date of the decedent's death or, if a decedent died a nonresident of this
69 state, in the court of probate for the district within which real estate or
70 tangible personal property of the decedent is situated, or within which
71 the commissioner contends that real estate or tangible personal property
72 of the decedent is situated;

73 (10) [returns] Returns or return information to the (A) Secretary of the
74 Office of Policy and Management for purposes of subsection (b) of
75 section 12-7a, and (B) Office of Fiscal Analysis for purposes of, and
76 subject to the provisions of, subdivision (2) of subsection (f) of section
77 12-7b;

78 (11) [return] Return information to the Jury Administrator or Clerk of

79 the United States District Court for the District of Connecticut, when the
80 information disclosed is limited to the names, addresses, federal Social
81 Security numbers and dates of birth, if available, of residents of this
82 state, as defined in subdivision (1) of subsection (a) of section 12-701;

83 (12) [returns] Returns or return information to any person to the
84 extent necessary in connection with the processing, storage,
85 transmission or reproduction of such returns or return information, and
86 the programming, maintenance, repair, testing or procurement of
87 equipment, or the providing of other services, for purposes of tax
88 administration;

89 (13) [without] Without written request and unless the commissioner
90 determines that disclosure would identify a confidential informant or
91 seriously impair a civil or criminal tax investigation, returns and return
92 information which may constitute evidence of a violation of any civil or
93 criminal law of this state or the United States to the extent necessary to
94 apprise the head of such agency or office charged with the responsibility
95 of enforcing such law, in which event the head of such agency or office
96 may disclose such return information to officers and employees of such
97 agency or office to the extent necessary to enforce such law;

98 (14) [names] Names and addresses of operators, as defined in section
99 12-407, to tourism districts, as defined in section 10-397;

100 (15) [names] Names of each licensed dealer, as defined in section 12-
101 285, and the location of the premises covered by the dealer's license;

102 (16) [to] To a tobacco product manufacturer that places funds into
103 escrow pursuant to the provisions of subsection (a) of section 4-28i,
104 return information of a distributor licensed under the provisions of
105 chapter 214 or chapter 214a, provided the information disclosed is
106 limited to information relating to such manufacturer's sales to
107 consumers within this state, whether directly or through a distributor,
108 dealer or similar intermediary or intermediaries, of cigarettes, as
109 defined in section 4-28h, and further provided there is reasonable cause
110 to believe that such manufacturer is not in compliance with section 4-

111 28i;

112 (17) [returns] Returns or return information to the State Elections
113 Enforcement Commission, upon written request by said commission,
114 when necessary to investigate suspected violations of state election
115 laws;

116 (18) [returns] Returns or return information for purposes of, and
117 subject to the conditions of, subsection (e) of section 5-240;

118 (19) [to] To the extent allowable under federal law, return
119 information to another state agency or to support a data request
120 submitted through CP20 WIN, established in section 10a-57g, in
121 accordance with the policies and procedures of CP20 WIN for the
122 purposes of evaluation or research, provided the recipient of such data
123 enters into a data sharing agreement pursuant to section 4-67aa if such
124 recipient is not a state agency; and

125 (20) [return] Return information to the Connecticut Health Insurance
126 Exchange pursuant to section 12-156.

127 (c) Any federal returns or return information made available to the
128 commissioner in accordance with a written agreement between the
129 commissioner and the Internal Revenue Service concerning exchange of
130 information for tax administration purposes, shall not be open to
131 inspection by or disclosed to any individual or disclosed in any manner
132 other than as permitted under the provisions of Section 6103 of the
133 Internal Revenue Code of 1986, or any subsequent corresponding
134 internal revenue code of the United States, as from time to time
135 amended.

136 (d) (1) The commissioner may, upon request, verify whether or not
137 any license, permit or certificate required under the provisions of this
138 title to be conspicuously displayed has been issued by the commissioner
139 to any particular person.

140 (2) The commissioner may make public the names and municipality
141 of residence or postal district of persons entitled to tax refunds for

142 purposes of notifying them when the commissioner, after reasonable
143 effort and lapse of time, has been unable to locate such persons.

144 (e) The commissioner may refuse to open to inspection or disclose to
145 any person any returns or return information made available to the
146 commissioner by any tax officer of another state, a Canadian province
147 or political subdivision of such other state or province or of the District
148 of Columbia or by any officer of the United States Treasury Department
149 or the United States Department of Health and Human Services in
150 accordance with a written agreement between this state and such other
151 state, province, political subdivision, the District of Columbia or
152 department, respectively, which agreement provides that the disclosure
153 of such returns or return information by the commissioner is prohibited.
154 In addition, he may refuse to open to inspection or disclosure to any
155 state or United States agency or office described in subdivision (1) of
156 subsection (b) of this section, returns or return information unless such
157 agency or office shall have:

158 (1) Established and maintained, to the satisfaction of the
159 commissioner, a permanent system of standardized records with
160 respect to any request, the reason for such request, and the date of such
161 request made by or of it and any disclosure or inspection of returns or
162 return information made by or to it;

163 (2) [~~established~~] Established and maintained, to the satisfaction of the
164 commissioner, a secure area or place in which such returns or return
165 information shall be stored;

166 (3) [~~restricted~~] Restricted, to the satisfaction of the commissioner,
167 access to the returns or return information only to persons whose duties
168 or responsibilities require access and to whom disclosure may be made
169 under this section or by whom inspection may be made under this
170 section;

171 (4) [~~provided~~] Provided such other safeguards which the
172 commissioner prescribes as necessary or appropriate to protect the
173 confidentiality of the returns or return information;

174 (5) [~~furnished~~] Furnished a report to the commissioner, at such time
175 and containing such information as the commissioner may prescribe,
176 which describes the procedures established and utilized by such agency
177 or office for ensuring the confidentiality of returns and return
178 information required by this subsection; and

179 (6) [~~upon~~] Upon completion of use of such returns or return
180 information, returned to the commissioner such returns or return
181 information, along with any copies made therefrom, or makes such
182 returns or return information undisclosable in such manner as the
183 commissioner may prescribe and furnishes a written report to the
184 commissioner identifying the returns or return information that were
185 made undisclosable.

186 (f) Returns and return information shall, without written request, be
187 open to inspection by or disclosure to: (1) Officers and employees of the
188 Department of Revenue Services whose official duties require such
189 inspection or disclosure for tax administration purposes; (2) officers or
190 employees of an agency or office in accordance with subdivision (1) or
191 (13) of subsection (b) of this section whose official duties require such
192 inspection; and (3) officers or employees of any person in accordance
193 with subdivision (12) of subsection (b) of this section, whose duties
194 require such inspection or disclosure.

195 (g) Any person who violates any provision of this section shall be
196 fined not more than one thousand dollars or imprisoned not more than
197 one year, or both.

198 (h) For purposes of this section:

199 (1) "Return" means any tax or information return, declaration of
200 estimated tax, claim for refund, license application, permit application,
201 registration application or other application required by, or provided
202 for or permitted under, the provisions of this or any other title which is
203 filed with the commissioner by, on behalf of, or with respect to any
204 person, and any amendment or supplement thereto, including
205 supporting schedules, attachments, or lists which are supplemental to,

206 or part of, the return so filed.

207 (2) "Return information" means a taxpayer's identity, the nature,
208 source, or amount of the taxpayer's income, payments, receipts,
209 deductions, exemptions, credits, assets, liabilities, net worth, tax
210 liability, tax collected or withheld, tax underreportings, tax
211 overreportings, or tax payments, whether the taxpayer's return was, is
212 being, or will be examined or subjected to other investigation or
213 processing, or any other data received by, recorded by, prepared by,
214 furnished to, or collected by the commissioner with respect to a return
215 or with respect to the determination of the existence, or possible
216 existence, of liability of any person for any tax, penalty, interest, fine,
217 forfeiture, or other imposition, or offense. "Return information" does not
218 include data in a form which cannot be associated with, or otherwise
219 identify, directly or indirectly, a particular taxpayer. Nothing in the
220 preceding sentence, or in any other provision of law, shall be construed
221 to require the disclosure of standards used or to be used for the selection
222 of returns for examination, or data used or to be used for determining
223 such standards or the disclosure of the identity of a confidential
224 informant, whether or not a civil or criminal tax investigation has been
225 undertaken or completed.

226 (3) "Disclosure" means the making known to any person, in any
227 manner whatever, a return or return information.

228 (4) "Inspection" means any examination of a return or return
229 information.

230 (5) "Tax administration" means the administration, management,
231 conduct, direction and supervision of the execution and application of
232 the tax laws of this state, and the development and formulation of tax
233 policy relating to existing or proposed tax laws of this state, and includes
234 assessment, collection, enforcement, litigation, publication and
235 statistical gathering functions under such laws.

236 Sec. 2. Subsection (h) of section 12-62r of the general statutes is
237 repealed and the following is substituted in lieu thereof (*Effective October*

238 1, 2024):

239 (h) Nothing in this section shall change the assessment of apartment
240 property created or converted by the Capital Region Development
241 Authority created pursuant to section [20-601] 32-601. Such apartment
242 property shall continue to be assessed as residential property.

243 Sec. 3. Subsection (h) of section 12-170aa of the general statutes is
244 repealed and the following is substituted in lieu thereof (*Effective October*
245 *1, 2024*):

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

257 Sec. 4. Subdivision (1) of subsection (d) of section 12-217qq of the
258 general statutes is repealed and the following is substituted in lieu
259 thereof (*Effective October 1, 2024*):

260 (d) (1) A qualified small business may apply to the commissioner in
261 accordance with the provisions of subdivision (2) of this subsection to
262 exchange any credit allowed under subsection (b) of this section for a
263 credit refund equal to the value of the credit. Any amount of credit
264 refunded under this subsection shall be refunded to the qualified small
265 business in accordance with the provisions of this chapter or chapter
266 207, as applicable. No interest shall be allowed or paid on any amount
267 of credit refunded under this subsection. Any amount of credit refunded
268 under this subsection shall be subject to the provisions of section [12-
269 39h] 12-39g.

270 Sec. 5. Subdivision (5) of subsection (a) of section 12-217zz of the 2024
271 supplement to the general statutes is repealed and the following is
272 substituted in lieu thereof (*Effective October 1, 2024*):

273 (5) Notwithstanding the provisions of subdivision (2) of this
274 subsection, for income years commencing on or after January 1, 2024,
275 the aggregate amount allowable of tax credits and any remaining credits
276 available under section 12-217j or 12-217n or subparagraph (B) of
277 subdivision (4) of subsection (b) of section 12-217x, after tax credits are
278 utilized in accordance with [said] subdivision (2) of this subsection shall
279 not exceed seventy per cent of the amount of tax due from such taxpayer
280 under this chapter with respect to any such income year of the taxpayer
281 prior to the application of such credit or credits.

282 Sec. 6. Section 12-263x of the general statutes is repealed and the
283 following is substituted in lieu thereof (*Effective October 1, 2024*):

284 The amount of any tax, penalty, interest or fee, due and unpaid under
285 the provisions of sections 12-263q to 12-263v, inclusive, may be collected
286 under the provisions of section 12-35. The warrant [provided under
287 section 12-35] therein provided for shall be signed by the commissioner
288 or the commissioner's authorized agent. The amount of any such tax,
289 penalty, interest or fee shall be a lien on the real estate of the taxpayer
290 from the last day of the month next preceding the due date of such tax
291 until such tax is paid. The commissioner may record such lien in the
292 records of any town in which the real estate of such taxpayer is situated
293 but no such lien shall be enforceable against a bona fide purchaser or
294 qualified encumbrancer of such real estate. When any tax or fee with
295 respect to which a lien has been recorded under the provisions of this
296 subsection has been satisfied, the commissioner shall, upon request of
297 any interested party, issue a certificate discharging such lien, which
298 certificate shall be recorded in the same office in which the lien was
299 recorded. Any action for the foreclosure of such lien shall be brought by
300 the Attorney General in the name of the state in the superior court for
301 the judicial district in which the property subject to such lien is situated,
302 or, if such property is located in two or more judicial districts, in the

303 superior court for any one such judicial district, and the court may limit
304 the time for redemption or order the sale of such property or make such
305 other or further decree as it judges equitable. For purposes of section 12-
306 39g, a fee under this section shall be treated as a tax.

307 Sec. 7. Subsections (d) to (f), inclusive, of section 12-294 of the general
308 statutes are repealed and the following is substituted in lieu thereof
309 (*Effective October 1, 2024*):

310 (d) Failure of the commissioner to mail the notice referred to in
311 subsection (c) of this section shall release the successor or assignee from
312 any further obligation to withhold the purchase price as provided in
313 subsection (b) of this section. The period within which the obligation of
314 the successor or assignee may be enforced shall commence on the date
315 the distributor or dealer sells out his or her business or stock of goods
316 or quits the business or on the date [that] the assessment against such
317 distributor or dealer becomes final, whichever event occurs later, and
318 shall end three years after such date.

319 (e) The certificate provided for in subsection (c) of this section may be
320 issued after the payment of all amounts due under this chapter,
321 according to the records of the department as of the date of the
322 certificate, or after the payment of the amounts is secured to the
323 satisfaction of the commissioner.

324 (f) The obligation of the successor or assignee shall be enforced by
325 serving a notice of successor liability on the successor or assignee. [The]
326 Any such notice shall be [served in the manner prescribed under section
327 12-309 for service of a notice of assessment,] issued not later than three
328 years after the date the commissioner is notified by the successor or
329 assignee of the purchase of the business or stock of goods. The successor
330 or assignee may protest the assessment in the manner provided in
331 section 12-311, as amended by this act. [Sixty days after the date on
332 which a notice of assessment is mailed, an assessment shall become final
333 except for any amount as to which the successor or assignee has filed a
334 written protest with the commissioner, as provided in section 12-311]
335 Upon the issuance of an order by the commissioner pursuant to section

336 12-311, as amended by this act, the successor or assignee may appeal
337 such order in accordance with the provisions of section 12-312.

338 Sec. 8. Subsection (a) of section 12-309 of the general statutes is
339 repealed and the following is substituted in lieu thereof (*Effective October*
340 *1, 2024*):

341 (a) (1) Each distributor and each dealer shall keep complete and
342 accurate records of all cigarettes manufactured, produced, purchased
343 and sold. Such records shall be of such kind and in such form as the
344 Commissioner of Revenue Services may prescribe and shall be safely
345 preserved for three years in such manner as to [insure] ensure
346 permanency and accessibility for inspection by the commissioner and
347 [his] the commissioner's authorized agents. The commissioner and [his]
348 the commissioner's authorized agents may examine the books, papers
349 and records of any distributor or dealer in this state for the purpose of
350 determining whether the tax imposed by this chapter has been fully
351 paid, and may investigate and examine the stock of cigarettes in or upon
352 any premises where such cigarettes are possessed, stored or sold for the
353 purpose of determining whether the provisions of this chapter are being
354 obeyed.

355 (2) If, after an examination of the invoices, books and records of a
356 licensed distributor or dealer, or if, from any other information obtained
357 by [him or his] the commissioner or the commissioner's authorized
358 agents, the commissioner determines that the report of any licensed
359 distributor or licensed dealer is incorrect, and that the licensed
360 distributor or licensed dealer has not purchased sufficient stamps to
361 cover [his] such distributor's or dealer's receipts and sales or other
362 disposition of unstamped cigarettes, [he] the commissioner shall
363 thereupon assess the deficiency in tax. Such amount shall bear interest
364 at the rate of one per cent per month or fraction thereof from the date
365 when the original tax was due and payable. In any case where a licensed
366 distributor or licensed dealer cannot produce evidence of sufficient
367 stamp purchases to cover the receipt of unstamped cigarettes, it shall be
368 presumed that such cigarettes were sold without having the proper

369 stamps affixed.

370 (3) When it appears that any part of the deficiency for which a
371 deficiency assessment is made is due to negligence or intentional
372 disregard of the provisions of this chapter or regulations promulgated
373 thereunder, there shall be imposed a penalty equal to ten per cent of the
374 amount of such deficiency assessment, or fifty dollars, whichever is
375 greater. When it appears that any part of the deficiency for which a
376 deficiency assessment is made is due to fraud or intent to evade the
377 provisions of this chapter or regulations promulgated thereunder, there
378 shall be imposed a penalty equal to twenty-five per cent of the amount
379 of such deficiency assessment. No taxpayer shall be subject to more than
380 one penalty under this subsection in relation to the same tax period.

381 (4) The amount of any tax, penalty or interest due and unpaid under
382 the provisions of this chapter may be collected under the provisions of
383 section 12-35. The warrant therein provided for shall be signed by the
384 commissioner or [his] the commissioner's authorized agent. The amount
385 of any such tax, penalty and interest shall be a lien, from the last day of
386 the month next preceding the due date of such tax until discharged by
387 payment, against all real estate of the taxpayer within the state, and a
388 certificate of such lien signed by the commissioner may be filed for
389 record in the office of the clerk of any town in which such real estate is
390 situated, provided no such lien shall be effective as against any bona
391 fide purchaser or qualified encumbrancer of any interest in any such
392 property. When any tax with respect to which a lien has been recorded
393 under the provisions of this section has been satisfied, the
394 commissioner, upon request of any interested party, shall issue a
395 certificate discharging such lien, which certificate shall be recorded in
396 the same office in which the lien is recorded. Any action for the
397 foreclosure of such lien shall be brought by the Attorney General in the
398 name of the state in the superior court for the judicial district in which
399 the property subject to such lien is situated, or, if such property is
400 located in two or more judicial districts, in the superior court for any one
401 such judicial district, and the court may limit the time for redemption or
402 order the sale of such property or make such other or further decree as

403 it judges equitable.

404 Sec. 9. Section 12-311 of the general statutes is repealed and the
405 following is substituted in lieu thereof (*Effective October 1, 2024*):

406 Any person aggrieved by any action under this chapter of the
407 commissioner or [his] the commissioner's authorized agent, for which
408 hearing is not elsewhere provided, may apply to the commissioner for
409 a hearing, in writing, [within] not later than sixty days after the notice
410 of such action is delivered or mailed to [him, for a hearing] such person,
411 setting forth the reasons why such hearing should be granted and the
412 manner of relief sought. The commissioner shall promptly consider each
413 such application and may grant or deny the hearing requested. If the
414 hearing is denied, the applicant shall be notified thereof forthwith; if it
415 is granted, the commissioner shall notify the applicant of the time and
416 place fixed for such hearing. After such hearing, the commissioner may
417 make such order in the premises as appears to [him] the commissioner
418 just and lawful and shall furnish a copy of such order to the applicant.
419 The commissioner may, by notice in writing, at any time, order a hearing
420 on [his] the commissioner's own initiative and require the taxpayer or
421 any other individual whom [he] the commissioner believes to be in
422 possession of information concerning any manufacture, importation or
423 sale of cigarettes [which] that have escaped taxation to appear before
424 [him or his] the commissioner or the commissioner's authorized agent
425 with any specific books of account, papers or other documents, for
426 examination relative thereto.

427 Sec. 10. Subdivision (5) of subsection (e) of section 12-410 of the
428 general statutes is repealed and the following is substituted in lieu
429 thereof (*Effective October 1, 2024*):

430 (5) For purposes of subdivision (1) of this subsection, the sale of
431 services described in subdivision (37) of subsection (a) of section 12-407
432 shall be considered a sale for resale if such services are subsequently
433 resold as an integral, inseparable component part of digital goods sold
434 by the purchaser of the services to an ultimate consumer of the digital
435 goods. The purchaser of the services described in subdivision (37) of

436 subsection (a) of section 12-407 for resale shall maintain, in such form as
437 the commissioner requires, records that substantiate: (A) From whom
438 the services described in subdivision (37) of subsection (a) of section 12-
439 407 were purchases and to whom the digital goods were sold, licensed,
440 or leased, (B) the purchase prices of the services described in subdivision
441 (37) of subsection (a) of section 12-407, and (C) the nature of the
442 transaction with the ultimate consumer.

443 Sec. 11. Subdivision (1) of subsection (a) of section 12-418 of the
444 general statutes is repealed and the following is substituted in lieu
445 thereof (*Effective October 1, 2024*):

446 (a) (1) Any person against whom an assessment or a reassessment is
447 made under section 12-414a, 12-415, 12-416 or 12-424 or any person
448 directly interested may file a written protest not later than sixty days
449 after service upon such person of notice thereof. If a [petition for
450 reassessment] written protest is not filed within the sixty-day period,
451 the assessment or reassessment becomes final at the expiration of the
452 period.

453 Sec. 12. Subsection (f) of section 12-699 of the 2024 supplement to the
454 general statutes is repealed and the following is substituted in lieu
455 thereof (*Effective October 1, 2024*):

456 (f) (1) Each person that is subject to the tax imposed under chapter
457 229 and is a member of an affected business entity shall be entitled to a
458 credit against the tax imposed under said chapter, other than the [tax]
459 liability imposed [under] by section 12-707. Such credit shall be in an
460 amount equal to such person's direct and indirect share of the tax due
461 and paid under this section by any affected business entity of which
462 such person is a member multiplied by eighty-seven and one-half per
463 cent. If the amount of the credit allowed pursuant to this subdivision
464 exceeds such person's tax liability for the tax imposed under said
465 chapter, the commissioner shall treat such excess as an overpayment
466 and, except as provided in section 12-739 or 12-742, shall refund the
467 amount of such excess, without interest, to such person.

468 (2) Each person that is subject to the tax imposed under chapter 229
469 as a resident or a part-year resident of this state and is a member of an
470 affected business entity shall also be entitled to a credit against the tax
471 imposed under said chapter, other than the [tax] liability imposed
472 [under] by section 12-707, for such person's direct and indirect share of
473 taxes paid to another state of the United States or the District of
474 Columbia, on income of any affected business entity of which such
475 person is a member that is derived therefrom, provided the taxes paid
476 to another state of the United States or the District of Columbia results
477 from a tax that is substantially similar to the tax imposed under this
478 section. Any such credit shall be calculated in a manner consistent with
479 the provisions of section 12-704.

480 Sec. 13. Subdivisions (7) and (8) of section 7-425 of the 2024
481 supplement to the general statutes are repealed and the following is
482 substituted in lieu thereof (*Effective October 1, 2024*):

483 (7) "Fund" [and] or "fund B" means the Connecticut Municipal
484 Employees' Retirement Fund B;

485 (8) "Continuous service" [and] or "service" means active service as a
486 member, or active service prior to becoming a member if such service
487 (A) was in a department for which participation was subsequently
488 accepted and not subsequently withdrawn, (B) was continuous to the
489 date of becoming a member except service for which credit is granted
490 pursuant to section 7-436a, and (C) would have been as a member if the
491 department had then been participating, all subject to the provisions of
492 section 7-434;

493 Sec. 14. Subsection (c) of section 7-436 of the 2024 supplement to the
494 general statutes is repealed and the following is substituted in lieu
495 thereof (*Effective October 1, 2024*):

496 (c) On and after January 1, 2002, except as provided in subsection (h)
497 of this section, the following formula shall be used for the purpose of
498 calculating the monthly allowance of each member covered by the Old
499 Age and Survivors Insurance System on the first of the month after such

500 member attains the age at which such member first becomes eligible to
501 receive Social Security benefits or qualifies for a Social Security
502 disability award, if earlier: One-twelfth of one and one-half per cent of
503 such member's average annual pay for the three highest-paid years of
504 service up to the breakpoint for the year in which such member
505 separated from service, plus one-twelfth of two per cent of such
506 member's final average annual pay in excess of the breakpoint for the
507 year in which such member separated from service, multiplied by such
508 member's years of retirement credit and fractions thereof. Such
509 allowance shall be reduced in recognition of any optional form of
510 retirement income elected in accordance with section 7-439g. For the
511 purposes of this section, "breakpoint" has the same meaning as "year's
512 breakpoint" as provided in section 5-192f.

513 Sec. 15. Subparagraph (G) of subdivision (1) of subsection (b) of
514 section 7-439b of the 2024 supplement to the general statutes is repealed
515 and the following is substituted in lieu thereof (*Effective October 1, 2024*):

516 (G) Each member of the Municipal Employees' Retirement Fund who
517 retires on or after July 1, 2029, shall receive a cost of living adjustment
518 beginning on the first July first following the completion of twelve
519 months of retirement and on each subsequent July first. If the national
520 consumer price index for urban wage earners and clerical workers
521 increases by two per cent or less for the twelve-month period
522 immediately preceding any such adjustment, such adjustment shall
523 equal the actual percentage change in such index. If the national
524 consumer price index for urban wage earners and clerical workers
525 increases by more than two per cent for the twelve-month period
526 immediately preceding any such adjustment, such adjustment shall be
527 equal to the higher of [(1)] (i) two per cent, or [(2)] (ii) sixty per cent of
528 the amount of such increase for the first six per cent plus seventy-five
529 per cent of the amount of such increase over six per cent, provided any
530 such adjustment shall not exceed seven and one-half per cent. In the
531 event a member who retires on or after July 1, 2029, becomes deceased,
532 such cost of living adjustment shall be applied to the allowance of the
533 annuitant, if any.

534 Sec. 16. Subdivision (2) of subsection (m) of section 45a-107 of the
535 general statutes is repealed and the following is substituted in lieu
536 thereof (*Effective October 1, 2024*):

537 (2) If a tax return or a copy of a tax return required under
538 subparagraph (D) of subdivision (3) of subsection (b) of section 12-392
539 is not filed with a Probate Court by the due date for such return or copy
540 under subdivision (1) of subsection (b) of section 12-392 or by the date
541 an extension under subdivision [(4)] (6) of subsection (b) of section 12-
542 392 expires, the fees that would have been due under this section if such
543 return or copy had been filed by such due date or expiration date shall
544 bear interest at the rate of one-half of one per cent per month or portion
545 thereof from the date that is thirty days after such due date or expiration
546 date, whichever is later, until paid. If a return or copy is filed with a
547 Probate Court on or before such due date or expiration date, whichever
548 is later, the fees assessed shall bear interest as provided in subdivision
549 (1) of this subsection. No interest shall accrue under this subdivision on
550 any portion of the fees that are based on damages recovered for injuries
551 resulting in death;

552 Sec. 17. Subsection (a) of section 1-2a of the general statutes is
553 repealed and the following is substituted in lieu thereof (*Effective from*
554 *passage*):

555 (a) For purposes of sections 1-206, [3-114i,] 4-147, 9-23g, 9-153b, 9-311,
556 9-608, 10-183g, 12-146, 20-429, 31-241, 31-248, 31-249a, 33-603, 33-663, 33-
557 929, 33-1003, 33-1053, 33-1219, 38a-716 and 42-243 (1) any reference to
558 the United States mail or a postmark shall be treated as including a
559 reference to any delivery service designated by the Secretary of the
560 Treasury of the United States pursuant to Section 7502 of the Internal
561 Revenue Code of 1986, or any subsequent corresponding internal
562 revenue code of the United States, as from time to time amended, (2)
563 any reference to a postmark made by the United States Postal Service
564 shall be treated as including a reference to any date recorded or marked
565 in the manner described in said Section 7502 of said Internal Revenue
566 Code by a designated delivery service, and (3) any equivalent of

567 registered or certified mail designated by the Secretary of the Treasury
568 of the United States pursuant to said Section 7502 of said Internal
569 Revenue Code shall be included within the meaning of registered or
570 certified mail.

571 Sec. 18. Section 17b-10b of the general statutes is repealed and the
572 following is substituted in lieu thereof (*Effective from passage*):

573 The Commissioner of Social Services, pursuant to section 17b-10, may
574 implement policies and procedures necessary to administer the
575 provisions of sections [3-114r,] 17b-321, 17b-340a and 17b-340b, while in
576 the process of adopting such policies and procedures in regulation form,
577 provided the commissioner prints notice of intent to adopt regulations
578 in the Connecticut Law Journal not later than twenty days after the date
579 of implementation. Such policies and procedures shall remain valid for
580 three years following the date of publication in the Connecticut Law
581 Journal unless otherwise provided for by the General Assembly.
582 Notwithstanding the time frames established in subsection (c) of section
583 17b-10, the commissioner shall submit such policies and procedures in
584 proposed regulation form to the legislative regulation review committee
585 not later than three years following the date of publication of its intent
586 to adopt regulations as provided for in this subsection. In the event that
587 the commissioner is unable to submit proposed regulations prior to the
588 expiration of the three-year time period as provided for in this
589 subsection, the commissioner shall submit written notice, not later than
590 thirty-five days prior to the date of expiration of such time period, to the
591 legislative regulation review committee and the joint standing
592 committees of the General Assembly having cognizance of matters
593 relating to human services and appropriations and the budgets of state
594 agencies indicating that the department will not be able to submit the
595 proposed regulations on or before such date and shall include in such
596 notice (1) the reasons why the department will not submit the proposed
597 regulations by such date, and (2) the date by which the department will
598 submit the proposed regulations. The legislative regulation review
599 committee may require the department to appear before the committee
600 at a time prescribed by the committee to further explain such reasons

601 and to respond to any questions by the committee about the policy. The
 602 legislative regulation review committee may request the joint standing
 603 committee of the General Assembly having cognizance of matters
 604 relating to human services to review the department's policy, the
 605 department's reasons for not submitting the proposed regulations by the
 606 date specified in this section and the date by which the department will
 607 submit the proposed regulations. Said joint standing committee may
 608 review the policy, such reasons and such date, may schedule a hearing
 609 thereon and may make a recommendation to the legislative regulation
 610 review committee.

611 Sec. 19. Sections 3-114i and 3-114p to 3-114r, inclusive, of the general
 612 statutes are repealed. (*Effective from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2024</i>	12-15
Sec. 2	<i>October 1, 2024</i>	12-62r(h)
Sec. 3	<i>October 1, 2024</i>	12-170aa(h)
Sec. 4	<i>October 1, 2024</i>	12-217qq(d)(1)
Sec. 5	<i>October 1, 2024</i>	12-217zz(a)(5)
Sec. 6	<i>October 1, 2024</i>	12-263x
Sec. 7	<i>October 1, 2024</i>	12-294(d) to (f)
Sec. 8	<i>October 1, 2024</i>	12-309(a)
Sec. 9	<i>October 1, 2024</i>	12-311
Sec. 10	<i>October 1, 2024</i>	12-410(e)(5)
Sec. 11	<i>October 1, 2024</i>	12-418(a)(1)
Sec. 12	<i>October 1, 2024</i>	12-699(f)
Sec. 13	<i>October 1, 2024</i>	7-425(7) and (8)
Sec. 14	<i>October 1, 2024</i>	7-436(c)
Sec. 15	<i>October 1, 2024</i>	7-439b(b)(1)(G)
Sec. 16	<i>October 1, 2024</i>	45a-107(m)(2)
Sec. 17	<i>from passage</i>	1-2a(a)
Sec. 18	<i>from passage</i>	17b-10b
Sec. 19	<i>from passage</i>	Repealer section

FIN Joint Favorable

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

OFA Fiscal Note**State Impact:** None**Municipal Impact:** None**Explanation**

The bill, which makes minor and technical changes and repeals obsolete provisions, does not result in any fiscal impact to the state or municipalities.

The Out Years**State Impact:** None**Municipal Impact:** None

OLR Bill Analysis**SB 251*****AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL AND OTHER REVISIONS TO THE TAX AND RELATED STATUTES.*****SUMMARY**

This bill makes minor, technical, and conforming changes to various tax statutes, including:

1. eliminating a provision specifying that notices of assessment of successor liability for cigarette tax become final 60 days after the notice is mailed, unless the successor has requested a hearing (but keeping the 60-day time frame to request a hearing on the assessment) (§ 7);
2. correcting statutory references in provisions on assessment of apartment property, tax credits for employers making student loan payments, and estate settlement in probate court (§§ 2, 4 & 16); and
3. repealing statutes that specify when the comptroller must record revenue from certain taxes that have sunset (§§ 17-19).

EFFECTIVE DATE: October 1, 2024, except the repealed provisions are effective upon passage.

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 51 Nay 0 (04/02/2024)