



General Assembly

February Session, 2020

Raised Bill No. 5458

LCO No. 2360



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING THE TOURISM ACCOUNT SURCHARGE ON MOTOR VEHICLE RENTALS AND LEASES.

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

1 Section 1. Section 12-665 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2020*):

3 A surcharge is hereby imposed on the rental or leasing, for a period
4 of thirty consecutive calendar days or less, of a passenger motor vehicle
5 by any (1) person licensed pursuant to section 14-15, [Said] or (2)
6 marketplace facilitator, as defined in section 12-408e. Such surcharge
7 shall be in addition to any tax otherwise applicable to any such
8 transaction. No surcharge shall be imposed under this section for the
9 rental or leasing of a motor vehicle pursuant to a written agreement
10 having a term of more than thirty days.

11 Sec. 2. Section 12-666 of the general statutes is repealed and the
12 following is substituted in lieu thereof (*Effective July 1, 2020, and*
13 *applicable to rentals or leases executed on or after July 1, 2020*):

14 (a) The surcharge imposed by section 12-665 shall be at a rate of one
15 dollar for each day, or portion thereof, up to thirty days, for which the
16 lessor charges the lessee for the rental or lease of such a motor vehicle.

17 (b) Reimbursement for the surcharge imposed by section 12-665 shall
18 be collected by the lessor from the lessee and such surcharge
19 reimbursement, termed "surcharge" in this subsection, shall be paid by
20 the consumer to the retailer and each retailer shall collect from the
21 consumer the full amount of the surcharge imposed by section 12-665.
22 Such surcharge shall be a debt from the lessee to the lessor, when so
23 added to the original lease or rental price, and shall be recoverable at
24 law in the same manner as other debts. A marketplace facilitator, as
25 defined in section 12-408e, shall be considered a retailer for the purposes
26 of this section.

27 (c) Whenever such surcharge, payable by the consumer with respect
28 to a charge account or credit sale is remitted by the retailer to the
29 commissioner and such sale as an account receivable is determined to
30 be worthless and is actually written off as uncollectible for federal
31 income tax purposes, the amount of such surcharge remitted may be
32 credited against the surcharge due on the surcharge return filed by the
33 retailer for the monthly or quarterly period, whichever is applicable,
34 next following the period in which such amount is actually so written
35 off, but in no event shall such credit be allowed later than three years
36 following the date such surcharge is remitted. The commissioner shall,
37 by regulations adopted in accordance with chapter 54, provide
38 standards for proving any such claim for credit. If any account with
39 respect to which such credit is allowed is thereafter collected by the
40 retailer in whole or in part, the amount so collected shall be included in
41 the surcharge return covering the period in which such collection
42 occurs.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2020	12-665

Sec. 2	<i>July 1, 2020, and applicable to rentals or leases executed on or after July 1, 2020</i>	12-666
--------	--------------------------------------------------------------------------------------------------------	--------

Statement of Purpose:

To specify that a marketplace facilitator is a retailer subject to collection and remittance of the tourism account surcharge.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]