



General Assembly

January Session, 2019

***Raised Bill No. 7373***

LCO No. 5690



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

***AN ACT CONCERNING THE DEPARTMENT OF REVENUE SERVICES' RECOMMENDATIONS FOR MINOR 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 Section 12-699 of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2019, and*  
3 *applicable to taxable years commencing on or after January 1, 2019*):

4 (a) As used in this section and section 12-699a, as amended by this  
5 act:

6 (1) "Partnership" has the same meaning as provided in Section  
7 7701(a)(2) of the Internal Revenue Code, as defined in section 12-213,  
8 and regulations adopted thereunder. "Partnership" includes a limited  
9 liability company that is treated as a partnership for federal income tax  
10 purposes;

11 (2) "S corporation" means a corporation or a limited liability  
12 company that is treated as an S corporation for federal income tax

13 purposes;

14 (3) "Affected business entity" means a partnership or an S  
15 corporation, but does not include a publicly-traded partnership, as  
16 defined in Section 7704(b) of the Internal Revenue Code, that has  
17 agreed to file an annual return pursuant to section 12-726 reporting the  
18 name, address, Social Security number or federal employer  
19 identification number and such other information required by the  
20 Commissioner of Revenue Services of each unitholder whose  
21 distributive share of partnership income derived from or connected  
22 with sources within this state was more than five hundred dollars;

23 (4) "Member" means (A) a shareholder of an S corporation, (B) a  
24 partner in (i) a general partnership, (ii) a limited partnership, or (iii) a  
25 limited liability partnership, or (C) a member of a limited liability  
26 company that is treated as a partnership or an S corporation for federal  
27 income tax purposes; and

28 (5) "Taxable year" means the taxable year of an affected business  
29 entity for federal income tax purposes.

30 (b) Each affected business entity that is required to file a return  
31 under the provisions of section 12-726 shall, on or before the fifteenth  
32 day of the third month following the close of each taxable year, pay to  
33 the commissioner a tax as determined under this section.

34 (c) The tax due under subsection (b) of this section shall equal (1)  
35 (A) the separately and nonseparately computed items, as described in  
36 Section 702(a) of the Internal Revenue Code with respect to a  
37 partnership or Section 1366 of the Internal Revenue Code with respect  
38 to an S corporation, of the affected business entity, excluding any item  
39 treated as an itemized deduction for federal income tax purposes, plus  
40 any item described in Section 707(c) of the Internal Revenue Code with  
41 respect to a partnership, to the extent any such items under this  
42 subparagraph are derived from or connected with sources within this  
43 state, as determined under the provisions of chapter 229, (B) as

44 increased or decreased by any modification described in section 12-701  
45 that relates to an item of the affected business entity's income, gain,  
46 loss or deduction, to the extent derived from or connected with sources  
47 within this state, as determined under the provisions of chapter 229, (2)  
48 multiplied by six and ninety-nine-hundredths per cent. If the amount  
49 calculated under subdivision (1) of this subsection results in a net loss,  
50 such net loss may be carried forward to succeeding taxable years until  
51 fully used.

52 (d) If an affected business entity, the lower-tier entity, is a member  
53 of another affected business entity, the upper-tier entity, the lower-tier  
54 entity shall, when calculating the amount under subdivision (1) of  
55 subsection (c) of this section, subtract its distributive share of income  
56 or add its distributive share of loss from the upper-tier entity to the  
57 extent that the income or loss was derived from or connected with  
58 sources within this state.

59 (e) [(1)] A nonresident individual who is a member of an affected  
60 business entity shall not be required to file an income tax return under  
61 the provisions of chapter 229 for a taxable year if, for such taxable year,  
62 the only source of income derived from or connected with sources  
63 within this state for such member, or the member and the member's  
64 spouse if a joint federal income tax return is or shall be filed, is from  
65 one or more affected business entities and such [affected business  
66 entity or entities file and pay the tax due under this section]  
67 nonresident individual member's tax under chapter 229 would be fully  
68 satisfied by the credit allowed to such individual under subparagraph  
69 (A) of subdivision (1) of subsection (g) of this section.

70 [(2) The provisions of subdivision (1) of this subsection shall not  
71 apply to a nonresident individual who is a member of an affected  
72 business entity that elects to file its return on a combined basis under  
73 subsection (j) of this section if such nonresident individual member's  
74 tax under chapter 229 would not be fully satisfied by the credit  
75 allowed to such individual under subparagraph (A) of subdivision (1)

76 of subsection (g) of this section.]

77 (f) Each affected business entity shall report to each of its members,  
78 for each taxable year, such member's direct [pro rata] share of the tax  
79 imposed under this section on such affected business entity and  
80 indirect [pro rata] share of the tax imposed on any upper-tier entity of  
81 which such affected business entity is a member.

82 (g) (1) (A) Each person that is subject to the tax imposed under  
83 chapter 229 and is a member of an affected business entity shall be  
84 entitled to a credit against the tax imposed under said chapter, other  
85 than the tax imposed under section 12-707. Such credit shall be in an  
86 amount equal to such person's direct and indirect [pro rata] share of  
87 the tax due and paid under this section by any affected business entity  
88 of which such person is a member multiplied by ninety-three and one-  
89 hundredths per cent. If the amount of the credit allowed pursuant to  
90 this subdivision exceeds such person's tax liability for the tax imposed  
91 under said chapter, the commissioner shall treat such excess as an  
92 overpayment and, except as provided in section 12-739 or 12-742, shall  
93 refund the amount of such excess, without interest, to such person.

94 (B) Each person that is subject to the tax imposed under chapter 229  
95 as a resident or a part-year resident of this state and is a member of an  
96 affected business entity shall also be entitled to a credit against the tax  
97 imposed under said chapter, other than the tax imposed under section  
98 12-707, for such person's direct and indirect [pro rata] share of taxes  
99 paid to another state of the United States or the District of Columbia,  
100 on income of any affected business entity of which such person is a  
101 member that is derived therefrom, provided the taxes paid to another  
102 state of the United States or the District of Columbia results from a tax  
103 that the commissioner determines is substantially similar to the tax  
104 imposed under this section. Any such credit shall be calculated in the  
105 manner prescribed by the commissioner, which shall be consistent  
106 with the provisions of section 12-704.

107 (2) Each company that is subject to the tax imposed under chapter  
108 208 and is a member of an affected business entity shall be entitled to a  
109 credit against the tax imposed under said chapter. Such credit shall be  
110 in an amount equal to such company's direct and indirect [pro rata]  
111 share of the tax paid under this section by any affected business entity  
112 of which such company is a member multiplied by ninety-three and  
113 one-hundredths per cent. Such credit shall be applied after all other  
114 credits are applied and shall not be subject to the limits imposed under  
115 section 12-217zz. Any credit that is not used in the income year during  
116 which the affected business entity incurs the tax under this section  
117 shall be carried forward to each of the succeeding income years by the  
118 company until such credit is fully taken against the tax under chapter  
119 208.

120 (h) Upon the failure of any affected business entity to pay the tax  
121 due under this section within thirty days of the due date, the  
122 provisions of section 12-35, as amended by this act, shall apply with  
123 respect to the enforcement of this section and the collection of such tax.  
124 The warrant therein provided for shall be signed by the commissioner  
125 or an authorized agent of the commissioner. The amount of any such  
126 tax, penalty and interest shall be a lien, from the last day of the last  
127 month of the taxable year next preceding the due date of such tax until  
128 discharged by payment, against all real estate of the taxpayer within  
129 the state, and a certificate of such lien signed by the commissioner may  
130 be recorded in the office of the clerk of any town in which such real  
131 estate is situated, provided no such lien shall be effective as against  
132 any bona fide purchaser or qualified encumbrancer of any interest in  
133 any such property. When any tax with respect to which a lien has been  
134 recorded under the provisions of this section has been satisfied, the  
135 commissioner, upon request of any interested party, shall issue a  
136 certificate discharging such lien, which certificate shall be recorded in  
137 the same office in which the lien was recorded. Any action for the  
138 foreclosure of such lien shall be brought by the Attorney General in the  
139 name of the state in the superior court for the judicial district in which

140 the property subject to such lien is situated, or, if such property is  
141 located in two or more judicial districts, in the superior court for any  
142 one such judicial district, and the court may limit the time for  
143 redemption or order the sale of such property or make such other or  
144 further decree as it judges equitable.

145 (i) If any tax is not paid when due as provided in this section, there  
146 shall be added to the amount of the tax interest at the rate of one per  
147 cent per month or fraction thereof from the date the tax became due  
148 until it is paid.

149 (j) (1) Any affected business entity subject to tax under this section  
150 may elect to file a combined return together with one or more other  
151 commonly-owned affected business entities subject to tax under this  
152 section. Each affected business entity making such election shall  
153 submit written notice of such election to file a combined return,  
154 including the written consent of the other commonly-owned affected  
155 business entities to such election, to the commissioner not later than  
156 the due date, or if an extension of time to file has been requested and  
157 granted, the extended due date, of the returns due from such entities.  
158 An affected business entity shall submit such written notice and  
159 consent for each taxable year such entity makes the election under this  
160 subdivision. Each affected business entity electing to file a combined  
161 return under this subdivision shall be jointly and severally liable for  
162 the tax due under this section. For the purposes of this subdivision,  
163 "commonly-owned" means that more than eighty per cent of the voting  
164 control of an affected business entity is directly or indirectly owned by  
165 a common owner or owners, either corporate or noncorporate.  
166 Whether voting control is indirectly owned shall be determined in  
167 accordance with Section 318 of the Internal Revenue Code.

168 (2) Except as provided in subdivision (5) of this subsection, affected  
169 business entities that elect to file a combined return under subdivision  
170 (1) of this subsection shall net the amounts each such entity calculates  
171 under subdivision (1) of subsection (c) of this section after such

172 amounts are separately apportioned or allocated by each affected  
173 business entity in accordance with this section.

174 (3) Affected business entities that elect to file a combined return  
175 under subdivision (1) of this subsection shall report to the  
176 commissioner the portion of the direct and indirect [pro rata] share of  
177 the tax paid with the combined return that is allocated to each of their  
178 members. Such report shall be filed with the combined return and the  
179 allocation reported shall be irrevocable.

180 (4) The election made under this subsection shall not affect the  
181 calculation of tax due under any other provision of the general statutes  
182 other than with respect to the calculation of the credits under  
183 subsection (g) of this section.

184 (5) Affected business entities that elect to file a combined return  
185 under subdivision (1) of this subsection shall calculate their tax due in  
186 accordance with subsection (c) of this section unless each such entity  
187 elects under subsection (k) of this section to calculate its tax due on the  
188 alternative basis under subsection (l) of this section. If such election is  
189 made, the affected business entities shall net their alternative tax bases  
190 instead of netting the amounts under subdivision (2) of this subsection.

191 (k) In lieu of calculating the tax due in accordance with subsection  
192 (c) of this section, any affected business entity may elect to calculate  
193 the tax due on the alternative basis under subsection (l) of this section.  
194 An affected business entity making such election shall submit to the  
195 commissioner written notice of such election not later than the due  
196 date, or if an extension of time to file has been requested and granted,  
197 the extended due date, of the return due from such entity. An affected  
198 business entity shall submit such written notice for each taxable year  
199 such entity makes the election under this subsection. The election  
200 made under this subsection shall not affect the calculation of tax due  
201 under any other provision of the general statutes other than with  
202 respect to the calculation of the credits under subsection (g) of this

203 section.

204 (l) (1) The tax due from an affected business entity making the  
205 election under subsection (k) of this section shall be equal to six and  
206 ninety-nine-hundredths per cent multiplied by the alternative tax base.  
207 The alternative tax base shall be equal to the resident portion of  
208 unsourced income plus modified Connecticut source income.

209 (2) For the purposes of this subsection:

210 (A) "Resident portion of unsourced income" means unsourced  
211 income multiplied by a percentage equal to the sum of the ownership  
212 interests in the affected business entity owned by members who are  
213 residents of this state, as defined in section 12-701;

214 (B) "Unsourced income" means the separately and nonseparately  
215 computed items, as described in Section 702(a) of the Internal Revenue  
216 Code with respect to a partnership or Section 1366 of the Internal  
217 Revenue Code with respect to an S corporation, of the affected  
218 business entity, excluding any item treated as an itemized deduction  
219 for federal income tax purposes, plus any item described in Section  
220 707(c) of the Internal Revenue Code with respect to a partnership,  
221 regardless of the location from which such item is derived or  
222 connected, as increased or decreased by any modification described in  
223 section 12-701, that relates to an item of the affected business entity's  
224 income, gain, loss or deduction, regardless of the location from which  
225 such item is derived or connected, less (i) the amount determined  
226 under subdivision (1) of subsection (c) of this section, determined  
227 without regard to subsection (d) of this section, and (ii) (I) the  
228 separately and nonseparately computed items, as described in Section  
229 702(a) of the Internal Revenue Code, of the affected business entity,  
230 excluding any item treated as an itemized deduction for federal  
231 income tax purposes, plus any item described in Section 707(c) of the  
232 Internal Revenue Code with respect to a partnership, to the extent any  
233 such items under this subclause are derived from or connected with



234 sources within another state that has jurisdiction to subject the affected  
235 business entity to tax, as determined under the provisions of chapter  
236 229, (II) as increased or decreased by any modification described in  
237 section 12-701, that relates to an item of the affected business entity's  
238 income, gain or deduction, to the extent derived from or connected  
239 with sources within another state that has jurisdiction to subject the  
240 affected business entity to tax, as determined under the provisions of  
241 chapter 229; and

242 (C) "Modified Connecticut source income" means the amount  
243 calculated under subdivision (1) of subsection (c) of this section  
244 multiplied by a percentage equal to the sum of the ownership interests  
245 in the affected business entity owned by members that are (i) subject to  
246 tax under chapter 229, or (ii) affected business entities to the extent  
247 such entities are directly or indirectly owned by persons subject to tax  
248 under chapter 229. A member that is an affected business entity shall  
249 be presumed to be directly or indirectly owned by persons subject to  
250 tax under chapter 229 unless the affected business entity subject to tax  
251 under this section can establish otherwise by clear and convincing  
252 evidence to the satisfaction of the commissioner.

253 (m) The provisions of sections 12-723, 12-725 and 12-728 to 12-737,  
254 inclusive, shall apply to the provisions of this section in the same  
255 manner and with the same force and effect as if the language of said  
256 sections had been incorporated in full into this section and had  
257 expressly referred to the tax under this section, except to the extent  
258 that any such provision is inconsistent with a provision of this section.

259 Sec. 2. Subdivision (1) of subsection (b) of section 12-699a of the  
260 general statutes is repealed and the following is substituted in lieu  
261 thereof (*Effective July 1, 2019, and applicable to taxable years commencing*  
262 *on or after January 1, 2019*):

263 (b) (1) Each affected business entity required to pay the tax imposed  
264 under section 12-699, as amended by this act, and whose required

265 annual payment for the taxable year is greater than or equal to one  
266 thousand dollars shall make the required annual payment each taxable  
267 year, in four required estimated tax installments on the following due  
268 dates: (A) For the first required installment, the fifteenth day of the  
269 fourth month of the taxable year; (B) for the second required  
270 installment, the fifteenth day of the sixth month of the taxable year; (C)  
271 for the third required installment, the fifteenth day of the ninth month  
272 of the taxable year, and (D) for the fourth required installment, the  
273 fifteenth day of the first month of the next succeeding taxable year. An  
274 affected business entity may elect to pay any required installment prior  
275 to the specified due date. Except as provided in subdivision (2) of this  
276 subsection, the amount of each required installment shall be twenty-  
277 five per cent of the required annual payment.

278 Sec. 3. Subdivision (8) of subsection (a) of section 3-20j of the general  
279 statutes is repealed and the following is substituted in lieu thereof  
280 (*Effective from passage*):

281 (8) "Withholding taxes" means taxes required to be deducted and  
282 withheld [by employers from the wages and salaries of employees]  
283 pursuant to sections 12-705 and 12-706 and paid [by employers] to the  
284 Commissioner of Revenue Services pursuant to section 12-707 [as a  
285 credit for income taxes payable by such employees, and includes,  
286 without limitation, taxes deducted and withheld pursuant to sections  
287 12-705 and 12-706] upon receipt by the state and including penalty and  
288 interest charges on such taxes.

289 Sec. 4. Subdivision (2) of subsection (b) of section 12-35 of the  
290 general statutes is repealed and the following is substituted in lieu  
291 thereof (*Effective October 1, 2019*):

292 (2) Any such warrant on any intangible personal property of any  
293 person may be served by electronic mail, [or] facsimile machine or  
294 other electronic means on any third person in possession of, or  
295 obligated with respect to, receivables, bank accounts, evidences of

296 debt, securities, salaries, wages, commissions, compensation or other  
297 intangible personal property subject to such warrant, ordering such  
298 third person to forthwith deliver such property or pay the amount due  
299 or payable to the state collection agency that has made out such  
300 warrant, provided such warrant may be issued only after the state  
301 collection agency making out such warrant has notified the person  
302 owning such property, in writing, of its intention to issue such  
303 warrant. The notice of intent shall be: (A) Given in person; (B) left at  
304 the dwelling or usual place of business of such person; or (C) sent by  
305 certified mail, return receipt requested, to such person's last-known  
306 address, not less than thirty days before the day the warrant is to be  
307 issued. Any such warrant for tax due may further include an order to  
308 such third person to continually deliver, during the one hundred  
309 eighty days immediately following the date of issuance of the warrant  
310 or until the tax is fully paid, whichever occurs earlier, all intangible  
311 personal property that is due and that becomes due to the person  
312 owing the tax. Except as otherwise provided in this subdivision, such  
313 warrant shall have the same force and effect as an execution issued  
314 pursuant to chapter 906.

315 Sec. 5. Subparagraph (B) of subdivision (2) of section 12-408 of the  
316 general statutes is repealed and the following is substituted in lieu  
317 thereof (*Effective from passage and applicable to claims for credit received on*  
318 *or after such date*):

319 (B) Whenever such tax, payable by the consumer (i) with respect to  
320 a charge account or credit sale, [occurring on or after July 1, 1984,] is  
321 remitted by the retailer to the commissioner and such sale as an  
322 account receivable is determined to be worthless and is actually  
323 written off as uncollectible for federal income tax purposes, or (ii) to a  
324 retailer who computes taxable income, for purposes of taxation under  
325 the Internal Revenue Code of 1986, or any subsequent corresponding  
326 internal revenue code of the United States, as amended from time to  
327 time, [amended,] on the cash basis method of accounting with respect  
328 to a sale, [occurring on or after July 1, 1989,] is remitted by the retailer

329 to the commissioner and such sale as an account receivable is  
330 determined to be worthless, the amount of such tax remitted may be  
331 credited against the tax due on the sales tax return filed by the retailer  
332 for the monthly or quarterly period, whichever is applicable, next  
333 following the period in which such amount is actually so written off,  
334 but in no event shall such credit be allowed later than three years  
335 following the date such tax is remitted, unless the credit relates to a  
336 period for which a waiver is given pursuant to subsection (g) of section  
337 12-415. The commissioner shall, by regulations adopted in accordance  
338 with the provisions of chapter 54, provide standards for proving any  
339 such claim for credit. If any payment is made by a consumer with  
340 respect to an account, such payment shall be applied first toward the  
341 sales tax, and if any account with respect to which such credit is  
342 allowed is thereafter collected by the retailer in whole or in part, the  
343 amount so collected, up to the amount of the sales tax for which the  
344 credit was claimed, shall be included in the sales tax return covering  
345 the period in which such collection occurs. The tax applicable in any  
346 such case shall be determined in accordance with the rate of sales tax  
347 in effect at the time of the original sale.

348 Sec. 6. Section 12-435 of the general statutes is repealed and the  
349 following is substituted in lieu thereof (*Effective July 1, 2019*):

350 Each distributor of alcoholic beverages shall pay a tax to the state on  
351 all sales within the state of alcoholic beverages, except sales to licensed  
352 distributors, sales of alcoholic beverages [which] that, in the course of  
353 such sales, are actually transported to some point without the state and  
354 except [malt beverages which are] beer that is consumed on the  
355 premises covered by a manufacturer's permit, at the rates for the  
356 respective categories of alcoholic beverages listed below:

357 [(a)] (1) Beer, seven dollars and twenty cents for each barrel, three  
358 dollars and sixty cents for each half barrel, one dollar and eighty cents  
359 for each quarter barrel and twenty-four cents per wine gallon or  
360 fraction thereof on quantities less than a quarter barrel;

361 [(b)] (2) Liquor, five dollars and forty cents per wine gallon;

362 [(c)] (3) Still wines containing not more than twenty-one per cent of  
363 absolute alcohol, except as provided in [subsections (g) and (h)]  
364 subdivisions (7) and (8) of this section, seventy-two cents per wine  
365 gallon;

366 [(d)] (4) Still wines containing more than twenty-one per cent of  
367 absolute alcohol and sparkling wines, one dollar and eighty cents per  
368 wine gallon;

369 [(e)] (5) Alcohol in excess of 100 proof, five dollars and forty cents  
370 per proof gallon;

371 [(f)] (6) Liquor coolers containing not more than seven per cent of  
372 alcohol by volume, two dollars and forty-six cents per wine gallon;

373 [(g)] (7) Still wine containing not more than twenty-one per cent of  
374 absolute alcohol, produced by a person who produces not more than  
375 fifty-five thousand wine gallons of wine during the calendar year,  
376 eighteen cents per wine gallon, provided such person presents to each  
377 distributor of alcoholic beverages described in this section a certificate,  
378 issued by the commissioner, stating that such person produces not  
379 more than fifty-five thousand wine gallons of wine during the calendar  
380 year. The commissioner is authorized to issue such certificates,  
381 prescribe the procedures for obtaining such certificates and prescribe  
382 their form; and

383 [(h)] (8) Cider containing not more than seven per cent of absolute  
384 alcohol shall be subject to the same rate as applies to beer, as provided  
385 in [subsection (a)] subdivision (1) of this section.

386 Sec. 7. Section 12-790a of the general statutes is repealed and the  
387 following is substituted in lieu thereof (*Effective from passage*):

388 (a) As used in sections 12-790a to 12-790c, inclusive, "attorney",  
389 "certified public accountant", "commissioner", "creditor", "facilitator",

390 "refund anticipation check", "refund anticipation loan", "return", "tax  
391 preparation services" and "tax preparer" have the same meanings as  
392 provided in section 12-790, and "commercial tax return preparation  
393 business" means a person that employs tax preparers.

394 (b) (1) On and after January 1, 2019, no person, except as provided  
395 in subsection (e) of this section, shall engage in the business of, solicit  
396 business as or advertise as furnishing tax preparation services or acting  
397 as a facilitator or make representations to be a tax preparer or  
398 facilitator, without a tax preparer permit or a facilitator permit, as  
399 applicable, issued by the commissioner. Each applicant for such permit  
400 and renewal of such permit shall apply by electronic means in the form  
401 and manner prescribed by the commissioner.

402 (2) Each individual applying for a permit shall (A) be eighteen years  
403 of age or older, (B) have obtained a high school diploma, (C) possess a  
404 preparer tax identification number issued by the Internal Revenue  
405 Service that shall be used by the tax preparer or facilitator for each  
406 return such tax preparer is required to sign and each refund  
407 anticipation loan or refund anticipation check such facilitator is  
408 required to sign, and (D) for a tax preparer, present evidence  
409 satisfactory to the commissioner that the applicant has experience,  
410 education or training in tax preparation services, which evidence shall  
411 include, on and after January 1, [2020] 2022, a certificate of completion  
412 of an annual filing season program administered by the Internal  
413 Revenue Service.

414 (3) The commissioner may issue a permit under this subsection to  
415 an applicant that presents evidence satisfactory to the commissioner  
416 that the applicant is authorized to act as a tax preparer or facilitator in  
417 a state that has professional requirements substantially similar to the  
418 requirements for tax preparers or facilitators in this state. The  
419 commissioner shall provide written notice of the commissioner's  
420 decision approving or denying an application for issuance or renewal  
421 of a permit not later than sixty days after receipt of the application.

422 (4) The fee for an initial application shall be one hundred dollars. A  
423 permit issued pursuant to this subsection shall expire after two years  
424 and a tax preparer or facilitator seeking renewal shall submit a renewal  
425 application and renewal fee of fifty dollars.

426 (5) If an individual acts as both a tax preparer and a facilitator, the  
427 commissioner shall issue a single permit covering both activities.

428 (c) (1) If, at any time following the issuance or renewal of a permit  
429 issued pursuant to subsection (b) of this section, any information  
430 provided to the commissioner by the tax preparer or facilitator is no  
431 longer accurate, such tax preparer or facilitator shall promptly provide  
432 updated information to the commissioner.

433 (2) The issuance of a tax preparer permit or a facilitator permit shall  
434 not be advertised as an endorsement by the commissioner of the tax  
435 preparer's or facilitator's services.

436 (d) (1) On and after January 1, 2019, the commissioner may impose  
437 on any tax preparer or facilitator that has not been issued a permit  
438 pursuant to this section a civil penalty of one hundred dollars for each  
439 day that the commissioner finds such tax preparer or facilitator to have  
440 provided tax preparation services or acted as a facilitator.

441 (2) On and after January 1, 2019, if a tax preparer, facilitator or  
442 commercial tax return preparation business employs an individual to  
443 provide tax preparation services or a person to act as a facilitator that  
444 is not exempt under subsection (e) of this section and has not been  
445 issued a permit pursuant to this section, the commissioner may impose  
446 on such employing tax preparer, facilitator or business a civil penalty  
447 of five hundred dollars per violation.

448 (3) On and after January 1, 2019, whenever a tax preparer ceases to  
449 engage in the preparation of or in advising or assisting in the  
450 preparation of personal income tax returns or a facilitator ceases to  
451 engage in the activities of a facilitator, such tax preparer or facilitator

452 may apply to the commissioner for inactive permit status. A permit  
453 that is granted inactive status shall not require renewal, except that  
454 such permit may be reactivated before its expiration upon application  
455 to the commissioner with a payment of the renewal fee.

456 (4) A tax preparer or facilitator whose permit is inactive shall  
457 neither act as a tax preparer or facilitator nor advertise such tax  
458 preparer's or facilitator's status as being permitted to act as a tax  
459 preparer or facilitator.

460 (e) The following persons shall be exempt from the provisions of  
461 sections 12-790a to 12-790c, inclusive:

462 (1) An accountant holding (A) an active license issued by the State  
463 Board of Accountancy, or (B) a valid and active permit, license or  
464 equivalent professional credential issued by another state or  
465 jurisdiction of the United States;

466 (2) An attorney and any person engaged in providing tax  
467 preparation services under the supervision of such attorney;

468 (3) An individual enrolled to practice before the Internal Revenue  
469 Service under Circular 230;

470 (4) An individual employed by a local, state or federal  
471 governmental agency while engaged in the performance of such  
472 person's official duties;

473 (5) An individual serving as an employee of or assistant to a tax  
474 preparer or a person exempted under this subsection, in the  
475 performance of official duties for such tax preparer or exempt person;

476 (6) An individual employed, full-time or part-time, to act as a tax  
477 preparer solely for the business purposes of such individual's  
478 employer;

479 (7) A person acting as a fiduciary on behalf of an estate; and



480 (8) An Internal Revenue Services qualified volunteer tax preparer,  
481 including, but not limited to, a tax preparer sponsored by the Tax  
482 Counseling for the Elderly program or the Volunteer Income Tax  
483 Assistance program.

484 (f) The commissioner shall maintain a public registry containing the  
485 names and principal business address of each person holding a permit  
486 pursuant to this section.

487 (g) The commissioner shall keep confidential any personal financial  
488 information gathered pursuant to an investigation of any alleged  
489 violation of sections 12-790a to 12-790c, inclusive, unless disclosure is  
490 (1) considered necessary for the investigation or prosecution of an  
491 alleged violation of this section or any regulation or order adopted  
492 thereunder, or (2) otherwise expressly authorized under the provisions  
493 of federal or state law. For purposes of this subsection, "personal  
494 financial information" includes, but is not limited to, returns and  
495 return information, as defined under federal and state law.

496 Sec. 8. Section 13b-121 of the general statutes is repealed and the  
497 following is substituted in lieu thereof (*Effective from passage*):

498 (a) As used in this section, "transportation network company" and  
499 "prearranged ride" have the same meanings as provided in section 13b-  
500 116.

501 (b) Each transportation network company shall pay a fee of twenty-  
502 five cents on each prearranged ride that originates in this state.

503 (c) On or before the last day of the month next succeeding each  
504 calendar quarter, each transportation network company shall: (1) File a  
505 return electronically for the preceding period with the Commissioner  
506 of Revenue Services on such forms as the commissioner may prescribe;  
507 and (2) make payment of the fees required under subsection (b) of this  
508 section by electronic funds transfer in the manner provided by chapter  
509 228g. Any document received and maintained by the commissioner

510 with respect to a transportation network company shall be return  
511 information, as defined in section 12-15, and shall not be subject to  
512 disclosure under the Freedom of Information Act, as defined in section  
513 1-200.

514 (d) Any fees due and unpaid under this section shall be subject to  
515 the penalties and interest established in section 12-547 and the amount  
516 of such fee, penalty or interest, due and unpaid, may be collected  
517 under the provisions of section 12-35, as amended by this act, as if they  
518 were taxes due to the state.

519 (e) The provisions of sections 12-548, 12-550 to 12-554, inclusive, as  
520 amended by this act, and 12-555b shall apply to the provisions of this  
521 section in the same manner and with the same force and effect as if the  
522 language of said sections had been incorporated in full into this section  
523 and had expressly referred to the fee imposed under this section,  
524 except to the extent that any such provision is inconsistent with a  
525 provision of this section.

526 (f) Any fees received under this section shall be deposited into the  
527 General Fund. For revenue reporting purposes only, the Commissioner  
528 of Revenue Services shall include any such fees with the revenue  
529 reported under chapter [222] 225.

530 (g) The Commissioner of Revenue Services, in consultation with the  
531 Commissioner of Transportation, may adopt regulations in accordance  
532 with the provisions of chapter 54, to carry out the provisions of this  
533 section.

534 Sec. 9. Subsection (b) of section 32-9t of the general statutes is  
535 repealed and the following is substituted in lieu thereof (*Effective from*  
536 *passage and applicable to income years commencing on or after such date*):

537 (b) There is established an urban and industrial site reinvestment  
538 program under which taxpayers who make investments in eligible  
539 urban reinvestment projects or eligible industrial site investment

540 projects may be allowed a credit against the tax imposed under  
541 [chapters 207 to 212a, inclusive,] chapter 207, 208, 208a, 209, 210, 211 or  
542 212 or section 38a-743, or a combination of [said] such taxes, in an  
543 amount equal to the percentage of their approved investment  
544 determined in accordance with subsection (i) of this section.

545 Sec. 10. Section 12-3a of the general statutes is repealed and the  
546 following is substituted in lieu thereof (*Effective from passage*):

547 (a) There is created a Penalty Review Committee, which shall  
548 consist of the State Comptroller or an employee of the office of the  
549 State Comptroller designated by said Comptroller, the Secretary of the  
550 Office of Policy and Management or an employee of the Office of  
551 Policy and Management designated by said secretary and the  
552 Commissioner of Revenue Services or an employee of the Department  
553 of Revenue Services designated by said commissioner. Said committee  
554 shall meet monthly or as often as necessary to approve any waiver of  
555 penalty in excess of [one] five thousand dollars, which the  
556 Commissioner of Revenue Services is authorized to waive in  
557 accordance with this title, or which the Commissioner of Consumer  
558 Protection is authorized to waive in accordance with chapter 226. A  
559 majority vote of the committee shall be required for approval of such  
560 waiver.

561 (b) An itemized statement of all waivers approved under this  
562 section shall be available to the public for inspection by any person.

563 (c) The Penalty Review Committee created pursuant to subsection  
564 (a) of this section shall adopt regulations, in accordance with chapter  
565 54, establishing guidelines for the waiver of any penalty in [excess of  
566 one thousand dollars] accordance with this section.

567 (d) Any person aggrieved by the action of the Penalty Review  
568 Committee may, [within one month] not later than thirty days after  
569 notice of such action is delivered or mailed to such person, appeal  
570 therefrom to the superior court for the judicial district of New Britain,

571 which shall be accompanied by a citation to the members of said  
572 committee to appear before said court. Such citation shall be signed by  
573 the same authority, and such appeal shall be returnable at the same  
574 time and served and returned in the same manner as is required in  
575 case of a summons in a civil action. The authority issuing the citation  
576 shall take from the appellant a bond or recognizance to the state of  
577 Connecticut with surety to prosecute the appeal to effect and to  
578 comply with the orders and decrees of the court in the premises. Such  
579 appeals shall be preferred cases, to be heard, unless cause appears to  
580 the contrary, at the first session, by the court or by a committee  
581 appointed by it. Said court may grant such relief as may be equitable.  
582 If the appeal is without probable cause, the court may tax double or  
583 triple costs, as the case demands; and, upon all such appeals which  
584 may be denied, costs may be taxed against the appellant at the  
585 discretion of the court, but no costs shall be taxed against the state.

586 Sec. 11. Section 12-208 of the general statutes is repealed and the  
587 following is substituted in lieu thereof (*Effective from passage*):

588 (a) Any company subject to any tax or charge under this chapter  
589 that is aggrieved by the action of the commissioner or [his] the  
590 commissioner's authorized agent in fixing the amount of any tax,  
591 penalty, interest or charge provided for by this chapter may apply to  
592 the commissioner, in writing, [within] not later than sixty days after  
593 the notice of such action is delivered or mailed to [it] the company, for  
594 a hearing and a correction of the amount of such tax, penalty, interest  
595 or charge, so fixed, setting forth the reasons why such hearing should  
596 be granted and the amount in which such tax, penalty, interest or  
597 charge should be reduced. The commissioner shall promptly consider  
598 each such application and may grant or deny the hearing requested. If  
599 the hearing is denied, the applicant shall be notified forthwith. If it is  
600 granted, the commissioner shall notify the applicant of the time and  
601 place fixed for such hearing. After such hearing the commissioner may  
602 make such order in the premises as appears to him just and lawful and  
603 shall furnish a copy of such order to the applicant. The commissioner

604 may, by notice in writing, at any time within three years after the date  
605 when any return of any such person has been due, order a hearing on  
606 his own initiative and require such person or any other individual  
607 whom [he] the commissioner believes to be in possession of relevant  
608 information concerning such person to appear before [him or his] the  
609 commissioner or the commissioner's authorized agent with any  
610 specified books of account, papers or other documents, for  
611 examination under oath.

612 (b) Any company subject to any tax or charge under this chapter  
613 that is aggrieved because of any order, decision, determination or  
614 disallowance of the Commissioner of Revenue Services made under  
615 this chapter may, [within one month] not later than thirty days after  
616 service of notice of such order, decision, determination or  
617 disallowance, take an appeal therefrom to the superior court for the  
618 judicial district of New Britain, which appeal shall be accompanied by  
619 a citation to the Commissioner of Revenue Services to appear before  
620 said court. Such citation shall be signed by the same authority, and  
621 such appeal shall be returnable at the same time and served and  
622 returned in the same manner, as is required in case of a summons in a  
623 civil action. The authority issuing the citation shall take from the  
624 appellant a bond or recognizance to the state of Connecticut, with  
625 surety, to prosecute the appeal to effect and to comply with the orders  
626 and decrees of the court in the premises. Such appeals shall be  
627 preferred cases, to be heard, unless cause appears to the contrary, at  
628 the first session, by the court or by a committee appointed by the court.  
629 Said court may grant such relief as may be equitable and, if such tax or  
630 charge has been paid prior to the granting of such relief, may order the  
631 [State] Treasurer to pay the amount of such relief, with interest at the  
632 rate of two-thirds of one per cent per month or fraction thereof, to such  
633 aggrieved person. If the appeal has been taken without probable cause,  
634 the court may tax double or triple costs, as the case demands; and,  
635 upon all such appeals which are denied, costs may be taxed against the  
636 appellant at the discretion of the court, but no costs shall be taxed

637 against the state.

638 Sec. 12. Section 12-237 of the general statutes is repealed and the  
639 following is substituted in lieu thereof (*Effective from passage*):

640 Any taxpayer aggrieved because of any order, decision,  
641 determination or disallowance of the Commissioner of Revenue  
642 Services under the provisions of this part may, [within one month] not  
643 later than thirty days after service upon the taxpayer of notice of such  
644 order, decision, determination or disallowance, take an appeal  
645 therefrom to the superior court for the judicial district of New Britain,  
646 which shall be accompanied by a citation to the Commissioner of  
647 Revenue Services to appear before said court. Such citation shall be  
648 signed by the same authority, and such appeal shall be returnable at  
649 the same time and served and returned in the same manner, as is  
650 required in case of a summons in a civil action. The authority issuing  
651 the citation shall take from the appellant a bond or recognizance to the  
652 state of Connecticut, with surety to prosecute the appeal to effect and  
653 to comply with the orders and decrees of the court in the premises.  
654 Such appeals shall be preferred cases, to be heard, unless cause  
655 appears to the contrary, at the first session, by the court or by a  
656 committee appointed by it. Said court may grant such relief as may be  
657 equitable and, if such tax has been paid prior to the granting of such  
658 relief, may order the Treasurer to pay the amount of such relief, with  
659 interest at the rate of eight per cent per annum, to the aggrieved  
660 taxpayer. If the appeal has been taken without probable cause, the  
661 court may tax double or triple costs, as the case demands; and, upon  
662 all such appeals which may be denied, costs may be taxed against the  
663 appellant at the discretion of the court, but no costs shall be taxed  
664 against the state.

665 Sec. 13. Subsection (b) of section 12-263v of the general statutes is  
666 repealed and the following is substituted in lieu thereof (*Effective from*  
667 *passage*):

668 (b) Any taxpayer subject to any tax or fee under section 12-263q or  
669 12-263r that is aggrieved because of any order, decision, determination  
670 or disallowance of the commissioner made under sections 12-263q to  
671 12-263u, inclusive, or subsection (a) of this section may, not later than  
672 [one month] thirty days after service of notice of such order, decision,  
673 determination or disallowance, take an appeal therefrom to the  
674 superior court for the judicial district of New Britain, which appeal  
675 shall be accompanied by a citation to the commissioner to appear  
676 before said court. Such citation shall be signed by the same authority  
677 and such appeal shall be returnable at the same time and served and  
678 returned in the same manner as is required in case of a summons in a  
679 civil action. The authority issuing the citation shall take from the  
680 appellant a bond or recognizance to the state of Connecticut, with  
681 surety, to prosecute the appeal to effect and to comply with the orders  
682 and decrees of the court in the premises. Such appeals shall be  
683 preferred cases, to be heard, unless cause appears to the contrary, at  
684 the first session, by the court or by a committee appointed by the court.  
685 Said court may grant such relief as may be equitable and, if such tax or  
686 charge has been paid prior to the granting of such relief, may order the  
687 Treasurer to pay the amount of such relief, with interest at the rate of  
688 two-thirds of one per cent per month or fraction thereof, to such  
689 taxpayer. If the appeal has been taken without probable cause, the  
690 court may tax double or triple costs, as the case demands and, upon all  
691 such appeals that are denied, costs may be taxed against such taxpayer  
692 at the discretion of the court but no costs shall be taxed against the  
693 state.

694 Sec. 14. Section 12-268l of the general statutes is repealed and the  
695 following is substituted in lieu thereof (*Effective from passage*):

696 Any taxpayer aggrieved because of any order, decision,  
697 determination or disallowance of the Commissioner of Revenue  
698 Services made under the provisions of chapter 210, 211 or 212 or this  
699 chapter may, [within one month] not later than thirty days after service  
700 upon the taxpayer of notice of such order, decision, determination or

701 disallowance, take an appeal therefrom to the superior court for the  
702 judicial district of New Britain, which shall be accompanied by a  
703 citation to the Commissioner of Revenue Services to appear before said  
704 court. Such citation shall be signed by the same authority, and such  
705 appeal shall be returnable at the same time and served and returned in  
706 the same manner, as is required in case of a summons in a civil action.  
707 The authority issuing the citation shall take from the appellant a bond  
708 or recognizance to the state of Connecticut, with surety to prosecute  
709 the appeal to effect and to comply with the orders and decrees of the  
710 court in the premises. Such appeals shall be preferred cases, to be  
711 heard, unless cause appears to the contrary, at the first session, by the  
712 court or by a committee appointed by it. Said court may grant such  
713 relief as may be equitable and, if such tax has been paid prior to the  
714 granting of such relief, may order the Treasurer to pay the amount of  
715 such relief, with interest at the rate of two-thirds of one per cent per  
716 month or fraction thereof to the aggrieved taxpayer. If the appeal has  
717 been taken without probable cause, the court may tax double or triple  
718 costs, as the case demands; and, upon all such appeals which may be  
719 denied, costs may be taxed against the appellant at the discretion of the  
720 court, but no costs shall be taxed against the state.

721 Sec. 15. Section 12-312 of the general statutes is repealed and the  
722 following is substituted in lieu thereof (*Effective from passage*):

723 Any person aggrieved because of any decision, order, determination  
724 or disallowance of the commissioner under the provisions of this  
725 chapter may, [within one month] not later than thirty days after service  
726 upon such person of notice of such decision, order, determination or  
727 disallowance, appeal therefrom to the superior court for the judicial  
728 district of New Britain, which appeal shall be accompanied by a  
729 citation to the Commissioner of Revenue Services to appear before said  
730 court. Such citation shall be signed by the same authority, and such  
731 appeal shall be returnable at the same time and served and returned in  
732 the same manner, as is required in case of a summons in a civil action.  
733 The authority issuing the citation shall take from the appellant a bond



734 or recognizance to the state of Connecticut, with surety to prosecute  
735 the appeal to effect and to comply with the orders and decrees of the  
736 court in the premises. Such appeals shall be preferred cases, to be  
737 heard, unless cause appears to the contrary, at the first session, by the  
738 court or by a committee appointed by it. Said court may grant such  
739 relief as may be equitable and, if such tax has been paid prior to the  
740 granting of such relief, may order the Treasurer to pay the amount of  
741 such relief, with interest at the rate of two-thirds of one per cent per  
742 month or fraction thereof, to the aggrieved taxpayer. If the appeal has  
743 been taken without probable cause, the court may tax double or triple  
744 costs, as the case demands; and, upon all such appeals which are  
745 denied, costs may be taxed against the appellant at the discretion of the  
746 court, but no costs shall be taxed against the state.

747 Sec. 16. Section 12-330m of the general statutes is repealed and the  
748 following is substituted in lieu thereof (*Effective from passage*):

749 Any person aggrieved because of any decision, order, determination  
750 or disallowance of the commissioner under the provisions of this  
751 chapter may, [within one month] not later than thirty days after service  
752 upon such person of notice of such decision, order, determination or  
753 disallowance, appeal therefrom to the superior court for the judicial  
754 district of New Britain, which appeal shall be accompanied by a  
755 citation to the commissioner to appear before said court. Such citation  
756 shall be signed by the same authority, and such appeal shall be  
757 returnable at the same time and served and returned in the same  
758 manner, as is required in case of a summons in a civil action. The  
759 authority issuing the citation shall take from the appellant a bond or  
760 recognizance to the state of Connecticut, with surety to prosecute the  
761 appeal to effect and to comply with the orders and decrees of the court  
762 in the premises. Such appeals shall be preferred cases, to be heard,  
763 unless cause appears to the contrary, at the first session, by the court or  
764 by a committee appointed by it. Said court may grant such relief as  
765 may be equitable and, if such tax has been paid prior to the granting of  
766 such relief, may order the Treasurer to pay the amount of such relief,

767 with interest at the rate of six per cent per annum, to the aggrieved  
768 taxpayer. If the appeal has been taken without probable cause, the  
769 court may tax double or triple costs, as the case demands; and, upon  
770 all such appeals which are denied, costs may be taxed against the  
771 appellant at the discretion of the court, but no costs shall be taxed  
772 against the state.

773 Sec. 17. Section 12-422 of the general statutes is repealed and the  
774 following is substituted in lieu thereof (*Effective from passage*):

775 Any taxpayer aggrieved because of any order, decision,  
776 determination or disallowance of the Commissioner of Revenue  
777 Services under section 12-418, 12-421 or 12-425 may, [within one  
778 month] not later than thirty days after service upon the taxpayer of  
779 notice of such order, decision, determination or disallowance, take an  
780 appeal therefrom to the superior court for the judicial district of New  
781 Britain, which shall be accompanied by a citation to the Commissioner  
782 of Revenue Services to appear before said court. Such citation shall be  
783 signed by the same authority, and such appeal shall be returnable at  
784 the same time and served and returned in the same manner, as is  
785 required in case of a summons in a civil action. The authority issuing  
786 the citation shall take from the appellant a bond or recognizance to the  
787 state of Connecticut, with surety to prosecute the appeal to effect and  
788 to comply with the orders and decrees of the court in the premises.  
789 Such appeals shall be preferred cases, to be heard, unless cause  
790 appears to the contrary, at the first session, by the court or by a  
791 committee appointed by it. Said court may grant such relief as may be  
792 equitable and, if such tax has been paid prior to the granting of such  
793 relief, may order the Treasurer to pay the amount of such relief, with  
794 interest at the rate of two-thirds of one per cent per month or fraction  
795 thereof, to the aggrieved taxpayer. If the appeal has been taken  
796 without probable cause, the court may tax double or triple costs, as the  
797 case demands; and, upon all such appeals which are denied, costs may  
798 be taxed against the appellant at the discretion of the court, but no  
799 costs shall be taxed against the state.

800 Sec. 18. Section 12-448 of the general statutes is repealed and the  
801 following is substituted in lieu thereof (*Effective from passage*):

802 Any taxpayer aggrieved because of any decision, order,  
803 determination or disallowance of the Commissioner of Revenue  
804 Services under the provisions of this chapter may, [within one month]  
805 not later than thirty days after service upon such taxpayer of notice of  
806 such decision, order, determination or disallowance, take an appeal  
807 therefrom to the superior court for the judicial district of New Britain,  
808 which appeal shall be accompanied by a citation to the Commissioner  
809 of Revenue Services to appear before said court. Such citation shall be  
810 signed by the same authority, and such appeal shall be returnable at  
811 the same time and served and returned in the same manner, as is  
812 required in case of a summons in a civil action. The authority issuing  
813 the citation shall take from the appellant a bond or recognizance to the  
814 state of Connecticut, with surety to prosecute the appeal to effect and  
815 to comply with the orders and decrees of the court in the premises.  
816 Such appeals shall be preferred cases, to be heard, unless cause  
817 appears to the contrary, at the first session, by the court or by a  
818 committee appointed by the court. Said court may grant such relief as  
819 may be equitable, and, if such tax has been paid prior to the granting  
820 of such relief, may order the Treasurer to pay the amount of such  
821 relief, with interest at the rate of two-thirds of one per cent per month  
822 or fraction thereof, to the aggrieved taxpayer. If the appeal has been  
823 taken without probable cause, the court may tax double or triple costs,  
824 as the case demands; and, upon all such appeals which are denied,  
825 costs may be taxed against the appellant at the discretion of the court,  
826 but no costs shall be taxed against the state.

827 Sec. 19. Section 12-463 of the general statutes is repealed and the  
828 following is substituted in lieu thereof (*Effective from passage*):

829 Any distributor aggrieved because of any order, decision,  
830 determination or disallowance of the commissioner made under this  
831 chapter may, [within one month] not later than thirty days after service

832 of notice of such order, decision, determination or disallowance, take  
833 an appeal therefrom to the superior court for the judicial district of  
834 New Britain, which shall be accompanied by a citation to the  
835 Commissioner of Revenue Services to appear before said court. Such  
836 citation shall be signed by the same authority, and such appeal shall be  
837 returnable at the same time and served and returned in the same  
838 manner, as is required in case of a summons in a civil action. The  
839 authority issuing the citation shall take from the appellant a bond or  
840 recognizance to the state of Connecticut, with surety, to prosecute the  
841 appeal to effect and to comply with the orders and decrees of the court  
842 in the premises. Such appeals shall be preferred cases, to be heard,  
843 unless cause appears to the contrary, at the first session, by the court or  
844 by a committee appointed by it. Said court may grant such relief as  
845 may be equitable and, if such tax has been paid prior to the granting of  
846 such relief, may order the Treasurer to pay the amount of such relief,  
847 with interest at the rate of two-thirds of one per cent per month or  
848 fraction thereof to the aggrieved distributor. If the appeal has been  
849 taken without probable cause, the court may tax double or triple costs,  
850 as the case demands; and, upon all such appeals which may be denied,  
851 costs may be taxed against the appellant at the discretion of the court,  
852 but no costs shall be taxed against the state.

853 Sec. 20. Section 12-489 of the general statutes is repealed and the  
854 following is substituted in lieu thereof (*Effective from passage*):

855 (a) Any motor carrier aggrieved by any act of the commissioner or  
856 [his] the commissioner's authorized agent under this chapter may  
857 apply to the commissioner, in writing, [within] not later than sixty  
858 days after notification of any such act of the commissioner is delivered  
859 or mailed to [it] the motor carrier, for a hearing and a correction of the  
860 amount of any tax, penalty or interest, setting forth reasons why such  
861 hearing should be granted and the amount by which such tax, penalty  
862 or interest should be reduced. The commissioner shall promptly  
863 consider each such application and may grant or deny the hearing  
864 requested. If the hearing is denied, the applicant shall be notified

865 forthwith. If it is granted, the commissioner shall notify the applicant  
866 of the time and place fixed for such hearing. After such hearing the  
867 commissioner may make such order in the premises as appears to  
868 [him] the commissioner just and lawful and shall furnish a copy of  
869 such order to the applicant. The commissioner may, by notice in  
870 writing, at any time within three years after the date when any return  
871 of any taxpayer has been due, order a hearing on [his] the  
872 commissioner's own initiative and require the taxpayer or any  
873 individual whom [he] the commissioner believes to be in possession of  
874 relevant information concerning the taxpayer to appear before [him or  
875 his] the commissioner or the commissioner's authorized agent with  
876 any specified books of account, papers or other documents, for  
877 examination under oath.

878 (b) Any motor carrier aggrieved because of any order, decision,  
879 determination or disallowance of the commissioner made under this  
880 chapter may, [within one month] not later than thirty days after service  
881 of notice of such order, decision, determination or disallowance, take  
882 an appeal therefrom to the superior court for the judicial district of  
883 New Britain, which shall be accompanied by a citation to the  
884 Commissioner of Revenue Services to appear before said court. Such  
885 citation shall be signed by the same authority, and such appeal shall be  
886 returnable at the same time and served and returned in the same  
887 manner, as is required in case of a summons in a civil action. The  
888 authority issuing the citation shall take from the appellant a bond or  
889 recognizance to the state of Connecticut, with surety, to prosecute the  
890 appeal to effect and to comply with the orders and decrees of the court  
891 in the premises. Such appeals shall be preferred cases, to be heard,  
892 unless cause appears to the contrary, at the first session, by the court or  
893 by a committee appointed by it. Said court may grant such relief as  
894 may be equitable and, if any tax or fee has been paid prior to the  
895 granting of such relief, may order the Treasurer to pay the amount of  
896 such relief, with interest at the rate of two-thirds of one per cent per  
897 month or fraction thereof to the aggrieved motor carrier. If the appeal

898 has been taken without probable cause, the court may tax double or  
899 triple costs, as the case demands; and, upon all such appeals which are  
900 denied, costs may be taxed against the appellant at the discretion of the  
901 court, but no costs shall be taxed against the state.

902 Sec. 21. Section 12-554 of the general statutes is repealed and the  
903 following is substituted in lieu thereof (*Effective from passage*):

904 Any taxpayer aggrieved because of any order, decision,  
905 determination or disallowance of the Commissioner of Revenue  
906 Services under the provisions of this chapter may, [within one month]  
907 not later than thirty days after service upon the taxpayer of notice of  
908 such order, decision, determination or disallowance, take an appeal  
909 therefrom to the superior court for the judicial district of New Britain,  
910 which shall be accompanied by a citation to the Commissioner of  
911 Revenue Services to appear before said court. Such citation shall be  
912 signed by the same authority, and such appeal shall be returnable at  
913 the same time and served and returned in the same manner, as is  
914 required in case of summons in a civil action. The authority issuing the  
915 citation shall take from the appellant a bond or recognizance to the  
916 state of Connecticut, with surety to prosecute the appeal to effect and  
917 to comply with the orders and decrees of the court in the premises.  
918 Such appeals shall be preferred cases to be heard, unless cause appears  
919 to the contrary, at the first session by the court or by a committee  
920 appointed by it. Said court may grant such relief as may be equitable  
921 and, if such tax has been paid prior to the granting of such relief, may  
922 order the Treasurer to pay the amount of such relief, with interest at  
923 the rate of two-thirds of one per cent per month or fraction thereof, to  
924 the aggrieved taxpayer. If the appeal has been taken without probable  
925 cause, the court may tax double or triple costs, as the case demands;  
926 and, upon all such appeals which may be denied, costs may be taxed  
927 against the appellant at the discretion of the court, but no costs shall be  
928 taxed against the state.

929 Sec. 22. Subsection (d) of section 12-586g of the general statutes is

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

932 (d) If the tribe is aggrieved due to any assessment levied pursuant to  
933 such compact and this section or by any failure to adjust an excess  
934 assessment in accordance with the provisions of the compact and this  
935 section, it may, [within one month from] not later than thirty days after  
936 the time provided for the payment of such assessment, appeal  
937 therefrom in accordance with the terms of the compact, to the superior  
938 court for the judicial district of New Britain, which appeal shall be  
939 accompanied by a citation to the Commissioner of Consumer  
940 Protection to appear before said court. Such citation shall be signed by  
941 the same authority, and such appeal shall be returnable at the same  
942 time and served and returned in the same manner as is required in  
943 case of a summons in a civil action. Proceedings in such matter shall be  
944 conducted in the same manner as provided for in section 38a-52.

945 Sec. 23. Section 12-597 of the general statutes is repealed and the  
946 following is substituted in lieu thereof (*Effective from passage*):

947 Any taxpayer aggrieved because of any order, decision,  
948 determination or disallowance of the Commissioner of Revenue  
949 Services made in relation to the tax imposed under section 12-587 may,  
950 [within one month] not later than thirty days after service upon the  
951 taxpayer of notice of such order, decision, determination or  
952 disallowance, take an appeal therefrom to the superior court for the  
953 judicial district of New Britain, which shall be accompanied by a  
954 citation to said commissioner to appear before said court. Such citation  
955 shall be signed by the same authority and such appeal shall be  
956 returnable at the same time and served and returned in the same  
957 manner as is required in case of a summons in a civil action. The  
958 authority issuing the citation shall take from the appellant a bond or  
959 recognizance to the state of Connecticut with surety to prosecute the  
960 appeal to effect and to comply with the orders and decrees of the court  
961 in the premises. Such appeals shall be preferred cases, to be heard,

962 unless cause appears to the contrary, at the first session, by the court or  
963 by a committee appointed by it. If the appeal has been taken without  
964 probable cause, the court may tax double or triple costs, as the case  
965 demands and upon all such appeals which may be denied, costs may  
966 be taxed against the appellant at the discretion of the court, but no  
967 costs shall be taxed against the state.

968 Sec. 24. Section 12-638i of the general statutes is repealed and the  
969 following is substituted in lieu thereof (*Effective from passage*):

970 (a) Any taxpayer, aggrieved by the action of the commissioner or  
971 [his] the commissioner's authorized agent in fixing the amount of any  
972 tax, penalty or interest provided for by this chapter may apply to the  
973 commissioner, in writing, [within] not later than sixty days after notice  
974 of such action is delivered or mailed to [him] the taxpayer, for a  
975 hearing and a correction of the amount of the tax, penalty or interest so  
976 fixed, setting forth the reasons why such hearing should be granted  
977 and the amount of the tax, penalty or interest should be reduced. The  
978 commissioner shall promptly consider each such application and may  
979 grant or deny the hearing requested. If the hearing is denied, the  
980 applicant shall be notified thereof forthwith. If it is granted, the  
981 commissioner shall notify the applicant of the time and place fixed for  
982 such hearing. After such hearing the commissioner may make such  
983 order in the premises as appears to [him] the commissioner just and  
984 lawful and shall furnish a copy of such order to the applicant. The  
985 commissioner may, by notice in writing, at any time within three years  
986 after the date when any return of any taxpayer has been due, order a  
987 hearing on [his] the commissioner's own initiative and require the  
988 taxpayer or any other individual whom [he] the commissioner believes  
989 to be in possession of relevant information concerning the taxpayer to  
990 appear before [him or his] the commissioner or the commissioner's  
991 authorized agent with any specified books of account, papers or other  
992 documents, for examination under oath.

993 (b) Any taxpayer aggrieved because of any order, decision,



994 determination or disallowance of the Commissioner of Revenue  
995 Services under the provisions of this chapter may, [within one month]  
996 not later than thirty days after service upon the taxpayer of notice of  
997 such order, decision, determination or disallowance, take an appeal  
998 therefrom to the superior court for the judicial district of New Britain,  
999 which shall be accompanied by a citation to the Commissioner of  
1000 Revenue Services to appear before said court. Such citation shall be  
1001 signed by the same authority and such appeal shall be returnable at  
1002 the same time and served and returned in the same manner, as is  
1003 required in case of summons in a civil action. The authority issuing the  
1004 citation shall take from the appellant a bond or recognizance to the  
1005 state of Connecticut with surety to prosecute the appeal to effect and to  
1006 comply with the orders and decrees of the court in the premises. Such  
1007 appeals shall be preferred cases to be heard, unless cause appears to  
1008 the contrary, at the first session by the court or by a committee  
1009 appointed by it. Said court may grant such relief as may be equitable  
1010 and, if such tax has been paid prior to the granting of such relief, may  
1011 order the Treasurer to pay the amount of such relief, with interest at  
1012 the rate of two-thirds of one per cent per month or fraction thereof, to  
1013 the aggrieved taxpayer. If the appeal has been taken without probable  
1014 cause, the court may tax double or triple costs, as the case demands  
1015 and, upon all such appeals which may be denied, costs may be taxed  
1016 against the appellant at the discretion of the court, but no costs shall be  
1017 taxed against the state.

1018 Sec. 25. Section 12-730 of the general statutes is repealed and the  
1019 following is substituted in lieu thereof (*Effective from passage*):

1020 Notwithstanding the provisions of chapter 54 to the contrary, any  
1021 taxpayer aggrieved because of any determination or disallowance by  
1022 the commissioner under section 12-729, 12-729a or 12-732 may, [within  
1023 one month] not later than thirty days after notice of the commissioner's  
1024 determination or disallowance is mailed to the taxpayer, take an  
1025 appeal therefrom to the superior court for the judicial district of New  
1026 Britain, which shall be accompanied by a citation to the commissioner

1027 to appear before said court. Such citation shall be signed by the same  
 1028 authority, and such appeal shall be returnable at the same time and  
 1029 served and returned in the same manner, as is required in case of a  
 1030 summons in a civil action. The authority issuing the citation shall take  
 1031 from the appellant a bond or recognizance to the state of Connecticut,  
 1032 with surety to prosecute the appeal to effect and to comply with the  
 1033 orders and decrees of the court in the premises. Such appeals shall be  
 1034 preferred cases, to be heard unless cause appears to the contrary, at the  
 1035 first session by the court or by a committee appointed by it. Said court  
 1036 may grant such relief as may be equitable and, if such tax has been  
 1037 paid prior to the granting of such relief, may order the Treasurer to  
 1038 pay the amount of such relief, with interest at the rate of two-thirds of  
 1039 one per cent per month or fraction thereof, to the aggrieved taxpayer.  
 1040 If the appeal has been taken without probable cause, the court may  
 1041 charge double or triple costs, as the case demands, and upon all such  
 1042 appeals which may be denied, costs may be taxed against the appellant  
 1043 at the discretion of the court but no costs shall be taxed against the  
 1044 state.

1045 Sec. 26. Sections 12-390a to 12-390e of the general statutes are  
 1046 repealed. (*Effective from passage*)

|   |   |               |
|---|---|---------------|
| This act shall take effect as follows and shall amend the following sections: |   |               |
| Section 1   | <i>July 1, 2019, and applicable to taxable years commencing on or after January 1, 2019</i> | 12-699        |
| Sec. 2  | <i>July 1, 2019, and applicable to taxable years commencing on or after January 1, 2019</i> | 12-699a(b)(1) |
| Sec. 3  | <i>from passage</i>   | 3-20j(a)(8)   |
| Sec. 4  | <i>October 1, 2019</i>  | 12-35(b)(2)   |

|         |  |                  |
|---------|--|------------------|
| Sec. 5  | <i>from passage and applicable to claims for credit received on or after such date</i> | 12-408(2)(B)     |
| Sec. 6  | <i>July 1, 2019</i>  | 12-435           |
| Sec. 7  | <i>from passage</i>  | 12-790a          |
| Sec. 8  | <i>from passage</i>  | 13b-121          |
| Sec. 9  | <i>from passage and applicable to income years commencing on or after such date</i>    | 32-9t(b)         |
| Sec. 10 | <i>from passage</i>  | 12-3a            |
| Sec. 11 | <i>from passage</i>  | 12-208           |
| Sec. 12 | <i>from passage</i>  | 12-237           |
| Sec. 13 | <i>from passage</i>  | 12-263v(b)       |
| Sec. 14 | <i>from passage</i>  | 12-268l          |
| Sec. 15 | <i>from passage</i>  | 12-312           |
| Sec. 16 | <i>from passage</i>  | 12-330m          |
| Sec. 17 | <i>from passage</i>  | 12-422           |
| Sec. 18 | <i>from passage</i>  | 12-448           |
| Sec. 19 | <i>from passage</i>  | 12-463           |
| Sec. 20 | <i>from passage</i>  | 12-489           |
| Sec. 21 | <i>from passage</i>  | 12-554           |
| Sec. 22 | <i>from passage</i>  | 12-586g(d)       |
| Sec. 23 | <i>from passage</i>  | 12-597           |
| Sec. 24 | <i>from passage</i>  | 12-638i          |
| Sec. 25 | <i>from passage</i>  | 12-730           |
| Sec. 26 | <i>from passage</i>  | Repealer section |

**Statement of Purpose:**

To implement the Department of Revenue Services' recommendations for minor revisions to the tax and related statutes.

*[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.]*