



General Assembly

Substitute Bill No. 652

January Session, 2021



AN ACT ESTABLISHING A TAX CREDIT FOR DONATIONS TO THE ROBERTA B. WILLIS SCHOLARSHIP PROGRAM.

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

1 Section 1. (NEW) (*Effective from passage and applicable to income and*
2 *taxable years commencing on or after January 1, 2021*) (a) For income and
3 taxable years commencing on or after January 1, 2021, any taxpayer that
4 donates to the Office of Higher Education for the Roberta B. Willis
5 Scholarship program shall be allowed, pursuant to the provisions of
6 subsection (d) of this section, to claim a credit against the tax imposed
7 under chapter 208 or 229 of the general statutes, other than the liability
8 imposed by section 12-707 of the general statutes. Such credit shall be
9 equal to forty per cent of the total cash amount donated to such
10 scholarship program during the income or taxable year, provided (1) the
11 amount of credit allowed any taxpayer under the provisions of this
12 section for any income or taxable year may not exceed sixty thousand
13 dollars, and (2) no tax credit shall be granted to any taxpayer for a
14 donation of less than five hundred dollars.

15 (b) If the taxpayer is an S corporation or an entity treated as a
16 partnership for federal income tax purposes, the shareholders or
17 partners of such taxpayer may be allowed to claim the credit. If the
18 taxpayer is a single member limited liability company that is

19 disregarded as an entity separate from its owner, the limited liability
20 company's owner may be allowed to claim the credit, provided such
21 owner is subject to the tax imposed under chapter 229 of the general
22 statutes.

23 (c) The total amount of credits allowed under this section shall not
24 exceed sixteen million dollars in the first income and taxable year and
25 thirty-two million dollars in the second income and taxable year and
26 each income and taxable year thereafter.

27 (d) (1) To be eligible to claim the credit pursuant to subsection (a) of
28 this section for an income or taxable year, a taxpayer shall apply to the
29 Office of Higher Education in a form and manner prescribed by the
30 executive director of said office. Such application shall contain sufficient
31 information as required by the office, including, but not limited to,
32 notice of the amount of the intended donation to the Roberta B. Willis
33 Scholarship program.

34 (2) Upon receipt of an application, the executive director shall render
35 a decision, in writing, on each completed application not later than
36 thirty days after the date of its receipt by the office. The executive
37 director shall issue a certification letter to the taxpayer indicating that
38 the credit will be available to be claimed by the taxpayer if the executive
39 director finds that (A) the donation meets the requirements of this
40 section, and (B) the total amount of credits claimed in any year have not
41 exceeded the limit set forth in subsection (c) of this section.

42 Sec. 2. (NEW) (*Effective from passage*) (a) There is established an
43 account to be known as the "Roberta B. Willis Scholarship program
44 donation account" which shall be a separate, nonlapsing account within
45 the General Fund. The Office of Higher Education shall deposit into the
46 account any donations received pursuant to section 1 of this act. Moneys
47 in the account shall be expended by said office for the purposes of the
48 Roberta B. Willis Scholarship program in accordance with section 10a-
49 173 of the general statutes, as amended by this act.

50 (b) Not later than January 1, 2022, and annually thereafter, the Office
51 of Higher Education shall report, in accordance with the provisions of
52 section 11-4a of the general statutes, to the joint standing committees of
53 the General Assembly having cognizance of matters relating to
54 appropriations and the budgets of state agencies and higher education
55 the amount of donations received in the Roberta B. Willis Scholarship
56 program donation account during the preceding calendar year.

57 (c) For the fiscal year ending June 30, 2022, and for each fiscal year
58 thereafter, the Office of Higher Education shall lapse, in accordance with
59 subsection (f) of section 4-89 of the general statutes, from the
60 appropriations for the Roberta B. Willis Scholarship program an amount
61 equal the amount of donations received in the Roberta B. Willis
62 Scholarship program donation account during the preceding calendar
63 year.

64 Sec. 3. Subsection (c) of section 10a-173 of the general statutes is
65 repealed and the following is substituted in lieu thereof (*Effective from*
66 *passage*):

67 (c) [Within available appropriations, the] The Roberta B. Willis
68 Scholarship program shall include a need and merit-based grant, a
69 need-based grant and a Charter Oak grant. The need and merit-based
70 grant shall be funded at not less than twenty per cent but not more than
71 thirty per cent of [available appropriations] the total amount of available
72 appropriations and any amount deposited into the Roberta B. Willis
73 Scholarship program donation account, established pursuant to section
74 2 of this act. The need-based grant shall be funded at up to eighty per
75 cent of [available appropriations] such total amount. The Charter Oak
76 grant shall be not less than one hundred thousand dollars of [available
77 appropriations] such total amount. There shall be an administrative
78 allowance based on one-quarter of one per cent of the available
79 appropriations, but not less than one hundred thousand dollars. In
80 addition to the amount of the annual appropriation allocated to the
81 regional community-technical colleges under subsection (e) of this
82 section, and to regional community-technical college students under

83 subsection (d) of this section, not less than two and one-half per cent of
84 the annual appropriation shall be allocated to the regional community-
85 technical colleges to be used for financial aid purposes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage and applicable to income and taxable years commencing on or after January 1, 2021</i>	New section
Sec. 2	<i>from passage</i>	New section
Sec. 3	<i>from passage</i>	10a-173(c)

Statement of Legislative Commissioners:

In Section 1(a), "established pursuant to Section 10a-173 of the general statutes, as amended by this act," was inserted; in Section (1)(d)(1), "said office" was changed to "the Office of Higher Education" for clarity; and in Section 1(d)(2), Subpara. (A) was removed and the remaining Subparas. were redesignated for accuracy.

HED *Joint Favorable Subst.*