



General Assembly

January Session, 2021

Raised Bill No. 1096

LCO No. 6632



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT AUTHORIZING THE EXCHANGE OF EXCESS CREDITS WITH THE STATE AT A REDUCED RATE.

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

1 Section 1. (NEW) (*Effective July 1, 2021*) (a) Any corporation or
2 affected business entity, as defined in section 12-699 of the general
3 statutes, that has excess credits remaining for a taxable year that such
4 corporation or affected business entity is unable to apply against its own
5 state tax liability for such taxable year may apply to the Commissioner
6 of Revenue Services, in a form and manner prescribed by the
7 commissioner, to exchange such credits with the state for a credit refund
8 equal to ninety per cent of the value of the credit. Any such credit refund
9 shall not be subject to the provisions of section 12-227 of the general
10 statutes. The aggregate amount of credit refunds allowed in a fiscal year
11 under this section shall not exceed five hundred million dollars.

12 (b) The commissioner may disallow a credit refund otherwise
13 allowable under this section if the corporation or affected business
14 entity claiming the credit refund has any amount of taxes due and

15 unpaid to the state including interest, penalties, fees and other charges
 16 related thereto for which a period in excess of thirty days has elapsed
 17 following the date on which such taxes were due and that are not the
 18 subject of a timely filed administrative appeal to the commissioner
 19 pending before any court of competent jurisdiction. Before any such
 20 disallowance, the commissioner shall send written notice to the
 21 corporation or affected business entity, stating that it may pay the
 22 amount of such delinquent tax or enter into an agreement with the
 23 commissioner for the payment thereof, by the date set forth in such
 24 notice, provided such date shall not be less than thirty days after the
 25 date of such notice. Failure on the part of the company to pay the
 26 amount of the delinquent tax or enter into an agreement to pay the
 27 amount thereof by such date shall result in a disallowance of the credit
 28 refund being claimed.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2021	New section

Statement of Purpose:

To authorize corporations and affected business entities to exchange excess credits with the state at a reduced rate.

[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.]