



General Assembly

**Raised Bill No. 7375**

January Session, 2019

LCO No. 5703



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:  
(FIN)

**AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS' RECOMMENDATIONS FOR TECHNICAL AND CONFORMING CHANGES TO THE TAX AND RELATED STATUTES.**

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

1 Section 1. Subsection (c) of section 12-391 of the general statutes is  
2 amended by adding subdivision (4) as follows (*Effective October 1,*  
3 *2019*):

4 (NEW) (4) "Federal basic exclusion amount" means the dollar  
5 amount published annually by the Internal Revenue Service at which a  
6 decedent would be required to file a federal estate tax return based on  
7 the value of the decedent's gross estate and federally taxable gifts.

8 Sec. 2. Subparagraph (J) of subdivision (3) of subsection (b) of  
9 section 12-392 of the general statutes is repealed and the following is  
10 substituted in lieu thereof (*Effective October 1, 2019*):

11 (J) A tax return shall be filed, in the case of every decedent who dies  
12 on or after January 1, 2023, and at the time of death was (i) a resident  
13 of this state, or (ii) a nonresident of this state whose gross estate

14 includes any real property situated in this state or tangible personal  
15 property having an actual situs in this state. If the decedent's  
16 Connecticut taxable estate is over [five million four hundred ninety  
17 thousand dollars] the federal basic exclusion amount, such tax return  
18 shall be filed with the Commissioner of Revenue Services and a copy  
19 of such return shall be filed with the court of probate for the district  
20 within which the decedent resided at the date of his or her death or, if  
21 the decedent died a nonresident of this state, the court of probate for  
22 the district within which such real property or tangible personal  
23 property is situated. If the decedent's Connecticut taxable estate is  
24 equal to or less than [five million four hundred ninety thousand  
25 dollars] the federal basic exclusion amount, such return shall be filed  
26 with the court of probate for the district within which the decedent  
27 resided at the date of his or her death or, if the decedent died a  
28 nonresident of this state, the court of probate for the district within  
29 which such real property or tangible personal property is situated, and  
30 no such return shall be filed with the Commissioner of Revenue  
31 Services. The judge of probate for the district in which such return is  
32 filed shall review each such return and shall issue a written opinion to  
33 the estate representative in each case in which the judge determines  
34 that the estate is not subject to tax under this chapter.

35 Sec. 3. Section 12-643 of the general statutes is amended by adding  
36 subdivision (4) as follows (*Effective October 1, 2019*):

37 (NEW) (4) "Federal basic exclusion amount" means the dollar  
38 amount published annually by the Internal Revenue Service over  
39 which a donor would owe federal gift tax based on the value of the  
40 donor's federally taxable gifts.

41 Sec. 4. Subdivision (3) of subsection (a) of section 12-217 of the  
42 general statutes is repealed and the following is substituted in lieu  
43 thereof (*Effective October 1, 2019*):

44 (3) Notwithstanding any provision of this section to the contrary, no  
45 dividend received from a real estate investment trust shall be

46 deductible under this section by the recipient unless the dividend is:  
47 (A) Deductible under Section 243 of the Internal Revenue Code; (B)  
48 received by a qualified dividend recipient from a qualified real estate  
49 investment trust and, as of the last day of the period for which such  
50 dividend is paid, persons, not including the qualified dividend  
51 recipient or any person that is either a related person to, or an  
52 employee or director of, the qualified dividend recipient, have  
53 outstanding cash capital contributions to the qualified real estate  
54 investment trust that, in the aggregate, exceed five per cent of the fair  
55 market value of the aggregate real estate assets, valued as of the last  
56 day of the period for which such dividend is paid, then held by the  
57 qualified real estate investment trust; or (C) received from a captive  
58 real estate investment trust that is subject to the tax imposed under this  
59 chapter. For purposes of this section, [a] "related person" [is as defined  
60 in subdivision (7) of subsection (a) of section 12-217m] has the same  
61 meaning as provided in section 12-217ii, "real estate assets" [is as  
62 defined] has the same meaning as provided in Section 856 of the  
63 Internal Revenue Code, [a] "qualified dividend recipient" means a  
64 dividend recipient who has invested in a qualified real estate  
65 investment trust prior to April 1, 1997, and [a] "qualified real estate  
66 investment trust" means an entity that both was incorporated and had  
67 contributed to it a minimum of five hundred million dollars' worth of  
68 real estate assets prior to April 1, 1997, and that elects to be a real estate  
69 investment trust under Section 856 of the Internal Revenue Code prior  
70 to April 1, 1998.

71 Sec. 5. Subsection (a) of section 12-217zz of the general statutes is  
72 repealed and the following is substituted in lieu thereof (*Effective*  
73 *October 1, 2019*):

74 (a) [Notwithstanding any other provision of law, and except] Except  
75 as otherwise provided in subsection (b) of this section and sections 12-  
76 217aaa and 12-217bbb, the amount of tax credit or credits otherwise  
77 allowable against the tax imposed under this chapter shall be as  
78 follows:

79 (1) For any income year commencing on or after January 1, 2002,  
80 and prior to January 1, 2015, the amount of tax credit or credits  
81 otherwise allowable shall not exceed seventy per cent of the amount of  
82 tax due from such taxpayer under this chapter with respect to any such  
83 income year of the taxpayer prior to the application of such credit or  
84 credits;

85 (2) For any income year commencing on or after January 1, 2015, the  
86 amount of tax credit or credits otherwise allowable shall not exceed  
87 fifty and one one-hundredths per cent of the amount of tax due from  
88 such taxpayer under this chapter with respect to any such income year  
89 of the taxpayer prior to the application of such credit or credits;

90 (3) Notwithstanding the provisions of subdivision (2) of this  
91 subsection, any taxpayer that possesses excess credits may utilize the  
92 excess credits as follows:

93 (A) For income years commencing on or after January 1, 2016, and  
94 prior to January 1, 2017, the aggregate amount of tax credits and excess  
95 credits allowable shall not exceed fifty-five per cent of the amount of  
96 tax due from such taxpayer under this chapter with respect to any such  
97 income year of the taxpayer prior to the application of such credit or  
98 credits;

99 (B) For income years commencing on or after January 1, 2017, and  
100 prior to January 1, 2018, the aggregate amount of tax credits and excess  
101 credits allowable shall not exceed sixty per cent of the amount of tax  
102 due from such taxpayer under this chapter with respect to any such  
103 income year of the taxpayer prior to the application of such credit or  
104 credits;

105 (C) For income years commencing on or after January 1, 2018, and  
106 prior to January 1, 2019, the aggregate amount of tax credits and excess  
107 credits allowable shall not exceed sixty-five per cent of the amount of  
108 tax due from such taxpayer under this chapter with respect to any such  
109 income year of the taxpayer prior to the application of such credit or

110 credits;

111 (D) For income years commencing on or after January 1, 2019, the  
112 aggregate amount of tax credits and excess credits allowable shall not  
113 exceed seventy per cent of the amount of tax due from such taxpayer  
114 under this chapter with respect to any such income year of the  
115 taxpayer prior to the application of such credit or credits;

116 (4) For purposes of this subsection, "excess credits" means any  
117 remaining credits available under section 12-217j, 12-217n or 32-9t after  
118 tax credits are utilized in accordance with subdivision (2) of this  
119 subsection.

120 Sec. 6. Subsection (c) of section 12-414 of the general statutes is  
121 repealed and the following is substituted in lieu thereof (*Effective*  
122 *October 1, 2019*):

123 (c) (1) For purposes of the sales tax, the return shall show the gross  
124 receipts of the seller during the preceding reporting period. For  
125 purposes of the use tax, ~~[(1)]~~ (A) in the case of a return filed by a  
126 retailer, the return shall show the total sales price of the services or  
127 property sold by the retailer, the storage, acceptance, consumption or  
128 other use of which became subject to the use tax during the preceding  
129 reporting period, and ~~[(2)]~~ (B) in the case of a return filed by a  
130 purchaser, the return shall show the total sales price of the service or  
131 property purchased by the purchaser, the storage, acceptance,  
132 consumption or other use of which became subject to the use tax  
133 during the preceding reporting period. The return shall also show the  
134 amount of the taxes for the period covered by the return in such  
135 manner as the commissioner may require and such other information  
136 as the commissioner deems necessary for the proper administration of  
137 this chapter.

138 (2) The Commissioner of Revenue Services is authorized in his or  
139 her discretion, for purposes of expediency, to permit returns to be filed  
140 in an alternative form wherein the person filing the return may elect

141 (A) to report his or her gross receipts, including the tax reimbursement  
142 to be collected as provided for in this section, as a part of such gross  
143 receipts, or (B) to report his or her gross receipts exclusive of the tax  
144 collected in such cases where the gross receipts from sales have been  
145 segregated from tax collections. In the case of [the former] a return  
146 filed in accordance with the provisions of subparagraph (A) of this  
147 subdivision, the percentage of such tax-included gross receipts that  
148 may be considered to be the gross receipts from sales exclusive of the  
149 taxes collected thereon shall be computed by dividing the numeral one  
150 by the sum of the rate of tax provided in section 12-408, expressed as a  
151 decimal, and the numeral one.

152 Sec. 7. Section 12-433 of the general statutes is repealed and the  
153 following is substituted in lieu thereof (*Effective October 1, 2019*):

154 Wherever used in this chapter, unless the context otherwise  
155 requires:

156 (1) "Alcoholic beverage" and "beverage" include wine, beer and  
157 liquor as defined in this section; ["absolute alcohol"]

158 (2) "Absolute alcohol" means dehydrated alcohol containing not less  
159 than ninety-nine per cent by weight of ethyl alcohol; ["beer"]

160 (3) "Beer" means any beverage obtained by the alcoholic  
161 fermentation of an infusion or decoction of barley, malt and hops in  
162 drinking water and containing more than one-half of one per cent of  
163 absolute alcohol by volume; ["wine"]

164 (4) "Wine" means any alcoholic beverage obtained by the  
165 fermentation of natural sugar contents of fruits or other agricultural  
166 products containing sugar; ["still wine"]

167 (5) "Still wine" means any wine that contains not more than three  
168 hundred ninety-two one thousandths (0.392) of a gram of carbon  
169 dioxide per hundred milliliters of wine, and shall include any fortified  
170 wine, cider that is made from the alcoholic fermentation of the juice of

171 apples, vermouth and any artificial or imitation wine or compound  
172 sold as "still wine" containing not less than three and two-tenths per  
173 cent of absolute alcohol by volume; ["sparkling wine"]

174 (6) "Sparkling wine" means champagne and any other effervescent  
175 wine charged with more than three hundred ninety-two one  
176 thousandths (0.392) of a gram of carbon dioxide per hundred milliliters  
177 of wine, whether artificially or as a result of secondary fermentation of  
178 the wine within the container; ["fortified wine"]

179 (7) "Fortified wine" means any wine, the alcoholic contents of which  
180 have been increased, by whatever process, beyond that produced by  
181 natural fermentation; ["liquor"]

182 (8) "Liquor" means any beverage [which] that contains alcohol  
183 obtained by distillation mixed with drinkable water and other  
184 substances in solution; ["liquor cooler"]

185 (9) "Liquor cooler" means any liquid combined with liquor, [as  
186 defined in this section,] containing not more than seven per cent of  
187 alcohol by volume; ["gallon"]

188 (10) "Gallon" or "wine gallon" means one hundred twenty-eight  
189 fluid ounces; ["proof gallon"]

190 (11) "Proof gallon" means the equivalent of one wine gallon at 100  
191 proof; ["proof spirit"]

192 (12) "Proof spirit" or "proof" shall be held to be that alcoholic liquor  
193 [which] that contains one-half by volume of alcohol of a specific  
194 gravity of seventy-nine hundred and thirty-nine ten-thousandths  
195 (0.7939) at 60° F; ["alcohol"]

196 (13) "Alcohol" means ethyl alcohol, hydrated oxide of ethyl or spirit  
197 of wine, from whatever source or by whatever process produced;  
198 ["person"]

199     (14) "Person" means any individual, firm, fiduciary, partnership,  
200 corporation, limited liability company, trust or association, however  
201 formed; ["taxpayer"]

202     (15) "Taxpayer" means any person liable to taxation under this  
203 chapter except railroad and airline companies so far as they conduct  
204 such beverage business in cars or passenger trains or on airplanes;  
205 ["distributor"]

206     (16) "Distributor" means any person, wherever resident or located,  
207 [who] that holds a wholesaler's or manufacturer's permit or wholesaler  
208 or manufacturer permit for beer only issued under chapter 545, or [his]  
209 such person's backer, if any; ["licensed distributor"]

210     (17) "Licensed distributor" means a distributor holding a license  
211 issued by the Commissioner of Revenue Services under the provisions  
212 of this chapter; ["tax period"]

213     (18) "Tax period" means any period of one calendar month, or any  
214 part thereof; ["barrel"]

215     (19) "Barrel" means not less than twenty-eight nor more than thirty-  
216 one gallons; ["half barrel"]

217     (20) "Half barrel" means not less than fourteen nor more than fifteen  
218 and one-half gallons; ["quarter barrel"]

219     (21) "Quarter barrel" means not less than seven nor more than seven  
220 and three-quarters gallons; ["sell"] and

221     (22) "Sell" or "sale" includes and applies to gifts, exchanges and  
222 barter and includes any alcoholic beverages coming into the possession  
223 of a distributor [which] that cannot be satisfactorily accounted for by  
224 the distributor to the Commissioner of Revenue Services.

225     Sec. 8. Section 12-438 of the general statutes is repealed and the  
226 following is substituted in lieu thereof (*Effective October 1, 2019*):



227 Any person [who] that applies for a cancellation of [his] such  
 228 person's distributor's license shall take an inventory at the beginning of  
 229 business on the first day of the following month, showing the number  
 230 of gallons of each kind of alcoholic beverage mentioned in section 12-  
 231 435 owned by [him] such person and held within the state. Each such  
 232 person shall, [within] not later than fifteen days after taking such  
 233 inventory, file a copy of such inventory with the commissioner, on  
 234 forms prescribed and furnished by [him] the commissioner, and shall  
 235 pay a tax on such inventory at the rates specified in [said] section 12-  
 236 435. Each return filed under the provisions of this section shall give  
 237 such additional information as the commissioner requires and shall  
 238 include a statement of the amount of tax due under such return.

239 Sec. 9. Subsection (c) of section 12-458 of the general statutes is  
 240 repealed and the following is substituted in lieu thereof (*Effective*  
 241 *October 1, 2019*):

242 (c) Any person who owns or operates a vehicle that runs only upon  
 243 rails or tracks and that is properly registered with the federal  
 244 government, in accordance with the provisions of Section 4222 of the  
 245 Internal Revenue Code of 1986, or any subsequent corresponding  
 246 internal revenue code of the United States, as amended from time to  
 247 time, shall be exempt from paying to a distributor the motor fuels tax  
 248 imposed pursuant to this section for use in such vehicle.

249 Sec. 10. Section 12-587 of the general statutes is repealed and the  
 250 following is substituted in lieu thereof (*Effective October 1, 2019*):

251 (a) (1) As used in this chapter: (A) "Company" includes a  
 252 corporation, partnership, limited partnership, limited liability  
 253 company, limited liability partnership, association, individual or any  
 254 fiduciary thereof; (B) "quarterly period" means a period of three  
 255 calendar months commencing on the first day of January, April, July or  
 256 October and ending on the last day of March, June, September or  
 257 December, respectively; (C) except as provided in subdivision (2) of  
 258 this subsection, "gross earnings" means all consideration received from

259 the first sale within this state of a petroleum product; (D) "petroleum  
260 products" means those products which contain or are made from  
261 petroleum or a petroleum derivative; (E) "first sale of petroleum  
262 products within this state" means the initial sale of a petroleum  
263 product delivered to a location in this state; (F) "export" or  
264 "exportation" means the conveyance of petroleum products from  
265 within this state to a location outside this state for the purpose of sale  
266 or use outside this state; and (G) "sale for exportation" means a sale of  
267 petroleum products to a purchaser which itself exports such products.

268 (2) For purposes of this chapter, "gross earnings" means gross  
269 earnings as defined in subdivision (1) of this subsection, except, with  
270 respect to the first sale of gasoline or gasohol within this state, if the  
271 consideration received from such first sale reflects a price of gasoline  
272 or gasohol sold or used in this state in excess of three dollars per  
273 gallon, gross earnings from such first sale shall be deemed to be three  
274 dollars per gallon, and any consideration received that is derived from  
275 that portion of the price of such gasoline or gasohol in excess of three  
276 dollars per gallon shall be disregarded in the calculation of gross  
277 earnings. Notwithstanding the provisions of this chapter, the  
278 Commissioner of Revenue Services may suspend enforcement  
279 activities with respect to this subdivision until all policies and  
280 procedures necessary to implement the provision of this subdivision  
281 are in place, but in no event shall such suspension extend beyond April  
282 15, 2012.

283 (b) (1) Except as otherwise provided in subdivision (2) of this  
284 subsection, any company [which] that is engaged in the refining or  
285 distribution, or both, of petroleum products and which distributes  
286 such products in this state shall pay a quarterly tax on its gross  
287 earnings derived from the first sale of petroleum products within this  
288 state. Each company shall on or before the last day of the month next  
289 succeeding each quarterly period render to the commissioner a return  
290 on forms prescribed or furnished by the commissioner and signed by  
291 the person performing the duties of treasurer or an authorized agent or

292 officer, including the amount of gross earnings derived from the first  
293 sale of petroleum products within this state for the quarterly period  
294 and such other facts as the commissioner may require for the purpose  
295 of making any computation required by this chapter. [Except as  
296 otherwise provided in subdivision (3) of this subsection, the] The rate  
297 of tax shall be (A) [five per cent with respect to calendar quarters prior  
298 to July 1, 2005; (B) five and eight-tenths per cent with respect to  
299 calendar quarters commencing on or after July 1, 2005, and prior to  
300 July 1, 2006; (C) six and three-tenths per cent with respect to calendar  
301 quarters commencing on or after July 1, 2006, and prior to July 1, 2007;  
302 (D)] seven per cent with respect to calendar quarters commencing on  
303 or after July 1, 2007, and prior to July 1, 2013; and [(E)] (B) eight and  
304 one-tenth per cent with respect to calendar quarters commencing on or  
305 after July 1, 2013.

306 (2) Gross earnings derived from the first sale of the following  
307 petroleum products within this state shall be exempt from tax:

308 (A) Any petroleum products sold for exportation from this state for  
309 sale or use outside this state;

310 (B) [the] The product designated by the American Society for  
311 Testing and Materials as "Specification for Heating Oil D396-69",  
312 commonly known as number 2 heating oil, to be used exclusively for  
313 heating purposes or to be used in a commercial fishing vessel, which  
314 vessel qualifies for an exemption pursuant to subdivision (40) of  
315 section 12-412;

316 (C) [kerosene] Kerosene, commonly known as number 1 oil, to be  
317 used exclusively for heating purposes, provided delivery is of both  
318 number 1 and number 2 oil, and via a truck with a metered delivery  
319 ticket to a residential dwelling or to a centrally metered system serving  
320 a group of residential dwellings;

321 (D) [the] The product identified as propane gas, to be used  
322 primarily for heating purposes;

323 (E) [bunker] Bunker fuel oil, intermediate fuel, marine diesel oil and  
324 marine gas oil to be used in any vessel (i) having a displacement  
325 exceeding four thousand dead weight tons, or (ii) primarily engaged in  
326 interstate commerce;

327 (F) [for] For any first sale occurring prior to July 1, 2008, propane  
328 gas to be used as a fuel for a motor vehicle;

329 (G) [for] For any first sale occurring on or after July 1, 2002, grade  
330 number 6 fuel oil, as defined in regulations adopted pursuant to  
331 section 16a-22c, to be used exclusively by a company [which] that, in  
332 accordance with census data contained in the Standard Industrial  
333 Classification Manual, United States Office of Management and  
334 Budget, 1987 edition, is included in code classifications 2000 to 3999,  
335 inclusive, or in Sector 31, 32 or 33 in the North American Industrial  
336 Classification System United States Manual, United States Office of  
337 Management and Budget, 1997 edition;

338 (H) [for] For any first sale occurring on or after July 1, 2002, number  
339 2 heating oil to be used exclusively in a vessel primarily engaged in  
340 interstate commerce, which vessel qualifies for an exemption under  
341 subdivision (40) of section 12-412;

342 (I) [for] For any first sale occurring on or after July 1, 2000, paraffin  
343 or microcrystalline waxes;

344 (J) [for] For any first sale occurring prior to July 1, 2008, petroleum  
345 products to be used as a fuel for a fuel cell, as defined in subdivision  
346 (113) of section 12-412;

347 (K) [a] A commercial heating oil blend containing not less than ten  
348 per cent of alternative fuels derived from agricultural produce, food  
349 waste, waste vegetable oil or municipal solid waste, including, but not  
350 limited to, biodiesel or low sulfur dyed diesel fuel;

351 (L) [for] For any first sale occurring on or after July 1, 2007, diesel  
352 fuel other than diesel fuel to be used in an electric generating facility to

353 generate electricity;

354 (M) [for] For any first sale occurring on or after July 1, 2013,  
355 cosmetic grade mineral oil; or

356 (N) [propane] Propane gas to be used as a fuel for a school bus.

357 [(3) The rate of tax on gross earnings derived from the first sale of  
358 grade number 6 fuel oil, as defined in regulations adopted pursuant to  
359 section 16a-22c, to be used exclusively by a company which, in  
360 accordance with census data contained in the Standard Industrial  
361 Classification Manual, United States Office of Management and  
362 Budget, 1987 edition, is included in code classifications 2000 to 3999,  
363 inclusive, or in Sector 31, 32 or 33 in the North American Industrial  
364 Classification System United States Manual, United States Office of  
365 Management and Budget, 1997 edition, or number 2 heating oil used  
366 exclusively in a vessel primarily engaged in interstate commerce,  
367 which vessel qualifies for an exemption under section 12-412 shall be:  
368 (A) Four per cent with respect to calendar quarters commencing on or  
369 after July 1, 1998, and prior to July 1, 1999; (B) three per cent with  
370 respect to calendar quarters commencing on or after July 1, 1999, and  
371 prior to July 1, 2000; (C) two per cent with respect to calendar quarters  
372 commencing on or after July 1, 2000, and prior to July 1, 2001; and (D)  
373 one per cent with respect to calendar quarters commencing on or after  
374 July 1, 2001, and prior to July 1, 2002.]

375 (c) (1) Any company [which] that imports or causes to be imported  
376 into this state petroleum products for sale, use or consumption in this  
377 state, other than a company subject to and having paid the tax on such  
378 company's gross earnings from first sales of petroleum products  
379 within this state, which earnings include gross earnings attributable to  
380 such imported or caused to be imported petroleum products, in  
381 accordance with subsection (b) of this section, shall pay a quarterly tax  
382 on the consideration given or contracted to be given for such  
383 petroleum product if the consideration given or contracted to be given  
384 for all such deliveries during the quarterly period for which such tax is

385 to be paid exceeds three thousand dollars. [Except as otherwise  
386 provided in subdivision (3) of this subsection, the] The rate of tax shall  
387 be (A) [five per cent with respect to calendar quarters commencing  
388 prior to July 1, 2005; (B) five and eight-tenths per cent with respect to  
389 calendar quarters commencing on or after July 1, 2005, and prior to  
390 July 1, 2006; (C) six and three-tenths per cent with respect to calendar  
391 quarters commencing on or after July 1, 2006, and prior to July 1, 2007;  
392 (D)] seven per cent with respect to calendar quarters commencing on  
393 or after July 1, 2007, and prior to July 1, 2013; and [(E)] (B) eight and  
394 one-tenth per cent with respect to calendar quarters commencing on or  
395 after July 1, 2013. Fuel in the fuel supply tanks of a motor vehicle,  
396 which fuel tanks are directly connected to the engine, shall not be  
397 considered a delivery for the purposes of this subsection.

398 (2) Consideration given or contracted to be given for petroleum  
399 products, gross earnings from the first sale of which are exempt from  
400 tax under subdivision (2) of subsection (b) of this section, shall be  
401 exempt from tax.

402 [(3) The rate of tax on consideration given or contracted to be given  
403 for grade number 6 fuel oil, as defined in regulations adopted  
404 pursuant to section 16a-22c, to be used exclusively by a company  
405 which, in accordance with census data contained in the Standard  
406 Industrial Classification Manual, United States Office of Management  
407 and Budget, 1987 edition, is included in code classifications 2000 to  
408 3999, inclusive, or in Sector 31, 32 or 33 in the North American  
409 Industrial Classification System United States Manual, United States  
410 Office of Management and Budget, 1997 edition, or number 2 heating  
411 oil used exclusively in a vessel primarily engaged in interstate  
412 commerce, which vessel qualifies for an exemption under section 12-  
413 412 shall be: (A) Four per cent with respect to calendar quarters  
414 commencing on or after July 1, 1998, and prior to July 1, 1999; (B) three  
415 per cent with respect to calendar quarters commencing on or after July  
416 1, 1999, and prior to July 1, 2000; (C) two per cent with respect to  
417 calendar quarters commencing on or after July 1, 2000, and prior to

418 July 1, 2001; and (D) one per cent with respect to calendar quarters  
419 commencing on or after July 1, 2001, and prior to July 1, 2002.]

420 (d) The amount of tax reported to be due on such return shall be  
421 due and payable on or before the last day of the month next  
422 succeeding the quarterly period. The tax imposed under the provisions  
423 of this chapter shall be in addition to any other tax imposed by this  
424 state on such company.

425 (e) For the purposes of this chapter, the gross earnings of any  
426 producer or refiner of petroleum products operating a service station  
427 along the highways or interstate highways within the state pursuant to  
428 a contract with the Department of Transportation or operating a  
429 service station which is used as a training or test marketing center  
430 under the provisions of subsection (b) of section 14-344d, shall be  
431 calculated by multiplying the volume of petroleum products delivered  
432 by any producer or refiner to any such station by such producer's or  
433 refiner's dealer tank wagon price or dealer wholesale price in the area  
434 of the service station.

435 Sec. 11. Subsection (a) of section 12-587a of the general statutes is  
436 repealed and the following is substituted in lieu thereof (*Effective*  
437 *October 1, 2019*):

438 (a) (1) Any company, as such term is used in section 12-587, as  
439 amended by this act, liable for the tax imposed under subsection (b) of  
440 [said] section 12-587, as amended by this act, on gross earnings from  
441 the first sale of petroleum products within this state, which products  
442 the purchaser thereof subsequently sells for exportation and sale or use  
443 outside this state, shall be allowed a credit against any tax for which  
444 such company is liable in accordance with subsection (b) of [said]  
445 section 12-587, as amended by this act, in the amount of tax paid to the  
446 state with respect to the sale of such products, provided (A) such  
447 purchaser has submitted certification to such company, in such form as  
448 prescribed by the Commissioner of Revenue Services, that such  
449 products were sold or used outside this state, (B) such certification and

450 any additional information related to such sale or use by such  
451 purchaser, which said commissioner may request, have been  
452 submitted to said commissioner, and (C) such company makes a  
453 payment to such purchaser, related to such products sold or used  
454 outside this state, in the amount equal to the tax imposed under [said]  
455 section 12-587, as amended by this act, on gross earnings from the first  
456 sale to such purchaser within the state.

457 (2) The credit allowed pursuant to subdivision (1) of this subsection  
458 may also be claimed, in the same manner as provided in said  
459 subdivision (1), by any such company when the petroleum products  
460 sold in a first sale within this state by such company are incorporated  
461 by the purchaser thereof into a material that is included in U.S.  
462 industry group 3255 in the North American Industrial Classification  
463 System United States Manual, United States Office of Management and  
464 Budget, 2007 edition, and such products are subsequently exported for  
465 sale or use outside this state. Such company shall be allowed said  
466 credit in the amount of tax paid to the state with respect to the sale of  
467 such products.

468 (3) In addition, such company shall be allowed such credit when  
469 there has been any sale of such products subsequent to the sale by such  
470 company but prior to sale or use outside this state, provided (A) each  
471 purchaser receives payment, related to such products sold or used  
472 outside this state, equal to the tax imposed under [said] section 12-587,  
473 as amended by this act, on gross earnings from the first sale of such  
474 products within this state, and (B) the purchaser selling or using such  
475 products outside this state complies with the requirements in this  
476 section related to a purchaser of such products from the company  
477 liable for such tax.

478 Sec. 12. Subparagraphs (B)(xxiii) to (B)(xxv), inclusive, of  
479 subdivision (20) of subsection (a) of section 12-701 of the general  
480 statutes are repealed and the following is substituted in lieu thereof  
481 (*Effective October 1, 2019*):



482 (xxiii) To the extent properly includable in gross income for federal  
 483 income tax purposes, the amount of any financial assistance received  
 484 from the Crumbling Foundations Assistance Fund or paid to or on  
 485 behalf of the owner of a residential building pursuant to sections 8-442  
 486 and 8-443; [, and]

487 (xxiv) To the extent properly includable in gross income for federal  
 488 income tax purposes, the amount calculated pursuant to subsection (b)  
 489 of section 12-704g for income received by a general partner of a  
 490 venture capital fund, as defined in 17 CFR 275.203(l)-1, as amended  
 491 from time to time; and

492 (xxv) To the extent any portion of a deduction under Section 179 of  
 493 the Internal Revenue Code was added to federal adjusted gross income  
 494 pursuant to subparagraph (A)(xiv) of this subdivision in computing  
 495 Connecticut adjusted gross income, twenty-five per cent of such  
 496 disallowed portion of the deduction in each of the four succeeding  
 497 taxable years.

498 Sec. 13. Subdivision (24) of subsection (a) of section 12-701 of the  
 499 general statutes is repealed and the following is substituted in lieu  
 500 thereof (*Effective October 1, 2019*):

501 (24) "Adjusted federal tentative minimum tax" of an individual  
 502 means such individual's federal tentative minimum tax or, in the case  
 503 of an individual whose Connecticut adjusted gross income includes  
 504 modifications described in subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi),  
 505 (A)(vii) or (A)(viii) of subdivision (20) of this subsection [(a) of this  
 506 section] or subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii), (B)(viii),  
 507 (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection,  
 508 [(a) of this section,] the amount that would have been the federal  
 509 tentative minimum tax if such tax were calculated by including, to the  
 510 extent not includable in federal alternative minimum taxable income,  
 511 the modifications described in subparagraph (A)(i), (A)(ii), (A)(v),  
 512 (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this subsection,  
 513 [(a) of this section,] by excluding, to the extent includable in federal

514 alternative minimum taxable income, the modifications described in  
 515 subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii), (B)(viii), (B)(ix),  
 516 (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this subsection, [(a) of  
 517 this section,] and by excluding, to the extent includable in federal  
 518 alternative minimum taxable income, the amount of any interest  
 519 income or exempt-interest dividends, as defined in Section 852(b)(5) of  
 520 the Internal Revenue Code, from obligations that are issued by or on  
 521 behalf of the state of Connecticut, any political subdivision thereof, or  
 522 public instrumentality, state or local authority, district, or similar  
 523 public entity that is created under the laws of the state of Connecticut,  
 524 or from obligations that are issued by or on behalf of any territory or  
 525 possession of the United States, any political subdivision of such  
 526 territory or possession, or public instrumentality, authority, district or  
 527 similar public entity of such territory or possession, the income with  
 528 respect to which taxation by any state is prohibited by federal law. If  
 529 such individual is a beneficiary of a trust or estate, then, in calculating  
 530 his or her federal tentative minimum tax, his or her federal alternative  
 531 taxable income shall be increased or decreased, as the case may be, by  
 532 the net amount of such individual's proportionate share of the  
 533 Connecticut fiduciary adjustment relating to modifications that are  
 534 described in, to the extent not includable in federal alternative  
 535 minimum taxable income, subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi),  
 536 (A)(vii) or (A)(viii) of subdivision (20) of this subsection, [(a) of this  
 537 section,] or, to the extent includable in federal alternative minimum  
 538 taxable income, subparagraph (B)(i), (B)(ii), (B)(v), (B)(vi), (B)(vii),  
 539 (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision (20) of this  
 540 subsection. [(a) of this section.]

541 Sec. 14. Subdivision (30) of subsection (a) of section 12-701 of the  
 542 general statutes is repealed and the following is substituted in lieu  
 543 thereof (*Effective October 1, 2019*):

544 (30) "Adjusted federal alternative minimum taxable income" of an  
 545 individual means his or her federal alternative minimum taxable  
 546 income or, in the case of an individual whose Connecticut adjusted

547 gross income includes modifications described in subparagraph (A)(i),  
 548 (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this  
 549 subsection [(a) of this section] or subparagraph (B)(i), (B)(ii), (B)(v),  
 550 (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision  
 551 (20) of this subsection, [(a) of this section,] the amount that would have  
 552 been the federal alternative minimum taxable income if such amount  
 553 were calculated by including, to the extent not includable in federal  
 554 alternative minimum taxable income, the modifications described in  
 555 subparagraph (A)(i), (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of  
 556 subdivision (20) of this subsection, [(a) of this section,] by excluding, to  
 557 the extent includable in federal alternative minimum taxable income,  
 558 the modifications described in subparagraph (B)(i), (B)(ii), (B)(v),  
 559 (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of subdivision  
 560 (20) of this subsection, [(a) of this section,] and by excluding, to the  
 561 extent includable in federal alternative minimum taxable income, the  
 562 amount of any interest income or exempt-interest dividends, as  
 563 defined in Section 852(b)(5) of the Internal Revenue Code, from  
 564 obligations that are issued by or on behalf of the state of Connecticut,  
 565 any political subdivision thereof, or public instrumentality, state or  
 566 local authority, district, or similar public entity that is created under  
 567 the laws of the state of Connecticut, or from obligations that are issued  
 568 by or on behalf of any territory or possession of the United States, any  
 569 political subdivision of such territory or possession, or public  
 570 instrumentality, authority, district or similar public entity of such  
 571 territory or possession, the income with respect to which taxation by  
 572 any state is prohibited by federal law. If such individual is a  
 573 beneficiary of a trust or estate, then, for purposes of calculating his or  
 574 her adjusted federal alternative minimum taxable income, his or her  
 575 federal alternative minimum taxable income shall also be increased or  
 576 decreased, as the case may be, by the net amount of such individual's  
 577 proportionate share of the Connecticut fiduciary adjustment relating to  
 578 modifications to the extent not includable in federal alternative  
 579 minimum taxable income, that are described in subparagraph (A)(i),  
 580 (A)(ii), (A)(v), (A)(vi), (A)(vii) or (A)(viii) of subdivision (20) of this  
 581 subsection [(a) of this section] or to the extent includable in federal

582 alternative minimum taxable income, subparagraph (B)(i), (B)(ii),  
583 (B)(v), (B)(vi), (B)(vii), (B)(viii), (B)(ix), (B)(x), (B)(xiii) or (B)(xv) of  
584 subdivision (20) of this subsection. [(a) of this section.]

585       Sec. 15. Section 12-170aa of the general statutes is repealed and the  
586 following is substituted in lieu thereof (*Effective October 1, 2019*):

587       (a) There is established, for the assessment year commencing  
588 October 1, 1985, and each assessment year thereafter, a revised state  
589 program of property tax relief for certain elderly homeowners as  
590 determined in accordance with subsection (b) of this section, and  
591 additionally for the assessment year commencing October 1, 1986, and  
592 each assessment year thereafter, the property tax relief benefits of such  
593 program are made available to certain homeowners who are  
594 permanently and totally disabled as determined in accordance with  
595 said subsection. [(b) of this section.]

596       (b) (1) The program established by this section shall provide for a  
597 reduction in property tax, except in the case of benefits payable as a  
598 grant under certain circumstances in accordance with provisions in  
599 subsection (j) of this section, applicable to the assessed value of certain  
600 real property, determined in accordance with subsection (c) of this  
601 section, for any owner of real property, or any tenant for life or tenant  
602 for a term of years liable for property tax under section 12-48, or any  
603 resident of a multiple-dwelling complex under certain contractual  
604 conditions as provided in [said] subsection (j) of this section, who (A)  
605 at the close of the preceding calendar year has attained age sixty-five  
606 or over, or whose spouse domiciled with such homeowner, has  
607 attained age sixty-five or over at the close of the preceding calendar  
608 year, or is fifty years of age or over and the surviving spouse of a  
609 homeowner who at the time of [his] such homeowner's death had  
610 qualified and was entitled to tax relief under this section, provided  
611 such spouse was domiciled with such homeowner at the time of his  
612 death or (B) at the close of the preceding calendar year has not attained  
613 age sixty-five and is eligible in accordance with applicable federal  
614 regulations to receive permanent total disability benefits under Social

615 Security, or has not been engaged in employment covered by Social  
616 Security and accordingly has not qualified for benefits thereunder but  
617 who has become qualified for permanent total disability benefits under  
618 any federal, state or local government retirement or disability plan,  
619 including the Railroad Retirement Act and any government-related  
620 teacher's retirement plan, determined by the Secretary of the Office of  
621 Policy and Management to contain requirements in respect to  
622 qualification for such permanent total disability benefits [which] that  
623 are comparable to such requirements under Social Security; and in  
624 addition to qualification under subparagraph (A) or (B) [above] of this  
625 subdivision, whose taxable and nontaxable income, the total of which  
626 shall hereinafter be called "qualifying income", in the tax year of such  
627 homeowner ending immediately preceding the date of application for  
628 benefits under the program in this section, was not in excess of sixteen  
629 thousand two hundred dollars, if unmarried, or twenty thousand  
630 dollars, jointly with spouse if married, subject to adjustments in  
631 accordance with subdivision (2) of this subsection, evidence of which  
632 income shall be required in the form of a signed affidavit to be  
633 submitted to the assessor in the municipality in which application for  
634 benefits under this section is filed. The amount of any Medicaid  
635 payments made on behalf of such homeowner or the spouse of such  
636 homeowner shall not constitute income. The amount of tax reduction  
637 provided under this section, determined in accordance with and  
638 subject to the variable factors in the schedule of amounts of tax  
639 reduction in subsection (c) of this section, shall be allowed only with  
640 respect to a residential dwelling owned by such qualified homeowner  
641 and used as such homeowner's primary place of residence. If title to  
642 real property or a tenancy interest liable for real property taxes is  
643 recorded in the name of such qualified homeowner or his spouse  
644 making a claim and qualifying under this section and any other person  
645 or persons, the claimant hereunder shall be entitled to pay his  
646 fractional share of the tax on such property calculated in accordance  
647 with the provisions of this section, and such other person or persons  
648 shall pay his or their fractional share of the tax without regard for the  
649 provisions of this section, unless also qualified hereunder. For the

650 purposes of this section, a "mobile manufactured home", as defined in  
651 section 12-63a, or a dwelling on leased land, including but not limited  
652 to a modular home, shall be deemed to be real property and the word  
653 "taxes" shall not include special assessments, interest and lien fees.

654 (2) The amounts of qualifying income as provided in this section  
655 shall be adjusted annually in a uniform manner to reflect the annual  
656 inflation adjustment in Social Security income, with each such  
657 adjustment of qualifying income determined to the nearest one  
658 hundred dollars. Each such adjustment of qualifying income shall be  
659 prepared by the Secretary of the Office of Policy and Management in  
660 relation to the annual inflation adjustment in Social Security, if any,  
661 becoming effective at any time during the twelve-month period  
662 immediately preceding the first day of October each year and the  
663 amount of such adjustment shall be distributed to the assessors in each  
664 municipality not later than the thirty-first day of December next  
665 following.

666 (3) For purposes of determining qualifying income under  
667 subdivision (1) of this subsection with respect to a married homeowner  
668 who submits an application for tax reduction in accordance with this  
669 section, the Social Security income of the spouse of such homeowner  
670 shall not be included in the qualifying income of such homeowner, for  
671 purposes of determining eligibility for benefits under this section, if  
672 such spouse is a resident of a health care or nursing home facility in  
673 this state receiving payment related to such spouse under the Title XIX  
674 Medicaid program. An applicant who is legally separated pursuant to  
675 the provisions of section 46b-40, as of the thirty-first day of December  
676 preceding the date on which such person files an application for a  
677 grant in accordance with subsection (a) of this section, may apply as an  
678 unmarried person and shall be regarded as such for purposes of  
679 determining qualifying income under said subsection.

680 (c) The amount of reduction in property tax provided under this  
681 section shall, subject to the provisions of subsection (d) of this section,  
682 be determined in accordance with the following schedule:



696 homeowner has qualified for tax reduction under this section, the tax  
697 reduction determined shall, when possible, be applied and prorated  
698 uniformly over the number of installments in which the real property  
699 tax is due and payable to the municipality in which [he] such  
700 homeowner resides. In the case of any homeowner who is eligible for  
701 tax reduction under this section as a result of increases in qualifying  
702 income, [effective with respect to the assessment year commencing  
703 October 1, 1987,] under the schedule of qualifying income and tax  
704 reduction in subsection (c) of this section, exclusive of any such  
705 increases related to [social security] Social Security adjustments in  
706 accordance with subsection (b) of this section, the total amount of tax  
707 reduction to which such homeowner is entitled shall be credited and  
708 uniformly prorated against property tax installment payments  
709 applicable to such homeowner's residence [which] that become due  
710 after such homeowner's application for tax reduction under this  
711 section is accepted. In the event that a homeowner has paid in full the  
712 amount of property tax applicable to such homeowner's residence,  
713 regardless of whether the municipality requires the payment of  
714 property taxes in one or more installments, such municipality shall  
715 make payment to such homeowner in the amount of the tax reduction  
716 allowed. The municipality shall be reimbursed for the amount of such  
717 payment in accordance with subsection (g) of this section.

718 (2) In respect to such application required biennially after the filing  
719 and approval for the first year, the tax assessor in each municipality  
720 shall notify each such homeowner concerning application  
721 requirements by regular mail not later than February first, annually  
722 enclosing a copy of the required application form. Such homeowner  
723 may submit such application to the assessor by mail, provided it is  
724 received by the assessor not later than April fifteenth in the assessment  
725 year with respect to which such tax reduction is claimed. Not later  
726 than April thirtieth of such year the assessor shall notify, by mail  
727 evidenced by a certificate of mailing, any such homeowner for whom  
728 such application was not received by said April fifteenth concerning  
729 application requirements and such homeowner shall be required not



730 later than May fifteenth to submit such application personally or, for  
731 reasonable cause, by a person acting on behalf of such taxpayer as  
732 approved by the assessor. In the year immediately following any year  
733 in which such homeowner has submitted application and qualified for  
734 tax reduction in accordance with this section, such homeowner shall be  
735 presumed, without filing application therefor, to be qualified for tax  
736 reduction in accordance with the schedule in subsection (c) of this  
737 section in the same percentage of property tax as allowed in the year  
738 immediately preceding.

739 (3) If any homeowner has qualified and received tax reduction  
740 under this section and subsequently in any calendar year has  
741 qualifying income in excess of the maximum described in this section,  
742 such homeowner shall notify the tax assessor on or before the next  
743 filing date and shall be denied tax reduction under this section for the  
744 assessment year and any subsequent year or until such homeowner  
745 has reapplied and again qualified for benefits under this section. Any  
746 such person who fails to so notify the tax assessor of his  
747 disqualification shall refund all amounts of tax reduction improperly  
748 taken and be fined not more than five hundred dollars.

749 (f) (1) Any homeowner, believing such homeowner is entitled to tax  
750 reduction benefits under this section for any assessment year, shall  
751 make application as required in subsection (e) of this section, to the  
752 assessor of the municipality in which the homeowner resides, for such  
753 tax reduction at any time from February first to and including May  
754 fifteenth of the year in which tax reduction is claimed. A homeowner  
755 may make application to the secretary prior to August fifteenth of the  
756 claim year for an extension of the application period. The secretary  
757 may grant such extension in the case of extenuating circumstance due  
758 to illness or incapacitation as evidenced by a certificate signed by a  
759 physician or an advanced practice registered nurse to that extent, or if  
760 the secretary determines there is good cause for doing so. Such  
761 application for tax reduction benefits shall be submitted on a form  
762 prescribed and furnished by the secretary to the assessor. In making

763 application the homeowner shall present to such assessor, in  
764 substantiation of such homeowner's application, a copy of such  
765 homeowner's federal income tax return, including a copy of the Social  
766 Security statement of earnings for such homeowner, and that of such  
767 homeowner's spouse, if filed separately, for such homeowner's taxable  
768 year ending immediately prior to the submission of such application,  
769 or if not required to file a return, such other evidence of qualifying  
770 income in respect to such taxable year as may be required by the  
771 assessor.

772       (2) When the assessor is satisfied that the applying homeowner is  
773 entitled to tax reduction in accordance with this section, such assessor  
774 shall issue a certificate of credit, in such form as the secretary may  
775 prescribe and supply showing the amount of tax reduction allowed. A  
776 duplicate of such certificate shall be delivered to the applicant and the  
777 tax collector of the municipality and the assessor shall keep the fourth  
778 copy of such certificate and a copy of the application. Any homeowner  
779 who, for the purpose of obtaining a tax reduction under this section,  
780 wilfully fails to disclose all matters related thereto or with intent to  
781 defraud makes false statement shall refund all property tax credits  
782 improperly taken and shall be fined not more than five hundred  
783 dollars.

784       (3) Applications filed under this section shall not be open for public  
785 inspection.

786       (g) (1) On or before July first, annually, each municipality shall  
787 submit to the secretary a claim for the tax reductions approved under  
788 this section in relation to the assessment list of October first  
789 immediately preceding. On or after December [1, 1987] first, annually,  
790 any municipality that neglects to transmit to the secretary the claim as  
791 required by this section shall forfeit two hundred fifty dollars to the  
792 state, except that the secretary may waive such forfeiture in accordance  
793 with procedures and standards established by regulations adopted in  
794 accordance with chapter 54.

795       (2) Subject to procedures for review and approval of such data  
796 pursuant to section 12-120b, said secretary shall, on or before  
797 December fifteenth next following, certify to the Comptroller the  
798 amount due each municipality as reimbursement for loss of property  
799 tax revenue related to the tax reductions allowed under this section,  
800 except that the secretary may reduce the amount due as  
801 reimbursement under this section by up to one hundred per cent for  
802 any municipality that is not eligible for a grant under section 32-9s.  
803 The Comptroller shall draw an order on the Treasurer on or before the  
804 fifth business day following December fifteenth and the Treasurer shall  
805 pay the amount due each municipality not later than the thirty-first  
806 day of December.

807       (3) Any claimant aggrieved by the results of the secretary's review  
808 shall have the rights of appeal as set forth in section 12-120b. The  
809 amount of the grant payable to each municipality in any year in  
810 accordance with this section shall be reduced proportionately in the  
811 event that the total of such grants in such year exceeds the amount  
812 appropriated for the purposes of this section with respect to such year.

813       (h) Any person who is the owner of a residential dwelling on leased  
814 land, including any such person who is a sublessee under terms of the  
815 lease agreement applicable to such land, shall be entitled to claim tax  
816 relief under the provisions of this section, subject to all requirements  
817 therein except as provided in this [subdivision] subsection, with  
818 respect to property taxes paid by such person on the assessed value of  
819 such dwelling, provided (1) the dwelling is such person's principal  
820 place of residence, (2) such lease or sublease requires that such person  
821 as the lessee or sublessee, whichever is applicable, pay all property  
822 taxes related to the dwelling and (3) such lease or sublease is recorded  
823 in the land records of the town.

824       (i) (1) If any person with respect to whom a claim for tax reduction  
825 in accordance with this section has been approved for any assessment  
826 year transfers, assigns, grants or otherwise conveys on or after the first  
827 day of October but prior to the first day of August in such assessment

828 year the interest in real property to which such claim for tax credit is  
829 related, regardless of whether such transfer, assignment, grant or  
830 conveyance is voluntary or involuntary, the amount of such tax credit  
831 shall be a pro rata portion of the amount otherwise applicable in such  
832 assessment year to be determined by a fraction the numerator of which  
833 shall be the number of full months from the first day of October in  
834 such assessment year to the date of such conveyance and the  
835 denominator of which shall be twelve. If such conveyance occurs in the  
836 month of October the grantor shall be disqualified for tax credit in  
837 such assessment year. The grantee shall be required within a period  
838 not exceeding ten days immediately following the date of such  
839 conveyance to notify the assessor thereof, or in the absence of such  
840 notice, upon determination by the assessor that such transfer,  
841 assignment, grant or conveyance has occurred, the assessor shall [(1)]  
842 (A) determine the amount of tax reduction to which the grantor is  
843 entitled for such assessment year with respect to the interest in real  
844 property conveyed and notify the tax collector of the reduced amount  
845 of tax reduction applicable to such interest, and [(2)] (B) notify the  
846 Secretary of the Office of Policy and Management on or before the  
847 October first immediately following the end of the assessment year in  
848 which such conveyance occurs of the reduction in such tax reduction  
849 for purposes of a corresponding adjustment in the amount of state  
850 payment to the municipality next following as reimbursement for the  
851 revenue loss related to such tax reductions. On or after December [1,  
852 1987] first, annually, any municipality [which] that neglects to transmit  
853 to the Secretary of the Office of Policy and Management the claim as  
854 required by this section shall forfeit two hundred fifty dollars to the  
855 state, provided the secretary may waive such forfeiture in accordance  
856 with procedures and standards established by regulations adopted in  
857 accordance with chapter 54.

858 (2) Upon receipt of such notice from the assessor, the tax collector  
859 shall, if such notice is received after the tax due date in the  
860 municipality, within ten days thereafter mail or hand a bill to the  
861 grantee stating the additional amount of tax due as determined by the

862 assessor. Such tax shall be due and payable and collectible as other  
863 property taxes and subject to the same liens and processes of  
864 collection, provided such tax shall be due and payable in an initial or  
865 single installment not sooner than thirty days after the date such bill is  
866 mailed or handed to the grantee and in equal amounts in any  
867 remaining, regular installments as the same are due and payable.

868 (j) (1) Notwithstanding the intent in subsections (a) to (i), inclusive,  
869 of this section to provide for benefits in the form of property tax  
870 reduction applicable to persons liable for payment of such property tax  
871 and qualified in accordance with requirements related to age and  
872 income as provided in subsection (b) of this section, a certain annual  
873 benefit, determined in amount under the provisions of subsections (c)  
874 and (d) of this section but payable in a manner as prescribed in this  
875 subsection, shall be provided with respect to any person who (A) is  
876 qualified in accordance with said requirements related to age and  
877 income as provided in subsection (b) of this section, including  
878 provisions concerning such person's spouse, and (B) is a resident of a  
879 dwelling unit within a multiple-dwelling complex containing dwelling  
880 units for occupancy by certain elderly persons under terms of a  
881 contract between such resident and the owner of such complex, in  
882 accordance with which contract such resident occupies a certain  
883 dwelling unit subject to the express provision that such resident has no  
884 legal title, interest or leasehold estate in the real or personal property  
885 of such complex, and under the terms of which contract such resident  
886 agrees to pay the owner of the complex a fee, as a condition precedent  
887 to occupancy and a monthly or other such periodic fee thereafter as a  
888 condition of continued occupancy. In no event shall any such resident  
889 be qualified for benefits payable in accordance with this subsection if,  
890 as determined by the assessor in the municipality in which such  
891 complex is situated, such resident's contract with the owner of such  
892 complex, or occupancy by such resident (i) confers upon such resident  
893 any ownership interest in the dwelling unit occupied or in such  
894 complex, or (ii) establishes a contract of lease of any type for the  
895 dwelling unit occupied by such resident.

896 (2) The amount of annual benefit payable in accordance with this  
897 subsection to any such resident, qualified as provided in subdivision  
898 (1) of this subsection, shall be determined in relation to an assumed  
899 amount of property tax liability applicable to the assessed value for the  
900 dwelling unit which such resident occupies, as determined by the  
901 assessor in the municipality in which such complex is situated.  
902 Annually, not later than the first day of June, the assessor in such  
903 municipality, upon receipt of an application for such benefit submitted  
904 in accordance with this subsection by any such resident, shall  
905 determine, with respect to the assessment list in such municipality for  
906 the assessment year commencing October first immediately preceding,  
907 the portion of the assessed value of the entire complex, as included in  
908 such assessment list, attributable to the dwelling unit occupied by such  
909 resident. The assumed property tax liability for purposes of this  
910 subsection shall be the product of such assessed value and the mill rate  
911 in such municipality as determined for purposes of property tax  
912 imposed on said assessment list for the assessment year commencing  
913 October first immediately preceding. The amount of benefit to which  
914 such resident shall be entitled for such assessment year shall be  
915 equivalent to the amount of tax reduction for which such resident  
916 would qualify, considering such assumed property tax liability to be  
917 the actual property tax applicable to such resident's dwelling unit and  
918 such resident as liable for the payment of such tax, in accordance with  
919 the schedule of qualifying income and tax reduction as provided in  
920 subsection (c) of this section, subject to provisions concerning  
921 maximum allowable benefit for any assessment year under subsections  
922 (c) and (d) of this section. The amount of benefit as determined for  
923 such resident in respect to any assessment year shall be payable by the  
924 state as a grant to such resident equivalent to the amount of property  
925 tax reduction to which such resident would be entitled under  
926 subsections (a) to (i), inclusive, of this section if such resident were the  
927 owner of such dwelling unit and qualified for tax reduction benefits  
928 under said subsections (a) to (i), inclusive.

929 (3) Any such resident entitled to a grant as provided in subdivision

930 (2) of this subsection shall be required to submit an application for  
931 such grant to the assessor in the municipality in which such resident  
932 resides at any time from February first to and including the fifteenth  
933 day of May in the year in which such grant is claimed, on a form  
934 prescribed and furnished for such purpose by the Secretary of the  
935 Office of Policy and Management. Any such resident submitting an  
936 application for such grant shall be required to present to the assessor,  
937 in substantiation of such application, a copy of such resident's federal  
938 income tax return, and if not required to file a federal income tax  
939 return, such other evidence of qualifying income, receipts for money  
940 received or cancelled checks, or copies thereof, and any other evidence  
941 the assessor may require. Not later than the first day of July in such  
942 year, the assessor shall submit to the Secretary of the Office of Policy  
943 and Management (A) a copy of the application prepared by such  
944 resident, together with such resident's federal income tax return, if  
945 required to file such a return, and any other information submitted in  
946 relation thereto, (B) determinations of the assessor concerning the  
947 assessed value of the dwelling unit in such complex occupied by such  
948 resident, and (C) the amount of such grant approved by the assessor.  
949 Said secretary, upon approving such grant, shall certify the amount  
950 thereof and not later than the fifteenth day of September immediately  
951 following submit approval for payment of such grant to the [State]  
952 Comptroller. Not later than five business days immediately following  
953 receipt of such approval for payment, the [State] Comptroller shall  
954 draw [his or her] an order [upon the State] on the Treasurer and the  
955 Treasurer shall pay the amount of the grant to such resident not later  
956 than the first day of October immediately following.

957 (k) If the Secretary of the Office of Policy and Management makes  
958 any adjustments to the grants for tax reductions or assumed amounts  
959 of property tax liability claimed under this section subsequent to the  
960 [Comptroller the] Comptroller's order of payment of [said] such grants  
961 in any year, the amount of such adjustment shall be reflected in the  
962 next payment the Treasurer shall make to such municipality pursuant  
963 to this section.

964 Sec. 16. Section 3-114g of the general statutes is repealed and the  
965 following is substituted in lieu thereof (*Effective from passage*):

966 At the end of each fiscal year, commencing with the fiscal year  
967 ending on June 30, 1990, the Comptroller is authorized to record as  
968 revenue for such fiscal year the amount of revenue related to the tax  
969 imposed under chapter 208 and section 12-699 for such fiscal year  
970 which is received by the Commissioner of Revenue Services not later  
971 than five business days after the [last day of] July thirty-first  
972 immediately following the end of such fiscal year.

973 Sec. 17. Subsection (c) of section 4-28f of the general statutes is  
974 repealed and the following is substituted in lieu thereof (*Effective*  
975 *October 1, 2019*):

976 (c) The trust fund shall be administered by a board of trustees,  
977 except that the board shall suspend its operations from July 1, 2003, to  
978 June 30, 2005, inclusive. The board shall consist of seventeen trustees.  
979 The appointment of the initial trustees shall be as follows: (1) The  
980 Governor shall appoint four trustees, one of whom shall serve for a  
981 term of one year from July 1, 2000, two of whom shall serve for a term  
982 of two years from July 1, 2000, and one of whom shall serve for a term  
983 of three years from July 1, 2000; (2) the speaker of the House of  
984 Representatives and the president pro tempore of the Senate each shall  
985 appoint two trustees, one of whom shall serve for a term of two years  
986 from July 1, 2000, and one of whom shall serve for a term of three years  
987 from July 1, 2000; (3) the majority leader of the House of  
988 Representatives and the majority leader of the Senate each shall  
989 appoint two trustees, one of whom shall serve for a term of one year  
990 from July 1, 2000, and one of whom shall serve for a term of three years  
991 from July 1, 2000; (4) the minority leader of the House of  
992 Representatives and the minority leader of the Senate each shall  
993 appoint two trustees, one of whom shall serve for a term of one year  
994 from July 1, 2000, and one of whom shall serve for a term of two years  
995 from July 1, 2000; and (5) the Secretary of the Office of Policy and  
996 Management, or the secretary's designee, shall serve as an ex-officio



997 voting member. Following the expiration of such initial terms,  
998 subsequent trustees shall serve for a term of three years. The period of  
999 suspension of the board's operations from July 1, 2003, to June 30, 2005,  
1000 inclusive, shall not be included in the term of any trustee serving on  
1001 July 1, 2003. The trustees shall serve without compensation except for  
1002 reimbursement for necessary expenses incurred in performing their  
1003 duties. The board of trustees shall establish rules of procedure for the  
1004 conduct of its business which shall include, but not be limited to,  
1005 criteria, processes and procedures to be used in selecting programs to  
1006 receive money from the trust fund. The trust fund shall be within the  
1007 Office of Policy and Management for administrative purposes only.  
1008 The board of trustees shall, not later than January first of each year,  
1009 except following a fiscal year in which the trust fund does not receive a  
1010 deposit from the Tobacco Settlement Fund, [shall] submit a report of  
1011 its activities and accomplishments to the joint standing committees of  
1012 the General Assembly having cognizance of matters relating to public  
1013 health and appropriations and the budgets of state agencies, in  
1014 accordance with section 11-4a.

1015 Sec. 18. Subsection (a) of section 21a-416 of the general statutes is  
1016 repealed and the following is substituted in lieu thereof (*Effective*  
1017 *October 1, 2019*):

1018 (a) For the purposes of this section:

1019 (1) "Electronic nicotine delivery system" has the same meaning as  
1020 provided in section [19a-342] 19a-342a.

1021 (2) "Vapor product" has the same meaning as provided in section  
1022 [19a-342] 19a-342a.

1023 (3) "Retail establishment" has the same meaning as provided in  
1024 section 19a-106a.

1025 Sec. 19. Section 12-35g of the general statutes is repealed. (*Effective*  
1026 *from passage*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	12-391(c)
Sec. 2	<i>October 1, 2019</i>	12-392(b)(3)(J)
Sec. 3	<i>October 1, 2019</i>	12-643
Sec. 4	<i>October 1, 2019</i>	12-217(a)(3)
Sec. 5	<i>October 1, 2019</i>	12-217zz(a)
Sec. 6	<i>October 1, 2019</i>	12-414(c)
Sec. 7	<i>October 1, 2019</i>	12-433
Sec. 8	<i>October 1, 2019</i>	12-438
Sec. 9	<i>October 1, 2019</i>	12-458(c)
Sec. 10	<i>October 1, 2019</i>	12-587
Sec. 11	<i>October 1, 2019</i>	12-587a(a)
Sec. 12	<i>October 1, 2019</i>	12-701(a)(20)(B)(xxiii) to (B)(xxv)
Sec. 13	<i>October 1, 2019</i>	12-701(a)(24)
Sec. 14	<i>October 1, 2019</i>	12-701(a)(30)
Sec. 15	<i>October 1, 2019</i>	12-170aa
Sec. 16	<i>from passage</i>	3-114g
Sec. 17	<i>October 1, 2019</i>	4-28f(c)
Sec. 18	<i>October 1, 2019</i>	21a-416(a)
Sec. 19	<i>from passage</i>	Repealer section

**FIN**      *Joint Favorable*