



General Assembly

February Session, 2020

Raised Bill No. 431

LCO No. 2354



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT CONCERNING NEXUS PROVISIONS FOR CERTAIN DISASTER-RELATED OR EMERGENCY-RELATED WORK PERFORMED IN THE STATE.

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

- 1 Section 1. (NEW) (*Effective from passage*) (a) As used in this section:
- 2 (1) "Public service company" and "telecommunications company"
- 3 have the same meanings as provided in section 16-1 of the general
- 4 statutes;
- 5 (2) "Critical infrastructure" means real property and tangible personal
- 6 property, including, but not limited to, buildings, conduits, lines, fiber
- 7 optic cables, poles, pipes, structures and equipment, owned or used by
- 8 a public service company or a telecommunications company to
- 9 generate, transmit or distribute such company's product or service in
- 10 the state;
- 11 (3) "State disaster or emergency" means a disaster or an emergency
- 12 event for which (A) the Governor has issued a proclamation of a disaster

13 or an emergency pursuant to chapter 517 of the general statutes, or (B)
14 the President of the United States has issued a declaration of the
15 existence in the state of a major disaster or an emergency;

16 (4) "Disaster-related or emergency-related work" means repairing,
17 renovating, installing, constructing or rendering services to critical
18 infrastructure in the state that has been damaged, impaired or destroyed
19 by a state disaster or emergency;

20 (5) "Disaster response period" means the period (A) commencing ten
21 calendar days prior to the date of issuance of the proclamation or
22 declaration of a state disaster or emergency, and (B) ending sixty
23 calendar days after the Governor has proclaimed or the President has
24 declared, as applicable, the end of such disaster or emergency;

25 (6) "Out-of-state business" means a business entity that, in the income
26 or taxable year immediately preceding the state disaster or emergency,
27 was not registered with the state or any political subdivision thereof, did
28 not submit any tax filings to the state and did not derive income from
29 sources within the state. "Out-of-state business" includes a business
30 entity that (A) was present in the state or conducted operations in the
31 state, to perform disaster-related or emergency-related work, but
32 otherwise satisfies the provisions of this subdivision, or (B) is affiliated
33 with a registered business solely through common ownership and
34 otherwise satisfies the provisions of this subdivision;

35 (7) "Out-of-state employee" means an employee of an out-of-state
36 business who does not work in the state, other than performing disaster-
37 related or emergency-related work during a disaster response period;
38 and

39 (8) "Registered business" means a business entity that is registered
40 with the Secretary of the State to do business in the state prior to the
41 state disaster or emergency.

42 (b) Notwithstanding any provision of title 12 of the general statutes
43 or subsection (c) of section 14-34a of the general statutes, no out-of-state

44 business or out-of-state employee who is present in the state or conducts
45 operations in the state, to perform disaster-related or emergency-related
46 work during a disaster response period, shall be deemed to have
47 established sufficient presence in the state to require such business or
48 employee to (1) register with the state or any political subdivision
49 thereof; (2) be subject to property tax or state taxes, other than
50 transaction taxes and fees including, but not limited to, sales and use
51 taxes, fuel taxes or charges or fees on rental passenger motor vehicles,
52 rental trucks or rental machinery, unless such transaction taxes or fees
53 are suspended or otherwise exempted during a disaster response
54 period; (3) submit any tax filing to the state; or (4) be licensed by the
55 state, provided such business or employee is properly registered,
56 licensed or otherwise authorized under the laws of another state to
57 perform disaster-related or emergency-related work.

58 (c) The activities associated with disaster-related or emergency-
59 related work performed in the state by an out-of-state business that is
60 present in the state or conducts operations in the state solely to perform
61 such work shall be disregarded for purposes of any filing required for a
62 tax imposed on income or gross receipts, including, but not limited to, a
63 combined unitary tax return.

64 (d) (1) Any out-of-state business that is present in the state or
65 conducts operations in the state, to perform disaster-related or
66 emergency-related work during a disaster response period, shall
67 provide, upon request by the Secretary of the State, a written statement
68 that such business is in the state for purposes of responding to the state
69 disaster or emergency. Such statement shall include the out-of-state
70 business's name, state of domicile, principal business address, telephone
71 number, electronic mail address, federal tax identification number and
72 date of entry into the state, and may be provided electronically.

73 (2) The Secretary of the State may request a registered business that
74 is an affiliate of such out-of-state business to provide the written
75 statement and information set forth in subdivision (1) of this subsection.
76 Such registered business shall also include the registered business's

77 name, principal business address, telephone number and electronic mail
78 address.

79 (3) No out-of-state business that has received a request from the
80 Secretary of the State for a written statement or is an affiliate of a
81 registered business that has received such request shall be prevented
82 from commencing disaster-related or emergency-related work in the
83 state prior to the provision of the written statement.

84 (e) Any out-of-state business or out-of-state employee who remains
85 in the state after the disaster response period shall be subject to all other
86 laws that provide standards to establish presence in the state and shall
87 comply with any provision of the general statutes that becomes
88 applicable to such business or employee due to such presence.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section

Statement of Purpose:

To specify that out-of-state businesses and out-of-state employees with no connection to the state, other than performing disaster-related or emergency-related work in the state, shall not be deemed to have established presence or residency in the state by virtue of performing such work.

[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.]