

Legislative History for Connecticut Act

<u>SB 1210</u>	PA 473	<u>1975</u>
<u>Senate: P. 2829. Consent.</u>		(1)
<u>House: P. 5967-5969</u>		(3)
<u>Finance: P. 365, 7</u>		(2)
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Transcripts from the Joint Standing Committee Public Hearing(s) and/or Senate
and House of Representatives Proceedings

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CONNECTICUT
GEN. ASSEMBLY
SENATE

PROCEEDINGS
1975

VOL. 18
PART 6
2629-3188

Thursday, May 29, 1975

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roc

THE CLERK:

Cal. 1004, File 1051. Favorable report joint standing committee on Finance. Substitute Senate Bill 1090, AN ACT CREATING A NIGHT CLUB LIQUOR PERMIT.

SENATOR LIEBERMAN:

Mr. President, I move this bill to the Consent Calendar.

THE PRESIDENT:

Without objection, it is so ordered.

THE CLERK:

Cal. 1005, File 1033. Favorable report joint standing committee on Finance. Substitute Senate Bill 1210, AN ACT CONCERNING ADMISSION CHARGES, DUES, DUES TAX AND REGISTRATION CERTIFICATES.

SENATOR LIEBERMAN:

Mr. President, I'd move this bill to the Consent Calendar.

THE PRESIDENT:

Hearing no objection, it is so ordered.

THE CLERK:

Cal. 1006, File 1037. Favorable report joint standing committee on Finance. Substitute Senate Bill 1211, AN ACT CONCERNING BOND REQUIREMENT FOR NONRESIDENT CONTRACTORS FOR PURPOSES OF THE SALES AND USE TAX.

SENATOR LIEBERMAN:

Mr. President, I would move this bill to the Consent Calendar.

THE PRESIDENT:

Without objection, it is so ordered.

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CONNECTICUT
GEN. ASSEMBLY
HOUSE

PROCEEDINGS
1975

VOL. 18
PART 12
5520-6009

House of Representatives

Monday, June 2, 1975

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SB-1210
Concerning Admission Charges, Dues, Dues Tax and Registration Certificates,
File No. 1033.

MR. CRESOTTI (59th):

Mr. Speaker, I move acceptance of the committee's joint favorable report and passage of the bill in concurrence with the Senate.

THE SPEAKER:

Question is on acceptance and passage in concurrence with the Senate.

Will you remark sir?

MR. CRESOTTI (59th):

Yes, Mr. Speaker. What this bill does, it provides for certain amendments to the tax on admissions, cabaret dues which will be helpful in the administration of the tax. And there are four changes actually the way it is written now. And the first change in the imposition of the tax on admission and dues, the charges for instructions are to be exempt from the tax.

Number two, is to exclude health clubs from the list of places subject to the admission tax.

Number three, this is to clarify the section concerning the tax on dues so that there will not be imposed, if the annual dues of the initiation fees are \$50. or less.

And probably most important, that this bill adds provisions to Chapter 225, Admissions, Cabarets and Dues Tax which provides for the mandatory registration of organizations subject to this tax.

THE SPEAKER:

Will you remark further on the bill?

MR. CAMP (111th):

Mr. Speaker, I'm surprised in the bill at the elimination of health clubs from those areas that are subject to the tax. It would seem to me that

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if kids going to a skating rink are going to be charged taxes, then people going to a health club ought to be. Similarly, with bathing beaches, tennis courts and the rest of it. I don't see this preferred status which we're here creating for health clubs by eliminating them from the admissions tax. I would like to do away with the admissions tax as well.

I would wonder perhaps, through you a question to the proponent of the bill, and that would be: how much tax is collected from health clubs and what has been the problem in connection with them?

MR. CRESSOTTI (59th):

Through you Mr. Speaker, I don't have the amount of tax collected through health clubs but the purpose of this tax to start with just applies to amusement, entertainment and recreation and I believe that health clubs could probably come under health reasons, in some cases.

MR. CAMP (111th):

Mr. Speaker, I think we're making a distinction without a difference. It may be some of the health clubs will make you a bit thinner but hopefully some of the other items would in this list too. I will oppose the bill when it comes up. I think that it's an unwarranted exclusion from the tax. I'd just as soon eliminate the tax completely but if we're going to have it there, I see no reason to give a beneficial position to these people in comparison with other athletic facilities.

THE SPEAKER:

Will you remark further?

MR. DICE (89th):

Mr. Speaker, looking at the file in front of us, I can't tell what the definition of a health club is and I would just inquire of the gentleman whether or not one of these masseur parlors that we've been talking about is a health club

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under the definition.

MR. CRESSOTTI (59th):

Through you Mr. Speaker, that rubs me the right way. I don't believe it does.

THE SPEAKER:

Further remarks? Will the members please be seated, the staff come to the well. The machine will be open. Have all the members voted? The machine is still open. If all the members have voted and your vote is properly recorded, the machine will be closed and the Clerk will take a tally.

THE ASSISTANT CLERK:

Total Number Voting.....	145
Necessary for Passage.....	73
Those Voting Yea.....	75
Those Voting Nay.....	70
Those Absent and Not Voting.....	6

THE SPEAKER:

The bill is PASSED.

THE CLERK:

Calendar No. 1339, substitute for S.B. No. 1707, An Act Concerning the Disposition of Surplus Funds Under the Campaign Finance Laws, File No. 1066.

MR. O'NEILL (34th):

Mr. Speaker, may that item be passed temporarily, please.

THE SPEAKER:

Is there objection? Hearing none, the matter is passed temporarily.

THE CLERK:

Calendar No. 1348, substitute for S.B. No. 1459, An Act Concerning a Uniform Licensing Act for All Mental Health Facilities, File No. 1030.

MR. O'NEILL (34th):

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HEARINGS**

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PART 2
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pertise pertise here to answer all of your questions.

The first bill I have is 1210, and that deals with the admission charges dues and cabaret tax. It's chapter 225 of the General Statutes. Namely, this legislation was submitted for purposes of following a uniform system namely, similar to the Sales Act whereby people who were subject to the admissions use and cabaret tax would register with the Department and we will be able to administer the tax more efficiently.

The next bill is 1246--

SEN. BECK: Before going ahead, are there any questions on this?

REP. CLYNES: All right. Let me say this. If they want to jump in, well, let them jump in and ask questions on any bill, Sam. I think what you're doing is going through the ones you feel are not too controversial at this point.

SEN. BECK: Well, why don't we do this--instead of asking the committee--when you come to the end of that bill, if the committee has some questions, let them ask them as we go through the bills.

REP. COLLINS: Now, as I understand this, the existing legislation... (not using the microphone - inaudible). Does this have any effect on the daily--

MR. KARAM: No. The thing here was we do have situations where--taking a country club -- a person joins a country club and pays five hundred dollars a year dues. Now he may decide during the golfing season to take a few golf lessons as such. The Department hasn't been taxing the golf lessons, so we wanted to make it an express exemption within a law--exempting the lessons. But the dues, however, will continue to be taxed.

REP. COLLINS: (Inaudible)

MR. KARAM: That's right. That's it exactly.

REP. CLYNES: Any other questions? Okay.

MR. KARAM: The next bill I have is 1246. This is the legislation dealing with alcoholic beverages. Presently this legislation would be parallel -- paralleled to cigarette tax whereby if the Commissioner has a small amount of alcoholic beverages that has been confiscated, in the disposing of that alcoholic beverage in the best interest of the state. In other words, he may -- he could sell it at a private sale. At the present time the liquor can only be sold to a liquor retailer. So this ties the hands of the Commissioner as far as small quantities of alcoholic beverages are concerned.

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FINANCE

April 4, 1975
10:30 A.M.

- REP. CLYNES: My question on that -- the best interests of the state is kind of a broad statement. I could think of a party for the legislators, you know -- I'm just wondering, you know, shouldn't there be something in there -- sold at the highest price or something like that? I'm just -- you know -- best interests of the state, to me, is a pretty broad statement.
- MR. KARAM: Well, we confiscate contraband liquor or confiscate cigarettes...so usually what would happen here, this would give the Commissioner freedom to conduct a private sale and get rid of the liquor.
- REP. CLYNES: Well, the reason I bring it up, Sam, is because I'm sure if we brought this bill to the floor of the House like that, that's the type of question that someone's going to jump up and ask us.
- MR. KARAM: We had that language in the cigarette tax, by the way. Sales or contraband, for instance, automobiles that are confiscated, can be disposed of at a sale or whatever the Commissioner considers to be in the best interests of the State of Connecticut and in many cases we have turned over automobiles to Criminal Intelligence and the State Police and other law enforcement agencies.
- REP. CLYNES: I personally would like to change that language a little bit, and I don't know about the rest of the committee -- they may have some other questions, but that particular thing, to me, would be and I'm sure on the floor of the House would be objectionable, and I would let you people if you want to bring us back a language, to change it. Maybe there are other questions by the committee.
- SEN. BECK: I completely one-hundred percent concur. I think we'd never get it through with that language. And secondly, Sam, where we say that the quantity does not exceed one hundred gallons, what happens when it does? It still goes to retail liquor dealers?
- MR. KARAM: I think at the present time the one hundred gallons would probably be sold to liquor dealers. Yes.
- SEN. BECK: What's a hundred gallons? I mean what is it -- what does it amount to in the way of --
- MR. KARAM: Let's say about twenty-five -- twenty, twenty-five cases of liquor. I'm just giving you a -- gallon cases, I would say --
- SEN. BECK: We don't have the highest bidder kind of thing in our statutes, do we, with cigarettes?

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FINANCE

April 4, 1975
10:30 A.M.

- MR. KARAM: No. We put that procedure in whereby you do sell cigarettes to a distributor and you notify all of the various distributors throughout the State of Connecticut, and they submit bids, and we do take the highest bidder. These are all sealed bids, by the way. They are opened before one of the state auditors or designated state auditor.
- SEN. BECK: Other questions?
- MR. KARAM: 1247. Once again we're on the alcoholic beverages. At the present time the law permits us to seize contraband alcoholic beverages. What this would do -- the Department has also been taxing, but we thought we would like to insert express language giving the Department express authority to tax alcoholic beverages that are seized. The statute is a little bit ambiguous in that area.
- REP. COLLINS: Is that what the previous speaker was talking about?
- MR. KARAM: No. That's the next bill. That's the next bill.
- REP. HENDEL: May I ask a question about 1247? The person who is caught with the contraband would pay the tax?
- MR. KARAM: Would pay the tax. And in addition, losing the liquor.
- REP. HENDEL: Do you see this as a companion bill to the next one you're going to discuss?
- MR. KARAM: Yes. Yes.
- REP. CLYNES: I guess there are no other questions. Go ahead.
- MR. KARAM: 1221. I think the previous speaker spoke about representing the industries--spoke on the transporting of alcoholic beverages, and this would be more or less similar to the last bill, which would once again give us the right to impose a tax and also the insertion of criminal penalties. I think, Senator Beck, Joe Adinolfi spoke in favor of the industry and he also said that the Package Stores Association whole-heartedly supported this legislation.
- REP. CLYNES: This is for any individual one bottle of whatever. Is that right?
- MR. KARAM: Well, no. Right now a person can go to New Hampshire and buy a gallon of whiskey. However this is not what we're concerned with. What we are concerned with is people who will be transporting ten or fifteen cases of liquor, taking orders and going to New Hampshire, buying ten or fifteen cases of liquor and bringing them into the State of Connecticut for purposes of sale.