

PA 11-145

HB6561

House	3272-3289	18
<u>Senate</u>	<u>6553, 6573-6578</u>	<u>7</u>
		<b>25</b>

**H - 1101**

**CONNECTICUT  
GENERAL ASSEMBLY  
HOUSE**

**PROCEEDINGS  
2011**

**VOL.54  
PART 10  
3113 - 3437**

lxe/law/gbr  
HOUSE OF REPRESENTATIVES

6  
May 18, 2011

REP. COOK (65th):

Good morning, Mr. Speaker. How are you today?

SPEAKER DONOVAN:

Good morning, Representative.

REP. COOK (65th):

Mr. Speaker, on the floor of the House, I have a young, aspiring politician, Callen Good, who is here today for the day to listen to some intellectual conversation and debate so I'd like us to give him a warm welcome.

SPEAKER DONOVAN:

Will the Clerk please call Calendar 346.

THE CLERK:

State of Connecticut House of Representatives  
Calendar for Wednesday, May 18, 2011. On page 18,  
Calendar 346, House Bill Number 6561, AN ACT  
CONCERNING SALES TAXES PAID BY BUSINESSES. Favorable  
report of the Committee on Finance, Revenue and  
Bonding.

SPEAKER DONOVAN:

Chair of Finance, Revenue, and Bonding,  
Representative Widlitz.

REP. WIDLITZ (98th):

Good morning, Mr. Speaker. Mr. Speaker, I move

lxe/law/gbr  
HOUSE OF REPRESENTATIVES

7  
May 18, 2011

acceptance of the joint committee's favorable report and adoption of the bill.

SPEAKER DONOVAN:

The question before the Chamber is on acceptance of the committee's favorable report and adoption of the -- of the bill. Will you remark?

REP. WIDLITZ (98th):

Thank you, Mr. Speaker. Yes, Mr. Speaker, the clerk has LCO Number 6444. Would he please call and I be allowed to summarize?

SPEAKER DONOVAN:

Will the clerk please call LCO Number 6444, which will be designated House Amendment Schedule "A".

THE CLERK:

LCO Number 6444, House Amendment Schedule "A"  
offered by Representative Widlitz and Senator Daily.

SPEAKER DONOVAN:

Representative seeks leave of the Chamber to summarize the amendment. Is there objection? Hearing none, Representative, you may proceed.

REP. WIDLITZ (98th):

Thank you, Mr. Speaker. Mr. Speaker, current law allows the Revenue Services Commissioner to require taxpayers and employers to pay taxes by electronic

funds transfer. This amendment is a strike-all amendment that allows the commissioner to exempt from the electronic payment requirement a taxpayer who demonstrates to the commissioner's satisfaction that paying this electronically would be a hardship. It requires a request 30 days before that payment is due. It's a consumer-friendly bill, Mr. Speaker. I urge adoption.

SPEAKER DONOVAN:

Questions on adoption of House Amendment Schedule "A". Will you remark? Representative Williams.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker, and good morning.

SPEAKER DONOVAN:

Good morning.

REP. WILLIAMS (68th):

Through you, a question if I may to Representative Widlitz.

SPEAKER DONOVAN:

Please proceed.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker.

Representative Widlitz, the amendment before us, as you've explained it, I believe allows a taxpayer to

apply to the commissioner for a waiver and that would have to be within 30 days. Am I understanding that? Within 30 days prior to the due date. Is that correct? Through you.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Thank is correct. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Williams.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker. And is -- are there any -- because I'm just seeing this for the first time. Are there any requirements or guidelines through which the commissioner would make that determination? And additionally, are there any guidelines that the taxpayer would file in terms of their hardship, expressing their hardship to the commissioner? Through you.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Thank you, Mr. Speaker. Through you, we've decided to allow the commissioner some flexibility,

not being able to really predict what those hardships might be. So it does give him the flexibility to address each case individually on its merits. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Williams.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker. And through you, the dollar amounts in the amendment do not change from the underlying bill from the file copy. Is that correct? Through you.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Through you, Mr. Speaker, there is no change to the rest of the current language. Just allowing the waiver for electronic filing. Through you.

SPEAKER DONOVAN:

Representative Williams.

REP. WILLIAMS (68th):

Thank you, Mr. Speaker, and I would urge adoption of the amendment.

SPEAKER DONOVAN:

Thank you. Remark further? Representative

Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. I also have a couple of questions if I might to the proponent of the amendment, please.

SPEAKER DONOVAN:

Please proceed.

REP. MINER (66th):

Thank you, Mr. Speaker. I understand from the gentlelady that the commissioner's decision is final. My question has to do with a change in what the filing might be, or the business circumstance. If a business was downsizing and they had made a request previously and that was denied and then two years later the business was just a fraction of its original form, would this bill not allow a second -- I'll call it a bite at the apple -- a second request to the commissioner? Through you.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Through you, Mr. Speaker, there is nothing in this language that would prohibit a second request. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. And in terms of the kinds of filings that might be required, this could include things like sales tax? Well, let me just ask that question, I guess. What taxes would be contemplated? Are they all taxes that might be due from a business? Through you.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Through you, Mr. Speaker, this would apply to any tax, any type of tax. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Miner.

REP. MINER (66th):

Thank you, Mr. Speaker. And as I understand the language, it's for a 12-month period, so theoretically a business would have to reapply, make the request again on an annual basis, and -- and assuming there was no business change, it would be a pretty similar process. Through you.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Through you, Mr. Speaker, that is correct.

SPEAKER DONOVAN:

Representative Williams. I mean, Representative Miner, sorry.

REP. MINER (66th):

Thank you, Mr. Speaker. I thank the gentle lady for her answers.

SPEAKER DONOVAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Thank you, Mr. Speaker. Through you, Mr. Speaker, could you -- could be explained to us what kind of a hardship these businesses would have in this day and age where things cannot be done electronically? I do -- I do agree with the underlying bill, but I would just like to know what kind of -- what was heard in terms of the hardships by the businesses. Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Through you, Mr. Speaker, we have, without trying

to predict in this age of electronics what those hardships might be, we have chosen to give flexibility to the commissioner. It's possible that someone may not have access to a -- a computer. They may have a very small business. There could be any number of reasons, but really identifying them and limiting the commissioner to a specific list, I think sort of defeats the purpose of the bill in working with the consumer. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Srinivasan.

REP. SRINIVASAN (31st):

Yes, thank you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. If I may, just a question to the proponent of the amendment.

SPEAKER DONOVAN:

Please proceed, sir.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. My question just was for, I guess, purposes of legislative intent in the definition of undue hardship. Originally when we had

this bill, there were some enumerated reasons that the commissioner could certainly grant a waiver, and while I appreciate giving more latitude to the commissioner, for clarification, the -- the term "undue hardship" could involve a circumstance where a business may demonstrate to the commissioner that they don't have the computer capability to be able to file electronically and therefore that would be possibly a type of undue hardship that would justify a waiver? Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Through you, Mr. Speaker, that would be a judgment that the commissioner would make, but I would certainly agree that would -- what would be one of the conditions that would be considered. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative -- Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker. And then also we had a possibility, I think, in the previous language that if -- if the bank fees were expensive, or the bank

lxe/law/gbr  
HOUSE OF REPRESENTATIVES

16  
May 18, 2011

wouldn't be able to process an electronic transfer, that that may be a possible, another justification of an undue hardship. And so am I correct on that?

Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Again, through you, Mr. Speaker, that would be a legitimate concern for the commissioner to consider.

SPEAKER DONOVAN:

Representative Candelora.

REP. CANDELORA (86th):

Thank you, Mr. Speaker, and I appreciate the good Representative's answers to those questions. I think the bill is an important bill for businesses to be able to have this type of flexibility because currently we have a -- a burden of the sales tax being paid, and it's not insignificant that companies who are required to file electronically do have problems in doing so, and so it's good that we're trying to build in flexibility for those businesses that really can't comply with this particular provision. Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Sawyer.

REP. SAWYER (55th):

Thank you, Mr. Speaker. I was studying this particular amendment because it is a strike-everything amendment. One of the issues that came before me this year was the fact that we have businesses that are filing electronically and they're expected to file, not on the last day of the month, but prior to the last day of the month. Now if they do it in writing, if they do a paper copy, they have to file on the last day of the month, but if they're doing it electronically, they have to do it before that.

So I had a business call me up because they got trapped. They got trapped in February, because the last day of the month happened to be on the weekend. And so as he backed up the two days before that -- I'm sorry. The last day of the month I believe was on a Monday, and so he backed up to that, so suddenly at the end of the week he realized, come Monday he was going to be too late to file.

You know, I think when you go and you try and find ways to make it easier for businesses who want to do the right thing, we have to give some exceptions.

We have to make some -- the ability to spread out the decision-making process. We have businesses who are struggling right up to the very last day in order to be able to pay their taxes and they want to do it right and we need to be able to -- for -- find ways to have the exception for the commissioner to be able to make decisions.

So I would be in support of this and I would like to thank the chairwoman as she brought this forward because I think this has been part of the negotiations across the way to make it -- to have some flexibilities for our businesses. Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Would you care to remark further on the amendment? Would you care to remark further on the amendment? If not, let me try your minds. All those in favor of the amendment, please signify by saying Aye.

REPRESENTATIVES:

Aye.

SPEAKER DONOVAN:

Those opposed, Nay.

The Ayes have it. The amendment is adopted.

Remark further on the bill as amended. Remark further on the bill as amended. Representative Carter.

REP. CARTER (2nd):

Thank you very much, Mr. Speaker. I do rise in support of this bill. I did want to take a moment very quickly though and say that I do have an amendment on this bill, but I'm not going to call it today. I've been working with Representative Widlitz and Representative Rojas and the Governor's office. I did want to make sure I threw the idea out there because it's a good idea.

Looking at this bill, it's a bill about helping people. It's consumer-friendly. We've talked about finding ways that the commissioner can make those determinations of whether he can help out the taxpayer. What I was' proposing was a sales tax amnesty for sales and use tax only, and that would be for the end of this year, FY 2011.

Now the real bonus to doing this, if we decide to at some point later in the session, is it's a \$20 million gain in revenue to the state and it's something that's very pro-business, something that

everybody in this Chamber could get behind and go to their constituents and say, look, I helped you do something that was important to your constituents, or important to your business. So I just wanted to throw that out there.

I also again want to thank Representative Widlitz for her help through this and I hope it's something we can look at further in the future, and I -- excuse me. I hope that everybody will support this bill as it's written now. Thank you, Mr. Speaker.

SPEAKER DONOVAN:

Thank you, Representative.

Would you care to remark further on the bill as amended? Care to remark further? If not -- Representative Lavielle.

REP. LAVIELLE (143rd):

Thank you very much, Mr. Speaker. Good morning. I support the bill. I just have a question to the proponent, if I may, for -- for clarification --

SPEAKER DONOVAN:

Please -- please proceed.

REP. LAVIELLE (143rd):

-- or further information.

The -- we all know, if we've paid some of our

bills online on occasion just as individuals, that sometimes banks make a mistake, or sometimes banks have a -- a software problem, or a system problem which may -- if something like that occurred and a business were not to be able to have their taxes in on time because of it, is there a process in place for businesses to address that and explain that it wasn't their fault and so on? Do we -- do we have a -- a system set up to deal with that?

SPEAKER DONOVAN:

Representative Widlitz.

REP. WIDLITZ (98th):

Through you, Mr. Speaker, that -- is not specifically addressed in this -- this section of the statute. I think the subsequent section refers to penalties for late payment and so forth. There is a system in place that the commissioner would address that issue and certainly there is every opportunity for a business or a bank to make that information available for consideration. Through you, Mr. Speaker.

SPEAKER DONOVAN:

Representative Lavielle.

REP. LAVIELLE (143rd):

I thank the gentlelady for her response. I -- I think that may -- that may arise, and I hope it doesn't, but if it does for businesses, I hope we'll -- we'll have something expeditious in place to help them deal with it. Thank you very much.

SPEAKER DONOVAN:

Thank you, Representative.

Representative Fritz.

REP. FRITZ (90th):

I didn't touch it. Thank you, not me.

SPEAKER DONOVAN:

Remark further on the bill as amended? Remark further on the bill as amended? If not, staff and guest please come to the well of the House, members take their seats, the machine will be open.

THE CLERK:

The House of Representatives is voting by roll call. Members to the Chamber. The House is voting by roll call. Members to the Chamber, please.

SPEAKER DONOVAN:

Have all the members voted? Have all the members voted? Please check the roll call board to make sure your vote has been properly cast. If all members have voted, the machine will be locked and the Clerk will

please take a tally.

Clerk, please announce the tally.

House Bill 6561 as amended by House "A".

Total Number voting	133
Necessary for passage	67
Those voting Yea	133
Those voting Nay	0
Those absent and not voting	18

SPEAKER DONOVAN:

The bill as amended is passed.

Are there any announcements or introductions?

Representative Stallworth.

REP. STALLWORTH (126th):

Mr. Speaker, I rise for a point of personal privilege.

SPEAKER DONOVAN:

Please proceed, sir.

REP. STALLWORTH (126th):

Today we have in -- we have visiting in the galley the university educational talent search, which is a TRIO program. These students come from Multicultural Magnet School, Park City Magnet School, which are located in the great city of Bridgeport. Can we kindly give them a warm welcome.

**S - 632**

**CONNECTICUT  
GENERAL ASSEMBLY  
SENATE**

**PROCEEDINGS  
2011**

**VOL. 54  
PART 21  
6546-6914**

mhr/cd/gbr  
SENATE

500  
June 7, 2011

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.

Moving to calendar page 16, where there are several items. The first: Calendar 528, House Bill Number 6561.

Madam President, move to place the item on the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.

Calendar page 16, Calendar 529, House Bill Number 6312.

Move to place this item on the Consent Calendar.

THE CHAIR:

So ordered.

SENATOR LOONEY:

Thank you, Madam President.

Calendar, continuing calendar page 16, Calendar 530, House Bill Number 5032.

mhr/cd/gbr  
SENATE

520  
June 7, 2011

Mr. Clerk.

THE CLERK:

Immediate roll call's been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber. Immediate roll call's been ordered in the Senate on the Consent Calendar. Will all Senators please return to the Chamber.

THE CLERK:

Madam President, the items placed...

THE CHAIR:

I would ask the Chamber to be quiet please so we can hear the call of the Calendar for the Consent Calendar.

Thank you.

Please proceed, Mr. Clerk

THE CLERK:

Madam President, the items placed on the first Consent Calendar begin on calendar page 5, Calendar 336, House Bill 5697.

Calendar page 7, Calendar 421, Substitute for House Bill 6126.

Calendar page 8, Calendar 449, Senate Bill 1149.

mhr/cd/gbr  
SENATE

521  
June 7, 2011

Calendar page 10, Calendar 470, Substitute for House Bill 5340. Calendar 474, Substitute for House Bill 6274. Calendar 476, House Bill 6635.

Calendar page 12, Calendar 499, Substitute for House Bill 6638. Calendar 500, House Bill 6614. Calendar 508, House Bill 6222.

Calendar page 13, Calendar 511, House Bill 6356. Calendar 512, Substitute for House Bill 6422. Calendar 514, House Bill 6590. Calendar 515, House Bill 6221. Calendar 516, House Bill 6455.

Calendar page 14, Calendar 517, House Bill 6350. Calendar 519, House Bill 5437. Calendar 522, House Bill 6303.

Calendar page 15, Calendar 523, Substitute for House Bill 6499. Calendar 524, House Bill 6490. Calendar 525, House Bill 5780. Calendar 526, House Bill 6513. Calendar 527, Substitute for House Bill 6532.

Calendar page 16, Calendar 528, House Bill 6561. Calendar 529, Substitute for House Bill 6312. Calendar 530, Substitute for House Bill 5032. Calendar 532, House Bill 6338.

Calendar page 17, Calendar 533, Substitute for House Bill 6325. Calendar 534, House Bill 6352.

mhr/cd/gbr  
SENATE

522  
June 7, 2011

Calendar 536, House Bill 5300. Calendar 537, House  
Bill 5482.

calendar page 18, Calendar 543, House Bill 6508.

Calendar 544, House Bill 6412. Calendar 546,  
Substitute for House Bill 6538. Calendar 547,  
Substitute for House Bill 6440. Calendar 548,  
Substitute for House Bill 6471.

Calendar page 19, Calendar 550, Substitute for  
House Bill 5802. Calendar 551, House Bill 6433.  
Calendar 552, House Bill 6413. Calendar 553,  
Substitute for House Bill 6227.

Calendar page 20, Calendar 554, Substitute for  
House Bill 5415. Calendar 557, Substitute for House  
Bill 6318. Calendar 558, Substitute for House Bill  
6565.

Calendar page 21, Calendar 559, Substitute for  
House Bill 6636.

Calendar page 22, Calendar 563, Substitute for  
House Bill 6600. Calendar 564, Substitute for House  
Bill 6598. Calendar 566, House Bill 5585.

Calendar page 23, Calendar 568, Substitute for  
House Bill 6103. Calendar 570, Substitute for House  
Bill 6336. Calendar 573, Substitute for House Bill  
6434.

mhr/cd/gbr  
SENATE

523  
June 7, 2011

Calendar page 24, Calendar 577, Substitute for  
House Bill 5795.

Calendar page 25, Calendar 581, House Bill  
6354.

Calendar page 26, Calendar 596, Substitute for  
House Bill 6282. Calendar 598, Substitute for House  
Bill 6629.

Calendar page 27, Calendar 600, House Bill  
6314. Calendar 601, Substitute for House Bill 6529.  
Calendar 602, Substitute for House Bill 6438.  
Calendar 604, Substitute for House Bill 6639.

Calendar page 28, Calendar 605, Substitute for  
House Bill 6526. Calendar 608, House Bill 6284.

Calendar page 30, Calendar number 615,  
Substitute for House Bill 6485. Calendar 616,  
Substitute for House Bill 6498.

Calendar page 31, Calendar 619, Substitute for  
House Bill 6634. Calendar 627, Substitute for House  
Bill 6596.

Calendar page 32, Calendar 629, House Bill  
5634. Calendar 630, Substitute for House Bill 6631.  
Calendar 631, Substitute for House Bill 6357.  
Calendar 632, House Bill 6642.

mhr/cd/gbr  
SENATE

524  
June 7, 2011

Calendar page 33, Calendar 634, Substitute for  
House Bill 5431. Calendar 636, Substitute for  
House, correction, House Bill 6100.

Page 34, Calendar 638, Substitute for House  
Bill 6525.

Calendar page 48, Calendar 399, Substitute for  
Senate Bill 1043.

Calendar page 49, Calendar 409, Substitute for  
House Bill 6233. Calendar 412, House Bill 5178.  
Calendar 422, Substitute for House Bill 6448.

Calendar page 52, Calendar 521, Substitute for  
House Bill 6113.

Madam President, that completes the item placed  
on the first Consent Calendar.

THE CHAIR:

Thank you, sir.

We call for another roll call vote. And the  
machine will be open for Consent Calendar number 1.

THE CLERK:

The Senate is now voting by roll on the Consent  
Calendar. Will all Senators please return to the  
Chamber. The Senate is now voting by roll on the  
Consent Calendar, will all Senators please return to  
the Chamber.

mhr/cd/gbr  
SENATE

525  
June 7, 2011

Senator Cassano, would you vote, please, sir.

Thank you.

Well, all members have voted. All members have voted. The machine will be closed, and Mr. Clerk, will you call the tally?

THE CLERK:

Motion is on option Consent Calendar Number 1.

Total Number Voting	36
Those voting Yea	36
Those voting Nay	0
Those absent and not voting	0

THE CHAIR:

Consent Calendar Number 1 has passed.

Senator Looney.

SENATOR LOONEY:

Thank you, Madam President.

We might stand at ease for just a moment as we prepare the next item..

THE CHAIR:

The Senate will stand at ease.

(Chamber at ease.)