



General Assembly

Amendment

January Session, 2025

LCO No. 9684



Offered by:

SEN. FONFARA, 1st Dist.

SEN. FAZIO, 36th Dist.

To: Subst. Senate Bill No. 1558

File No. 882

Cal. No. 479

"AN ACT CONCERNING INCOME TAXES IMPOSED BY OTHER JURISDICTIONS ON RESIDENTS OF THE STATE."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. (*Effective from passage*) The Attorney General shall study
4 specific steps the office of the Attorney General, office of the Governor
5 or the General Assembly may take to defend residents of this state from
6 having taxes imposed by another state of the United States or a political
7 subdivision thereof or the District of Columbia on income derived from
8 services rendered while such resident was within this state. Not later
9 than January 1, 2026, the Attorney General shall submit a report, in
10 accordance with the provisions of section 11-4a of the general statutes,
11 of the findings of such study and any recommendations of said office to
12 the joint standing committee of the General Assembly having
13 cognizance of matters relating to finance, revenue and bonding.

14 Sec. 2. (NEW) (*Effective from passage*) For taxable years commencing

15 on or after January 1, 2020:

16 (1) A resident of this state who satisfies the provisions of
17 subparagraphs (A) to (D), inclusive, of this subdivision shall be allowed
18 a credit against the tax otherwise due for the applicable taxable year
19 under chapter 229 of the general statutes, other than the liability
20 imposed by section 12-707 of the general statutes, in an amount equal to
21 sixty per cent of the amount of taxes owed to this state as a result of the
22 readjustment of the credit for taxes paid to another state of the United
23 States or a political subdivision thereof or the District of Columbia,
24 pursuant to section 12-704 of the general statutes. To be eligible for the
25 credit under this section, such resident shall have:

26 (A) Paid any income tax or wage tax imposed for the taxable year by
27 another state of the United States or a political subdivision thereof or the
28 District of Columbia;

29 (B) Applied for and been denied a refund from such other jurisdiction
30 for taxes paid to such other jurisdiction on income derived from services
31 rendered while such resident was within this state;

32 (C) Filed an appeal with a court or tribunal through which such
33 resident formally protested such denial; and

34 (D) Obtained a final decision that resulted in this state refunding to
35 such resident taxes paid to such other jurisdiction on income derived
36 from services rendered while such resident was within this state.

37 (2) No penalty or interest shall be imposed on any late payment of
38 the tax due under chapter 229 of the general statutes, other than the
39 liability imposed by section 12-707 of the general statutes, if (A) such
40 late payment is attributable to a reduction in the credit for taxes paid
41 under section 12-704 of the general statutes, (B) such reduction in the
42 credit for taxes paid is the direct result of a refund that a resident of this
43 state received from another state of the United States or a political
44 subdivision thereof or the District of Columbia, (C) such refund relates
45 to income derived from services rendered while such resident was not

46 within such other jurisdiction, and (D) such other jurisdiction requires
47 employee income to be sourced to an employer's location if a
48 nonresident renders services from an out-of-state location."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section