
OLR Bill Analysis

sHB 7264

AN ACT CONCERNING THE DEVELOPMENT OF A PILOT PROGRAM FOR THE COLLECTION OF UNPAID TAXES FROM STATE CONTRACTORS AND THE DEPARTMENT OF REVENUE SERVICES' RECOMMENDATIONS FOR REVISIONS TO THE TAX AND RELATED STATUTES.

SUMMARY

This bill requires the Office of Policy and Management secretary and Department of Revenue Services (DRS) commissioner to set up a pilot program to collect unpaid state taxes, penalties, and interest due from state contractors receiving payments from the state. They must (1) design the program to minimize the administrative burdens on DRS and other state agencies and (2) present it to the Finance, Revenue and Bonding Committee by January 1, 2026.

The bill also eliminates the requirement that the DRS commissioner approve the Connecticut Housing Finance Authority's (CHFA) written procedures to implement the Housing Tax Credit Contribution program. By law, CHFA administers this program, which provides tax credits to businesses making cash contributions of at least \$250 to nonprofits that develop, sponsor, or manage housing programs benefitting low- and moderate-income households. The law requires CHFA to adopt written procedures to implement the program, including a ranking system for awarding the tax credits.

Lastly, the bill shifts, from DRS to the Department of Consumer Protection, the responsibility for issuing annual assessments to the Mashantucket Pequot and Mohegan tribes for regulatory costs incurred by state agencies that are reimbursable under the compacts the state entered into with the tribes.

EFFECTIVE DATE: Upon passage

COMMITTEE ACTION

Finance, Revenue and Bonding Committee

Joint Favorable Substitute

Yea 52 Nay 0 (04/24/2025)