
OLR Bill Analysis

HB 5292

AN ACT EXEMPTING CERTAIN SALES TO MILITARY AND VETERANS-RELATED ORGANIZATIONS FROM THE SALES AND USE TAXES.

SUMMARY

This bill exempts sales of tangible personal property or services to federally tax-exempt veterans' organizations (i.e. 501(c)(19)) from the state sales and use tax, under specified conditions. State law already exempts nonprofit organizations (i.e. 501(c)(3)) and nonprofit cemetery companies (i.e. 501(c)(13)) and crematoria from this tax.

As under existing law for these other nonprofits, in order for the sale to be exempt, the organization must give the retailer (1) a copy of the U.S. Treasury Department determination letter issued to the organization and (2) a certificate, as the revenue services commissioner requires, certifying that the (a) determination letter was issued to the organization and has not been revoked and (b) tangible personal property or services being purchased will only be used or consumed for the organization's established purposes.

EFFECTIVE DATE: October 1, 2026, and applicable to sales occurring on or after that date.

COMMITTEE ACTION

Veterans' and Military Affairs Committee

Joint Favorable

Yea 22 Nay 0 (03/10/2026)