

## Tax Exemptions for Certain Air Pollution Control Equipment

---

### PURPOSE

The purpose of this Policy Statement is to describe the procedures for making purchases of air pollution control equipment exempt from sales and use taxes pursuant to Conn. Gen. Stat. §12-412(22). This Policy Statement also provides information about a municipal property tax exemption in Conn. Gen. Stat. §12-81(52), and explains the qualification process for such exemption.

This Policy Statement lists certain air pollution control equipment and supplies which have been designated as approved by the Commissioner of the Department of Environmental Protection for use, incorporation or consumption in air pollution control facilities. If an item of tangible personal property appears on the list contained in this Policy Statement, it is not necessary for a purchaser to obtain advance written approval from the Department of Environmental Protection (DEP) in order to qualify for the exemption from sales and use taxes on the purchase of such item or to qualify for the municipal property tax exemption.

---

**EFFECTIVE DATE:** Effective for tax periods beginning on or after January 1, 1998.

---

**STATUTORY AUTHORITY:** Conn. Gen. Stat. §§12-412(22) and 12-81(52).

---

### BACKGROUND

An exemption from sales and use taxes is available under Conn. Gen. Stat. §12-412(22) for purchases of tangible personal property and supplies certified by DEP, which are acquired for incorporation into or used and consumed in the operation of facilities, the primary purpose of which is the reduction, control or elimination of air pollution. This exemption applies *only* to purchases of tangible personal property or supplies, and is not available for purchases of taxable services.

An exemption from municipal property taxes is available under Conn. Gen. Stat. §12-81(52) for structures and equipment acquired for the primary purpose of reducing, controlling or eliminating air pollution, certified as approved for such purpose by DEP.

---

### REPEAL OF THE CORPORATION BUSINESS TAX CREDIT

Effective for income years beginning on or after January 1, 1998, the corporation business tax credit under Conn. Gen. Stat. §12-217c for certain expenses for air pollution abatement is repealed. Any corporation eligible for this tax credit may carry any remaining tax credit forward, as the provisions of this section would have allowed prior to repeal. (1997 Conn. Pub. Acts 295, §§21 and 24)

---

### PROCEDURES FOR QUALIFYING PURCHASES FOR SALES AND USE TAX EXEMPTION PURSUANT TO CONN. GEN. STAT. §12-412(22)

If an item of tangible personal property appears on the list of air pollution control equipment contained in this Policy Statement and is intended to be incorporated into or used and consumed in the operation of facilities, the primary purpose of which is the reduction, control or elimination of air pollution, the purchaser need only present the retailer of such item with a copy of a properly completed **CERT-117**, *Certificate for Purchases of Tangible Personal Property Incorporated Into or Consumed in Air Pollution Control Facilities*.

**NOTE: Persons using CERT-117 to make exempt purchases of tangible personal property (or for any other purpose specified in this Policy Statement) must be prepared to provide to the Department of Environmental Protection or the Department of Revenue Services, or both, on demand, a detailed list of all items purchased, and to prove that such items were used in facilities, the primary purpose of which was air pollution reduction, control or elimination, and not another purpose.**

In the event that an item of tangible personal property does not appear on the list in this Policy Statement, but the purchaser intends to use or consume it in the operation of facilities, the primary purpose of which is the reduction, control or elimination of air pollution, the purchaser must receive written approval from the Commissioner of the Department of Environmental Protection indicating that such item of tangible personal property is approved for use in an air pollution control facility. Such written approval must be attached to **CERT-117** and the procedures for use of that certificate should be followed once such written approval has been secured.

---

**PROCEDURES FOR QUALIFYING STRUCTURES AND EQUIPMENT FOR MUNICIPAL PROPERTY TAX RELIEF PURSUANT TO CONN. GEN. STAT. §12-81(52)**

The Commissioner of Revenue Services does not directly administer Conn. Gen. Stat. §12-81(52), which is a municipal property tax statute allowing an exemption from property tax for certain air pollution control equipment. However, in order to facilitate the procedures for qualifying equipment for such an exemption, **CERT-117**, when properly completed, serves as the certification of approval by the Commissioner of the Department Environmental Protection as required by Conn. Gen. Stat. §12-81(52) that such equipment has the primary purpose of reducing, controlling or eliminating air pollution.

**NOTE: Persons using CERT-117 to receive a municipal property tax exemption for purchases of certain air pollution control equipment must provide the item number and description listed in this publication to the assessor of the municipality in which the air pollution control equipment or structure is located. This information must be included on the *Declaration of Personal Property* to qualify the item for exemption from municipal property tax.**

In the event that the equipment purchased does not appear on the list in this Policy Statement, but the purchaser intends to use or consume it in the operation of facilities, the primary purpose of which is the reduction, control or elimination of air pollution, the purchaser must attach to **CERT-117** written approval from the Commissioner of the Department of Environmental Protection indicating that such equipment is approved for use in an air pollution control facility.

In order to qualify for the exemption, the taxpayer should file a copy of **CERT-117** with the assessor of the municipality in which the air pollution control equipment or structure is located, on or before the first day of November in such assessment year. Any inquiries regarding that exemption should be addressed to the relevant municipal assessor.

---

**LIST OF AIR POLLUTION CONTROL EQUIPMENT AND CONSUMABLES DESIGNATED AS APPROVED FOR USE, CONSUMPTION OR INCORPORATION IN AIR POLLUTION CONTROL FACILITIES**

1. Activated Carbon Adsorption or Carbon Adsorbers
2. Ammonia
3. Bags
4. Breakaway Couplings\*
5. Catalysts
6. Catalytic Afterburner with or without Heat Exchanger
7. Centrifugal Collector
8. Coaxial Hose\*
9. Combustion Modification to Meet NO<sub>x</sub> RACT
10. Control Equipment to Meet CTGS, RACT or Other Regulatory Requirements
11. Cyclone, Including Multiple Cyclone
12. Desulfurization
13. Direct Flame Afterburner
14. Dry Limestone Injection
15. Electrostatic Precipitator
16. Fabric Filter
17. Flares
18. Flue Gas Recirculation
19. Gas Scrubber
20. Gravity Collector
21. Limestone
22. Mist Eliminator
23. Nitrogen Blanket
24. Reagents – e.g., lime, carbon, etc.
25. Reagent Scrubbing Processes
26. Refrigerated Condenser

27. Retrofit Kit\*
28. Selective Catalytic or Non Catalytic Reduction
29. Spray Booth Filters
30. Staged Combustion
31. Steam or Water Injection, Water Sprays
32. Thermal Afterburner with or without HX
33. Tray-Type Gas Adsorption Column
34. Ultrasonic Water Sprays
35. Urea
36. Vapor Lock Balance Recovery System\*
37. Vapor Recovery Nozzle\*
38. Vapor Recovery System (including condensers)\*
39. Vapor Return Piping\*
40. Water Wash
41. Wet Electrostatic Precipitators
42. Wet Scrubber or Adsorber, e.g., Venturi, etc.
43. Whip Hose\*

\*Stage II Vapor Recovery Equipment

**NOTE: The above list includes equipment and chemicals which may be used for purposes other than air pollution control. Equipment and chemicals which are used in the normal course of business for purposes other than air pollution control are not eligible for tax relief. Taxpayers may apply for the sales and use tax and municipal property tax exemptions under the statutory provisions listed in this Policy Statement *only* for items purchased for the primary purpose of the reduction, control or elimination of air pollution.**

---

#### **HOW TO OBTAIN WRITTEN APPROVAL FOR AIR POLLUTION CONTROL EQUIPMENT NOT LISTED IN THIS POLICY STATEMENT**

Call the Engineering and Technical Services Division of DEP's Air Management Bureau at 860-424-4152.

**Mail written requests to:**

**Director of Engineering & Technical Services  
Bureau of Air Management  
Connecticut Department of Environmental  
Protection  
79 Elm Street  
Hartford CT 06106-5127**

**EFFECT ON OTHER DOCUMENTS:** This document modifies and supersedes **PS 94(5)**, *Tax Credits and Exemptions for Certain Air Pollution Equipment*.

---

**EFFECT OF THIS DOCUMENT:** A Policy Statement is a document that explains in depth a current Department position, policy or practice affecting the tax liability of taxpayers.

---

**FOR FURTHER INFORMATION:** Please call the Department of Revenue Services during business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday:

- **1-800-382-9463** (toll-free from within Connecticut), or
- **860-297-5962** (from anywhere).

**TTY, TDD and Text Telephone users only** may transmit inquiries 24 hours a day by calling 860-297-4911.

---

**FORMS AND PUBLICATIONS:** Forms and publications are available all day, seven days a week:

- **Internet:** preview and download forms and publications from the DRS web site: [www.state.ct.us/drs](http://www.state.ct.us/drs)
- **DRS TAX-FAX:** call **860-297-5698** from the handset attached to your fax machine and select from the menu, or
- **Telephone:** Call **1-800-382-9463** (toll-free from within Connecticut) and select **Option 2** from a touch-tone phone, or **860-297-4753** (from anywhere).